

Company No. 81130

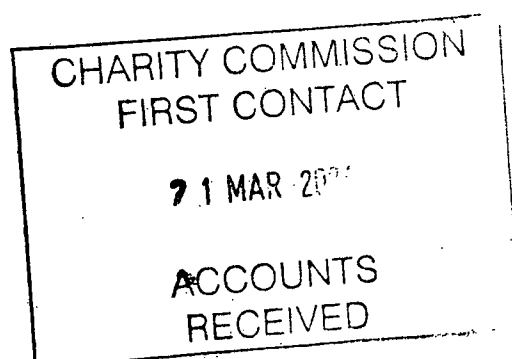
Charity No. 311057

**BISHOP'S
STORTFORD
COLLEGE**

ESTD 1848

**THE INCORPORATED
BISHOP'S STORTFORD COLLEGE ASSOCIATION**

**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**



**THE INCORPORATED BISHOP'S STORTFORD COLLEGE ASSOCIATION
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GOVERNORS, DIRECTORS AND CHARITY TRUSTEES

The Governors of the Incorporated Bishop's Stortford College Association are the trustees of the charity and the directors of the charitable company. The trustees who served on the Governing Council during the year were:

	1	2	3	4	5	6	
G.E. Baker, (Chairman)	•	•	•	•	•		
I.M. Pearman (Vice Chair)		•	•	•			
D.M. Alexander			•	•			Chair of the Estates Committee
G.W.W. Barker		•			•		
A.J.W. Conti				•		•	
P.E. Dodd		•					
J.R. Gammage		•		•		•	
P.J. Hargrave		•	•	•	•		Chair of the Nominations and Governance Committee
R.C.V. Harrison				•		•	Chair of the Finance & General Purpose Committee
S. Lehec		•					
P. Mullender		•		•			Chair of the Education Committee
S. Nurbhai		•			•		
I.J. Silk		•					
C.P. Solway			•	•			
D.F. Thomson	•	•	•	•			Governor oversight for Development

1. Member of the Development Working Group.
2. Member of the Education Committee.
3. Member of the Estates Committee.
4. Member of the Finance & General Purpose Committee.
5. Member of the Nominations Committee.
6. Parent of a pupil at the College.

The following were Representative Governors: G.W.W. Barker, A.J.W. Conti, P.E. Dodd, R.C.V. Harrison, S. Nurbhai and C.P. Solway.

OFFICERS OF THE COLLEGE:

Head: K. Crewe-Read
Secretary and Bursar: P.M. Stanley

ADVISERS:

Bankers: Lloyds Bank plc, 20 North Street, Bishop's Stortford, Hertfordshire, CM23 2LN
Auditors: Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW
Solicitors: TEES, Tees House, 95 London Road, Bishop's Stortford, Hertfordshire, CM23 3GW
 Veale Wasbrough Vizards LLP, Narrow Quay House, Narrow Quay, Bristol BS1 4QA
Insurance: Endsleigh Insurances (Brokers) Limited, Shurdington Road, Cheltenham Spa, Gloucestershire, GL51 4UE

OTHER INFORMATION:

Address and Registered Office: School House, Maze Green Road, Bishop's Stortford, Hertfordshire, CM23 2PQ
Website: www.bishops-stortford-college.herts.sch.uk

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The Governors, who are also the directors and charity Trustees, have pleasure in submitting their one hundred and nineteenth annual report together with the audited financial statements for the year, and confirm they comply with the requirements of the Memorandum and Articles of Association, the Charities Act 2011 and the Companies Act 2006.

DIRECTORS' REPORT

REFERENCE AND ADMINISTRATION INFORMATION

1. The Incorporated Bishop's Stortford College Association, known as Bishop's Stortford College ("the College") was founded in 1868. It is constituted as a private limited company (Number 81130) with charitable status (Number 311057). The College operates three schools known as Pre-Prep, the Prep School and the Senior School.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

2. The College is governed by its Memorandum and Articles of Association incorporated on 2nd June 1904, as amended by Special Resolutions, passed on 30th June 1978, 29th June 2001, 20th March 2015 and further amended by determination on 17th March 2023. The Governors continued to keep the Memorandum and Articles under review to ensure they remain appropriate.

Governing Body

3. The Governing Council is a self-appointing body that may comprise of up to twelve elected Governors and six representative Governors. Up to, but no more than, one third of the elected body is required to retire by rotation each year. They are then eligible for re-election at the Annual General Meeting should they wish to stand. There is one Governing Body for all parts of the College and the Governors, executive officers, principal advisors and business addresses are listed on page 2 above.
4. Representative Governors are nominated by the Baptist Union and the United Reformed Church. In addition, the Memorandum and Articles permit four other suitable representatives such as College parents, to serve on the Governing Council. Representative Governors retire each year but are eligible for re-election should they wish to stand. Parent Governors play an important role in bringing the views of the parent community to the attention of the Governing Council.

Recruitment of Governors

5. A Nominations Committee is responsible for identifying, interviewing, and recommending candidates who are not representatives of outside bodies to join the Governing Council. After considering the candidate's eligibility, personal competence, skills and availability, the Governing Council decide, by a vote, to either accept or reject the nominated person. The Baptist Union and the United Reformed Church identify and recommend their own representatives to the elected Governors. The Governing Council then decide, by a vote, to either accept or reject the recommended person.

The Charity Governance Code

6. The Trustees are aware of the Charity Governance Code published in 2018 and updated in March 2021 which sets out the principles and recommended practice for good governance within the sector. The Trustees are satisfied that the Charity applies the principles of the code within its current Governance arrangements.

Training of Governors

7. New Governors are inducted into the workings of the College, including the policies and procedures of the Governing Council and its Committees, by a series of meetings with the Chairman and the Clerk to the Governing Council and through opportunities to attend during their first year, committee meetings. External courses are also made available to incoming Governors as part of their induction process. Governors are encouraged to further develop their skills and knowledge, by attending relevant seminars, training events and presentations. Most recently the Governing Council have completed the AGBIS and HMC good governance training programme.

Organisational Structure

8. The Governors, as the Trustees of the Charity, are legally responsible for the overall control and supervision of the College and they meet as a full Governing Council no less than three times per year. In between meetings, the Chair of the Governing Council, or the Vice Chair in their absence, are available to provide guidance or advice to the College if it is needed. The work of overseeing strategy and implementation of policies agreed by the Governing Council is devolved to one of the following Committees:

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- Education Committee, which is responsible for academic, pastoral, staffing, welfare and other operational issues.
- Estates Committee, which is responsible for the built estate, staff accommodation, maintenance, leasing of property, health and safety, security and building project planning.
- Finance & General-Purpose Committee (F&GPC), which is responsible for financial planning and investment strategies, as well as, scrutinising revenue and capital expenditure, the budget, salaries and monitoring agreed key performance indicators. The F&GPC is supported by the governor led Remuneration Working Group and where required Contingency Working Group, and Executive led Estates Working Group and Development Working Group.
- Nominations and Governance Committee, which is responsible for ensuring that the Governing Council has the right balance of skills and experience, leading the process for Governor appointments and secondly for coordinating and oversight of Governance and Leadership matters.

As part of the strategic planning process the Governing Council meets annually at an 'Away Day' to discuss matters of importance, to review key documents and policies, as well as considering future plans and initiatives.

Consolidated Financial Statements

9. In December 2020 the charity established a wholly owned subsidiary, Bishop's Stortford College Enterprises Limited with the aim of supporting non-fee income generation in support of the Trust's objectives. The subsidiary started trading in January 2022 and separate financial statements have been prepared for the subsidiary for the year ended 31st July 2023.

Consolidated financial statements have been prepared for the group for the same period in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015.

Structure of the Charity

10. The College comprises three schools, three cross-college departments, a support organisation and the Stortfordian Foundation Office as follows:
- **Pre-Prep.** Pre-Prep comprises three year groups from the age of 4 and operates from purpose-built facilities.
 - **Prep School.** The Prep School comprises six year groups from the age of 7 (Year 3). From Pre-Prep the children move to Shell which provides a transition from Pre-Prep into the Prep School, which offers subject-based teaching from the age of 9 (Year 5). The transfer age to the Senior School is 13 (Year 9).
 - **Senior School.** The Senior School has five year groups and prepares pupils for the GCSE and A-Level public examinations, university entrance and for adult life.
 - **Cross College Departments.** Learning Support, Music and Sport are taught across the three schools by single departments. In this way best use is made of specialist teaching, coaching and support staff and pupils are able to develop skills from an early age.
 - **College Professional Services.** College Professional Services provide College-wide support to all sections. The main functions are bursary administration, marketing and admissions, finance, information technology services, human resources, estates and facilities, health & safety, commercial and medical. A significant number of College Professional Service staff are embedded in schools and departments and line managed by their respective departmental heads.
 - **Bishop's Stortford College Enterprises.** Bishop's Stortford College Enterprises Limited has the aim of supporting non-fee income generation in support of the Trust's objectives.
 - **Marketing and Communications.** The Director of Marketing and Communications reports directly to the Head of the College and is responsible for the marketing, communications, and admissions business critical functions.
 - **Stortfordian Foundation Office.** The Stortfordian Foundation Office is responsible for building community support towards raising additional funds through grants, gifts, legacies and endowments. In addition, it facilitates other community benefits such as offers of work experience to current pupils and alumni networking.

Management Structure and Other Relationships

11. The day-to-day running of the College was delegated to the Head of the College who was also the Senior School Head. The three schools were managed by the Senior School Head and Senior Management Team, the Prep School Head and Prep School Senior Management Team and the Head of Pre-Prep.

The College Head, the Prep School Head, the Head of Pre-Prep and the Bursar formed the College Executive Team who met regularly throughout the year. The Head and Bursar attend all meetings of the Governing Body, almost all of which are also attended by the Prep School Head and the Head of Pre-Prep.

12. The College remained a selective co-educational day and boarding school that offers, in return for a fee, an education from the age of 4 to 18. The desired outcome was for pupils to achieve suitable public examination

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grades to allow them to make rewarding choices about their future. As part of the provision, pupils were given assistance in applying for university, work, or gap year travel.

13. To support the attainment of the highest standards, the College actively interacted with other schools through membership of the Headmasters' and Headmistresses' Conference, the Independent Association of Preparatory Schools and the Independent Schools Bursars' Association, and, in the local area, through the Head's membership of the Bishop's Stortford Educational Trust (see paragraph 38).
14. The Governors, via the Foundation Office, encouraged the fostering of links between former pupils, parents and present-day students. The College thus encouraged membership of an active society of ex-pupils, known as Old Stortfordians (OS), who meet on a regular basis at the College and other venues. The College benefited from the generosity of its parents and former pupils, whose support continued to be greatly appreciated.

The volunteer support of parent groups, such as the Friends of the Prep School, was similarly valued. To develop these links further the College retained a programme that includes Parent Evenings and links with the wider community. These were an important aspect of ensuring the delivery of the charitable aims of the Trust.

15. Remuneration is set by the Governing Body, with the policy objective of attracting and retaining talented and motivated people to deliver the College's charitable purpose. The appropriateness and relevance of the remuneration is reviewed annually, including reference to comparisons with other organisations and benchmarking reports to ensure that the College remains sensitive to the broader issues of pay and employment conditions elsewhere.

Employment Policy

16. The Governing Council recognised that staff engagement was vital to the success of the College, and appreciated the contribution made by academic and non-academic staff to that success. Senior management promoted a culture of cooperation and partnership between staff in different sections and departments within the College. The aim was to create a culture of mutual respect, and good internal communications. The Whole College Forum provided representative and scheduled consultation and dialogue between staff and the Executive. The College remained an equal opportunities employer and was fully committed to safeguarding and promoting the welfare of children. Accordingly, recruiting procedures for College staff followed published guidance. At least one member of any interview panel will have attended 'Safeguarding and Recruitment' training and all appointments are subject to safer recruiting review before employment commences.
17. The Governing Council and management were committed to staff development. Training was delivered as part of an ongoing INSET programme to meet identified priorities. All staff who were new to the College received induction training that included the College's safeguarding policies and guidance on safe working practices. Senior leadership development was facilitated through 360 degree feedback.

Equality Policy

18. The College's Equality, Diversity and Inclusion policy applies to all the pupils, staff and visitors at Bishop's Stortford College and is held on the College website. The College aims to embed equality of access, opportunity and outcome for all members of our College community, within all aspects of College life. The College actively seeks to embrace the following concepts:
 - Shared Humanity. Identifying commonality and shared values, aspirations and needs, underpins our approach to equality. We value our fundamental similarities and universality.
 - Valuing difference and diversity. We appreciate the richness within our differences and look for ways of celebrating and understanding them better.
 - Interdependence, interaction, and influence. We recognise that, as they evolve, distinct cultures, beliefs and lifestyles will impact on and inform each other.
 - Social cohesion within our College and within our local community.
 - Excellence. We aim to inspire and recognise high personal and collective achievement throughout our community, the UK and the wider world. Excellence is to be found everywhere.
 - Personal and cultural identity. We will provide opportunities to explore and value the complexity of our personal and cultural identities.
 - Fairness and social justice. We will develop our understanding of the inequality that exists in society and explore ways of individually and collectively promoting a more equitable society.
 - Mutual respect of those with different faiths and beliefs.

The College seeks to foster warm, welcoming, and respectful environments, which allow us to question and challenge discrimination and inequality, resolve conflicts peacefully and work and learn free from harassment and violence. We recognise that there are similarities and differences between individuals and groups, but we will strive to ensure that our differences do not become barriers to participation, access and learning and to create inclusive processes and practices, where the varying needs of individuals and groups are identified and met. We therefore

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cannot achieve equality for all by treating everyone the same. We will build on our similarities and seek enrichment from our differences, and so promote understanding and learning between and towards others to create cohesive communities.

Investment policy and objectives

19. The College's investment objectives are to balance the current and future needs by:

- maintaining (at least) the value of the investments in real terms;
- producing a consistent and sustainable amount to support expenditure; and
- delivering these objectives within acceptable levels of risk.

To meet these objectives the College's investments are managed as a whole on a total return basis, maintaining diversification in order to produce an appropriate balance between risk and return. The investment strategy is monitored by the Finance & General Purpose Committee, as is investment performance, which is reported below within the Strategic Report.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

20. The objects of the Charity, as set out in its Trust Deed, can be summarised as to promote, and provide for the advancement of education and thus, to conduct, carry on or acquire and develop in England any boarding or day school for the education of children.

In addition, some small trust funds are held to make awards for purposes specified by the donor, embracing both the development of the College's facilities and the provision of funds for bursaries, scholarships, prizes, and other educational purposes.

21. The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the general and sub-sector guidance issued by the Charity Commission. In this connection, the Governing Council monitored the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

22. In furtherance of these objects the College currently operates three schools: Prep-Prep, Prep School, and the Senior School. In addition, the College administered bursaries, grants, and awards, as well as managing property, endowments, bequests and gifts given, or established, in pursuance of these objects.

Ethos, Aims and Intended Impact

23. The Trustees were mindful of the guidance issued by the Charity Commission about the need to provide public benefit and on fee charging, as well as the requirements of the Charities Act 2011. The Governing Council monitored the activities of the College closely to ensure its aims and activities aligned with the guidance and the requirements of the Act.

24. It remains the Governors intention that the College should offer the opportunity of an all-through education to the age of 18 to those who would benefit from it. The aims for the College are now described in eight pillars:

- **Pillar 1 - Delivering Academic Excellence.** *We will offer a modern curriculum, which prepares pupils for the future.* We will seek to instil a love of learning and develop intellectual curiosity. Teaching will be excellent; learning will be exciting and consequently our pupils will achieve outstanding results.
- **Pillar 2 - Finding the Best in Every Pupil.** *Our pupils will be treated as individuals.* We will find and develop every pupil's unique strength, by providing a broad curriculum and co-curriculum. Our pupils will have wonderful opportunities to become fulfilled, skilful, happy; young people who have confidence for life.
- **Pillar 3 - Developing Strong Personal Values.** *We will nurture integrity and strong values through provision of outstanding pastoral care.* Pupils will learn the importance of tolerance, inclusivity and respect for others and will be aspirational about the contribution they make to our community and the wider world.
- **Pillar 4 - Enhancing the School Environment.** *The physical learning environment will be of the highest quality.* A programme of maintenance and improvement will ensure the campus is completely up to date in order to support our vibrant learning community.
- **Pillar 5 - Attracting Fantastic Pupils and Communicating about College Life.** *Our reputation for excellence will be strong and ensure healthy demand for boarding and day places.*
- **Pillar 6 - Being a Great Place to Work.** *Our staff are our most important resource.* We will recruit and retain inspirational teachers and highly skilled support staff. All staff will be equally valued, supported and developed professionally in their roles.

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- **Pillar 7 - Maximising our Resources.** *The College is a registered charity committed to securing and maximising the effectiveness of all its resources towards its educational purpose. The financial strategy will recognise, and deliver, both affordability and teaching excellence.*
 - **Pillar 8 - Inspiring Governance and Leadership.** *Leadership of the College is accountable, responsible, courageous and has clear vision.*
25. The College remained first and foremost a place of learning but was also a place where children enjoyed opportunities to become fulfilled, confident, skilful and happy young men and women. It was the College's aim to provide this process of all round growth, academically, morally, spiritually, athletically and creatively. Every pupil was encouraged, taught and challenged to fulfil his or her true potential, by being immersed in an environment of discovery and committed participation. The College thus allowed time and space for academic work to be balanced by sport, art, music, drama and a diverse choice of other extra-curricular activities, including community service.
26. The College had its roots in the Christian faith but welcomes and values young people from all faiths and none. It encouraged each pupil's spiritual discovery and expression in work overseen by the College Chaplain. The College House system was at the heart of the experience offered to pupils.
- The aim of the House system is to provide small enough units to achieve a real sense of belonging and community, and the family atmosphere that results is, quite deliberately, a strong one. Through this approach, the College aimed to allow its young people to acquire a confidence in their relationships both with each other and also with adults.
27. The College gave sixth formers, as they approach adulthood, opportunities to exercise responsibility and leadership as well as to show appropriate care and concern for others. The aim was that as the result of an education here, they should be sufficiently self-confident to contribute constructively to society at large and play a full role in it, whatever their chosen path.
28. Overall, the College aimed to provide a secure and structured community for all its pupils, in which they can fulfil their potential while learning to live and work together in a spirit of co-operation, kindness, respect and enthusiasm.

Objectives

29. To achieve the Governing Council's strategic vision and alongside strategic development plans, objectives included:
- promoting high academic standards through:
 - an appropriately sized scholarship scheme and a mentoring scheme for those scholars;
 - the recruitment of high-quality academic staff and succession planning for future staffing needs;
 - reviews of academic value added by the College to identify academic strengths and weaknesses;
 - continued enhancement of learning support provision; and
 - encouragement of academic ambition beyond school through the College's Higher Education and Careers Department;
 - providing a tried and tested, House-based, pastoral care system;
 - providing extracurricular and sporting opportunities for each pupil;
 - maintaining a full pupil roll;
 - offering a broad range of subjects at public examinations to sustain the appeal of the College and the opportunities available to its pupils;
 - encouraging a happy and well-motivated workforce delivering an effective and broad education;
 - providing all staff, academic and non-academic, with appropriate training and development opportunities;
 - the operation of performance management procedures;
 - generate operating surpluses sufficient, only, to meet the needs of the objects;
 - generate non-fee income revenue to reduce pressures on fees;
 - re-investing the operating surplus in the College infrastructure;
 - fundraising to help finance bursaries and improvement of College facilities;
 - actively promoting its means-tested financial assistance (bursary) programme for pupils; and, where possible
 - sharing the College facilities with local schools and charitable community groups.

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30. Governors also:

- kept under review the:
 - Memorandum and Articles to ensure they remained relevant; and
 - The College's Strategic Plan.
- reviewed College policies and supporting procedures on an annual basis; and
- prepared for external inspections and audits: ISI, Boarding, UKVI etc., so that the College passes these tests and, thereby, enhances its reputation in the local and wider community.

Principal Activity

31. The principal activity was to provide an education to children between the ages of 4 and 18 in a co-educational day/boarding environment. The number of pupils at the College at the end of the year was:

Form	Pre-Prep			Prep School						Senior School					Totals
	R	P1	P2	LS	US	F1	F2	L3	U3	4F	L5	U5	L6	U6	
Totals	42	44	43	64	67	66	96	114	119	136	121	119	125	110	1266
Boarders:															
<i>Full/Weekly;</i>	0	0	0	0	3	0	2	8	6	15	12	13	27	21	107
<i>Flexi/Part-Time</i>	0	0	0	0	3	0	9	1	4	9	8	10	9	5	58

32. To ensure the College continued to have a strong financial base and as wider reflection of outside society as possible, the key management team placed considerable emphasis on marketing the College, particularly on future admissions for the younger age groups and on attracting pupils from a wide range of social backgrounds. As a result, the numbers of potential pupils who are recorded as prospective pupils and have an interest in joining the College for entry up until 2027, are:

Year of Entry	Prospective
2024	625
2025	187
2026	89
2027	20

PUBLIC BENEFIT

Widening Access

33. In addition to setting fees at a level that widens the number of families that can afford to provide their children with a private education, the College also aims to provide opportunities for those who would not ordinarily be able to afford the opportunity to send their children to the College to do so through a bursary scheme. Means-tested financial assistance is, therefore, provided so that such families are able to benefit from our charitable objectives.

Financial Assistance

34. Financial assistance is available where a pupil meets the College entry requirements. It is funded by allocating a percentage of anticipated income to the scheme. Awards are means tested and range from full support by way of a 100% concession, to lesser awards where parental income is assessed to be at a higher level. When necessary, further support is provided; this can take a number of forms e.g. by way of a grant towards the costs for uniform, travel to and from the College or assistance with trips related to the curriculum. During the year, bursaries totalling £976,000 were awarded to provide means-tested financial assistance. As a result, there were 17 pupils in receipt of a bursary (15 in the previous year) worth 100% of the tuition fees, and a further 28 pupils (25 in the previous year) receiving assistance of between 50% and 90% of the fees.

35. The total value of bursaries, scholarships, grants, prizes and other awards made out of restricted funds was £63,000 (2022: £22,000), whilst £2,494,000 (2022: £2,061,000) was awarded out of unrestricted funds, this equates to 9.4% (2022: 9.1%) of gross fee income. The total number of children receiving assistance of all kinds was 341 (2022: 334); equal to 26.4% (2022: 27.1%) of College pupils.

36. Where our existing parents find themselves in a difficult financial position, the College, will offer means-tested emergency support.

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Social Impact

37. The Governing Council is committed to developing its programme of support and co-operation with others in education and wishes to ensure that the College is making an educational impact for as many children as possible. The College is part of a wider community in which its staff and pupils are encouraged to participate. In addition to educating 1266 pupils, the College also ensured that its facilities and expertise were available for use by others, particularly by children. Examples of support to local state schools and community organisations included:
- the annual Festival of Literature - an event aimed purely at children. The College actively encouraged participation from other schools both local and national and provided free or discounted opportunities for participation for schools across the UK. Several well-known authors took part in storytelling and helping to reach out to children;
 - the Bishop's Stortford Pupil Voice Network was established by the Prep School in 2017, with the aim of establishing a new network in Bishop's Stortford. The network enables representatives from different Pupil/School Councils to get together to share good practice, and learn more about the value of Pupil Voice in the local community. Pupils and staff from approximately 10 local primary schools attend. The next Pupil Voice Network Meeting is due to be held in Spring 2024;
 - the use of the College swimming pool by local clubs, youth groups and schools. The swimming pool is an 'Approved Training Centre' for the Institute of Qualified Lifeguards and the College offers spaces on this course for staff from other local schools and swimming clubs. The College is also a PADI Educational Facility;
 - the College continues to be an MCC Foundation Cricket Hub giving greater access to superb cricket facilities to a wider group of young people. The MCC Foundation, the charitable arm of the MCC, runs a network of Hubs across the UK, providing free coaching and match-play to state-educated 11-15 year old boys and girls with the aim of improving their cricket ability and boosting their confidence on and off the pitch;
 - Bishop's Stortford Scouts and Police Cadets hold regular meetings using College facilities;
 - working with the British Heart Foundation the College continued to provide two defibrillators on the Campus and (in an emergency) for the local community;
 - the College has held holiday Activity Camps for children, including a multi-activity camp and soccer and tennis coaching activities for children;
 - a number of drama and music performances that are open to the local community, including the Water Lane Church Lunchtime Recitals;
 - hosting the annual Rotary Young Musician Competition, using a number of facilities around the campus including the FLT, Memorial Hall, Recital Room and MU1.
 - a close partnership with a large number of local maintained schools as a founder member of the Bishop's Stortford Educational Trust (BSET). BSET was established in 2015 to create a co-operative, forward-thinking educational organisation to support provision from Early Years to Post-16 and beyond for the town of Bishop's Stortford and its surrounding villages. The Trust was created to formalise an already effective partnership between local primary and secondary schools and draws on the individual strengths of each institution. This collaboration is not only community-based, but is quite possibly the only such Trust at present to include the state and independent sectors working together to provide high quality education. BSET provides School Centred Initial Teacher Training.

Section 172 Statement

38. This statement is intended to be a discrete factual statement on how the directors (the College Governors) have regard for stakeholder interests in performing their duties as required under section 172 of the Companies Act. Bishop's Stortford College identifies its principal stakeholders as pupils, parents, prospective parents and pupils, teachers and staff, Old Stortfordians, suppliers, contractors and our local community leaders, businesses and neighbours. Stakeholders are identified by contractual engagement in terms of parent, pupils, staff and external licensees or by virtue of effect and impact of College activity and support opportunities to our community.
39. The College is very much rooted in the community, with approximately 87% of pupils being day pupils and hence living locally, due to it being one of the largest employers in Bishop's Stortford and from the social interaction described in paragraph 38. Stakeholder views are secured through communications strategies specific to groups, for example, prospective parents and pupils through admissions and events; pupils, teachers and staff through school routines; parents' evenings, meetings and newsletters, community and neighbours through town business forums and groups. Engagement with all of our community informs strategy, decisions and outcomes. College success depends on the need to:
- consider the long term likely consequences of any College decision on our community;
 - consider the interests of the College's employees;

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- foster relationships with suppliers, customers, and others;
- evaluate the impact of College operations on the community and the environment;
- maintain a reputation for high standards of business conduct; and
- ensure that members of the College act fairly between themselves.

The Governors identify and consider issues and factors affecting the College by:

- maintaining Memorandum of Articles and governance of The Incorporated Bishop's Stortford College Association in accordance with the law and the Charity Commission Regulations;
 - maintaining a long term strategy that recognises and balances the needs of all stakeholders;
 - developing a culture and ethos founded on fairness, Christianity and compliance with the law and the requirements of the Charity Commission;
 - managing risk and impact on the College and community through active risk management as it affects all stakeholders;
 - complying with legal obligations relating to the impact the College is making on the environment and meets its obligations in relation to the Energy Savings Opportunity Scheme;
 - developing clear contractual relationships with employees supported by effective, informal and informal dialogue between employees and the senior leadership of the College;
 - maintaining strong links with neighbours, local schools and local businesses in order to be mutually supportive and cognisant of their needs;
 - operating professionally and appropriately with business practices and in payment terms; as a significant employer and contractor of services;
 - employing staff under terms and conditions encapsulated in the employment manual to ensure that people act fairly and considerately to each other, to our pupils, parents and other stakeholders; and
 - declaring interests and conflicts, annually and before any governance meeting.
40. The Governors have engaged with employees, through a number of deliberate governance practices. Significant amongst these are the appointment and direction to the College Executive and the oversight of College activity through committee structures. Staff were extensively involved in the formation of strategy and delivery of strategic projects. The Governors' visits to the College are frequent and activities recorded. Senior employees are present at Governing Council meetings to report, facilitate oversight and receive direction. The reports contain a broad spectrum of employee activity, pupil pastoral and academic performance and detail of staff wellbeing.
- The Governors receive outputs from the Health and Safety Committee, security audits, and staff wellbeing activities, alongside gender pay reporting and remuneration benchmarking data. The directors oversee the remuneration policy and decisions through a dedicated working group in order to make annual recommendations on policy and pay awards. Paragraphs 23 and 29 of the Directors' Report provide further detail on the Governors' vision and strategies including those relating to employees.
41. The key decisions made during the year were:
- To continue to grow the College through marginal class size increases to meet the geographical and demographic local demands, which, with no detriment to teaching and learning, delivers benefits through economies of scale and allows us to better manage the challenges of fee affordability.
 - To deliver strategy based on 16 mutually supporting development projects in order to continue to deliver academic excellence, develop strong personal values, find the best in every pupil, recruit and retain the best possible staff by being a great place to work and to enhance the school environment.
 - To implement a change to the Shape of the Week, where by class room teaching would be completed Monday to Friday with a sport and public outreach programmes being delivered on a Saturday.

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ENERGY REPORT

42. The College's energy usage and emissions are detailed in the table below.

Type of Emission	Activity	Year Ended 31 st July 2023			Year Ended 31 st July 2022		
		kWh	tCO ₂ e	% of Total	kWh	tCO ₂ e	% of Total
Scope 1 direct emissions	Natural gas	5,197,667	950.80	74.95%	4,935,545	900.93	74.69%
	Vehicle fleet	106,431	25.32	2.00%	109,254	26.25	2.18%
	Sub-total	5,304,098	976.12	76.94%	5,044,799	927.18	76.87%
Scope 2 energy indirect emissions	Electricity	1,400,098	289.92	22.85%	1,437,415	277.97	23.05%
	Sub-total	1,400,098	289.92	22.85%	1,437,415	277.97	23.05%
Scope 3 other indirect emissions	Grey fleet	11,241	2.56	0.20%	4,268	1.05	0.09%
	Sub-total	11,241	2.56	0.20%	4,268	1.05	0.09%
Total gross consumption and emissions		6,715,436	1,268.60	100.00%	6,486,481	1,206.20	100.00%
Metric used: Number of pupils			1,267			1,233	
Intensity ratio: Tonnes of CO ₂ per Number of pupils			1.001			0.978	

Intensity Ratio

The intensity metric is unchanged from last year, number of pupils (finishing the year). The resulting intensity ratio of tCO₂e/number of pupils will best reflect changes in operation and energy consumption over time.

Efficiency

The following efficiency measures were taken during the financial year:

- Consultancy led extensive measurement and monitoring programme. Replacement of windows through a condition based replacement programme.
- Replacement of old boilers with improved energy efficient versions in several buildings across the site, most notably the Swimming Pool boilers.
- Installation of heat retaining swimming pool covers.
- Continued investment in LED lighting

Quantification and Reporting Methodology

The methodology used to calculate the College's GHG emission and energy consumption has been taken from The GHG Protocol Corporate Accounting and Reporting Standard. The 2013 UK Government Environmental Reporting Guidelines (updated March 2019) have been followed and the 2023 UK Government's Conversion Factors for Company Reporting have been used. The energy efficiency narrative methodology has been created based on energy management best practice.

Organisational Boundary

The College reports on all sources of environmental impact over which it has financial control (financial control approach).

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

43. Public examination results are always the most visible measure of academic achievement at an all-through school, but once again A Level results were the result of much debate nationally as pass results fell, with those pupils receiving A or A* down from the peak in the pandemic.
44. At Bishop's Stortford College, A Level students' received grades which reflected the College's usual high levels of Value Added (as independently measured by CEM (Centre for Evaluation & Monitoring) analysis). 80% (85% in 2022) of grades achieved were A*-B grades, with 44% (62% in 2022) A's and As.
45. In line with the Governors' primary objectives to advance a broad curriculum, study skills at Sixth Form extend beyond the A Level curriculum. This year, 29 students took the Extended Project Qualification, with 34% being awarded at A*-B grade.
46. This year 97% of our students were placed at a university of their choice, 100% securing their first-choice university to study medicine, and one student meeting their Oxbridge offer. 50% (54% in 2022) of students went on to study at Russell Group universities. Top university destinations included Exeter, Reading, Durham, Loughborough, Bath, and Warwick.
47. At GCSE 73% (76% in 2022) of examinations were graded 9-7 with 30% (33% in 2022) being graded at the highest Grade 9. Top performers every year are awarded the prestigious Ten Club membership, which is gained for achieving 10 or more grades 9-7; this year 44% (47% in 2022) Ten Club memberships were achieved.
48. In the Prep School there is an enviable breadth of curriculum coverage. Core subjects are obviously at the heart; however, humanities subjects are given a high profile of being taught separately and modern foreign languages are introduced early, from Year 3, and creativity is well supported through weekly drama, art, design technology, music, and computing science. The breadth of the curriculum is viewed as central to the ethos of providing rich and varied opportunities for our pupils.
49. Subject specialist teaching introduced from Year 3 and fully implemented by Year 5 provides academic rigour and allows the curriculum to expand further with three modern foreign languages and Latin on the curriculum for Years 7 and 8.
50. In Pre-Prep, the positive learning environment is paramount to supporting the delivery of the curriculum. In Reception, the children have a nurturing learning experience. They enjoy a well-resourced free-flow environment, involving inside and outside learning; playing and exploring; active learning and creating and thinking critically to interconnect all their learning. The children guide the learning through their interests, whilst the teachers plan careful teachable moments through their play.
51. In Key Stage One, the curriculum is delivered through umbrella topics which are book-led. This ignites and inspires their imagination. We focus on developing the skills and qualities children require to be resilient successful learners.
52. Across all parts of the College, opportunities to develop strong personal values have been sought through curricular and extra-curricular activities, which expose pupils to the importance of inclusivity, tolerance and respect for others reflecting closely on certain movements such as Everyone's Invited and Black Lives Matter.
53. The Governors place great importance on the pupils' participation in arts, music, and drama. It was wonderful to have events taking place in person again and pupils participated in House competitions, including House Music. The Drama Department's devised plays were performed with audiences, including the musical 'Little Shop of Horrors', Matilda (Prep) and 39 Steps (Fourth Form).
54. In the Prep School the majority of year groups have a drama production, with mass participation up to Form One (Year 5). In music, there are instrumental concerts for each year group, as well as opportunities to perform with choirs, ensembles, the Prep School Orchestra and Band at Prep School and whole College recitals.
55. In Pre-Prep, children are encouraged to participate in front of larger audiences. At the start of the year, all the children performed in the Harvest Festival, with requirements increasing with their age. Our youngest children perform a song, whereas our eldest children progress to reciting a poem. In December, all children took part in a Christmas carol concert with songs and readings. The Reception children performed in a Nativity. In March, Year Two led Pre-Prep at an Easter Service and the Year One classes each presented a class assembly to parents and the Pre-Prep children. During the Summer Term, the Year 2 children took part in the Pre-Prep concert performing on recorders, violins, clarinets, cellos, and piano. All the children participated in a Sports Day, at which they competed for their leagues. Year Two took part in a swimming gala in the Summer Term.

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56. Sport, health, and fitness at the College aims to strike the right balance between excelling at the highest level with its most talented pupils whilst at the same time ensuring that as many pupils as possible can enjoy the mental and social benefits sport, health and fitness. Students from Pre-Prep to Sixth Form are encouraged to participate in a wide range of sport (core sports being cricket, hockey, netball, rugby, tennis and swimming).
57. Senior School pupils competed in cricket, hockey, netball, tennis, swimming and rugby fixtures against local schools. The School's girls cricket teams continue to be successful. In the Prep School, pupils compete in rugby, swimming, football, hockey, netball, tennis, athletics and cricket fixtures for girls and boys.
58. The College's Performance Sports Programme continues to enhance the sporting offer already available and offers extra training opportunities outside of the main term for each sport. This includes additional training opportunities, masterclasses and skills development sessions from professional and international athletes, bespoke strength and conditioning plans, advice on sport psychology, nutrition and lifestyle management, and a tailored mentoring system.
59. In addition to these key areas of extra-curricular provision, pupils at the College in the Senior School are offered the opportunity to take part in a wide range of activities, clubs, and societies, dependent on their age. Opportunities include (but not limited to), Amnesty International, Python Computer Coding, History Society, Film Club, Model United Nations, Broadcasting, Drama Society, Pride Society, Book Club, Police Cadets, Water Polo, 80 Club (swimming) and a range of bands, choirs and orchestras. Prep School children's activity sessions include robotics, sign language, martial arts, street dance, cookery, yoga, outdoor activities, and photography. Pre-Prep have football and tennis clubs and ballet classes after school. In school, the children can join the Pre-Prep Choir or gardening club.

Fundraising

60. The College's approach to fundraising.

Bishop's Stortford College is committed to best practice in relation to all fundraising activities which are carried out by an in house development team who are subject to the scrutiny of the Development Working Group and the Governing Council. The College uses "legitimate interest" as its lawful basis to process personal data for the purpose of fundraising to those with a close connection to the College such as parents and alumni. Development activities include reunions sporting and cultural events, most of which are free of charge to attend. Fundraising is carried out via virtual and live events, inserts in hard copy publications, dedicated fundraising mailings and appropriate e-mails and online in the Stortfordian Foundation portal. Face to face meetings with donors and potential donors are conducted only with prior consent of the individual. All fundraising activity is monitored by the Director of Development in accordance with best practice as outlined by the Fundraising Regulator's Code of Practice.

61. Work with, and oversight of, any commercial participators/professional fundraisers.

The College did not engage any third parties to carry out fundraising on our behalf during the year. From time to time, the College works with companies to assist us with fundraising logistics and consultancy who operate as data processors rather than data controllers.

62. Fundraising conforming to recognised standards.

The College is a member of the Institute for Development Professionals in Education (IDPE). Development Office staff, SMT members and Governors regularly attend IDPE training events to ensure that best practice in alumni relations and fundraising is being used. Guidance issued by the Fundraising Regulator (including the latest updates to the Fundraising Code of Practice) and the Information Commissioner's Office act as a set of principles to ensure fundraising is legal, open, honest and respectful. Fundraising practice is regularly monitored and reviewed by the Director of Development in line with the Fundraising Regulator's Code of Conduct and there were no compliance issues last year. This national code of practice includes rules governing consent, data sharing, data protection and privacy relating to all electronic and print communications. An application is in train to become a member of the Fundraising Regulator. The College's Fundraising and Development Privacy Notice is publicly available and promoted to parents and alumni. The Notice makes the College's approach to fundraising clear and if anyone objects to their personal data being used for the legitimate purpose of fundraising, these wishes are respected. Upon registration to a new portal, www.stortfordianfoundation.org, constituent users are able to specify their preferences, enhancing GDPR compliance.

63. Fundraising complaints

The Development Office has a sophisticated CRM database capable of logging fundraising communication preferences including opt outs for specific campaigns or activities. The College has a formal complaints procedure which is clearly linked on the development pages. The College received no formal fundraising complaints in the financial year 1 August 2022 to 31 July 2023.

64. Protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

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The College respects and follows the guidelines as set out by the Fundraising Regulator's Code of Fundraising Practice to protect vulnerable people and to guard against intrusion on a person's privacy. Unreasonably persistent behaviour by fundraisers or undue pressure on a person to give money or other property is neither tolerated nor encouraged.

65. Expenditure on development work amounted to £201,342 including staff costs of £124,230 and the total donations received or committed in cash or in kind during the year, were £167,614 in value. The College regularly invites all constituents of the College to voluntarily take part in fundraising. Appeals are typically directed towards raising donation income towards bursaries, scholarships, academic and pastoral facilities.

Investment Policy

66. The Articles of Association of the Charity allow the Governors to invest such part of the funds of the Association, as shall not be required to satisfy or provide for immediate demands upon such securities as they deem expedient, and may, from time to time, vary such securities and convert the same as occasion requires or as they may deem fit.
67. The investment funds held comprise units in the M & G Charifund, and a freehold farm and associated properties, which were bequeathed to the College by a former pupil. In both of these investments, the Governors have taken the view that a combination of low risk income and long-term capital growth should be their objective.
68. The investment strategy and performance is monitored by the Finance Committee. At the year end the College's long-term investments, including the units in M & G Charifund and property investments, were valued at £6,978,000 (2022: £7,101,000). The overall investment return for the year was £163,000 (2022: £140,000) (See note 4). The value of investments has decreased by £123,000 this year (2022: £1,803,000 increase). The performance of investments has met expectations this year with a rebound of much of the previous year's decrease in value of the M & G Charifund investments. It is anticipated that a full recovery of value and subsequent capital growth will be achieved over the longer term.
69. The Pre-Paid fee scheme while assisting some parents in managing the cost of their child or children's education continues to provide what amounts to be a stable reserve that can be used by the College to the benefit of the charity. The Finance Committee monitors the cost of running the Pre-Paid Fee scheme and this year the scheme cost £234,000 to run (2022: £237,000).

FINANCIAL REVIEW

Results for the Year

70. The College had a successful year and the level of surplus income meets the needs of the College. Notably, this financial year sees the first of two years of significant surge spending being committed towards the maintenance of the estate, as part of a condition based led approach. Given this spend, lack of capitalisation and the effects of depreciation the funds of the College reported in the accounts have decreased, as forecasted.

Pupil numbers increased by 33 from the prior year, increasing Fee income from £21.7m to £24m. The College's subsidiary Bishop's Stortford College Enterprises Limited, which started trading from January 2022 continues to grow and made a total gift aid contribution of £148k.

An increase in pupil numbers across the year groups and strong demand for places in future years, together with increased trading for Bishop's Stortford College Enterprises Limited used to generate non-fee income provide financial resilience for the future. The Trustees remain confident that the College is in a strong financial position to meet the financial headwinds facing the independent schools sector and continue to deliver the current academic programme and planned physical development of the campus.

Reserves Level and Policy

71. In accordance with the objectives of the Association, and subject only to the normal constraints of prudence, it is the Governors' policy not to accumulate and retain funds but to spend, wisely, the available cash on maintenance, and on enhancement of the College's facilities. Such enhancements usually involve significant capital sums and are therefore, normally only undertaken as and when funds on a sufficient scale, built up over a number of years, become available. This policy means the College does not hold a large reserve for any length of time. Moreover, as the fees are paid in advance and the short-term flow of income and expenditure is relatively predictable, the College does not, as a matter of policy, hold reserves to cover say a whole term's operating costs.
72. Note 17 to the accounts sets out a full analysis of the assets attributable to the various funds. These assets are sufficient to meet the Charity's obligations on a fund-by-fund basis. See note 1.10.
73. Details of the College's Restricted Funds and the movements in the year by fund are set out in note 16 to the accounts.

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74. The College's Unrestricted Funds and the underlying assets representing those Funds are set out in note 17 to the accounts. The most significant part of the Unrestricted Funds is invested in College buildings and other fixed assets used by the College in furtherance of its charitable objectives.
75. In the unusual circumstances where legacies to the College take the form of property, it is the Governors' policy to retain such investments and to look for capital appreciation while using any net income generated to support the Association's ongoing charitable objectives.
76. The Group's total reserves of £41,673,000 (2022: £43,150,000) at the year-end included £2,997,000 (2022: £2,897,000) restricted funds and £38,676,000 (2022: £40,252,000) unrestricted funds. The Group has no free reserves at the balance sheet date due to the investment of funds in tangible fixed assets, largely buildings for use within the College.

Financial Viability and Going Concern

77. The Governors regularly examine the College cash flows alongside the development plans for the future and are satisfied that they are adequate for the purpose of meeting its working capital requirements and that they will also cover strategic capital expenditure when complimented with an appropriate amount of loan finance.
78. Financial forecasts are produced, stress tested and reviewed by the Executive Team and the Governors at least termly to assess the impact of actual and potential favourable and adverse impacts to the College's finances. The stress testing includes future financial impacts of increased inflation and cost of living as well as other financial scenarios that may impact the College. This allows the Governors to respond quickly to financial changes to ensure the stability of the College.
79. The Governors are satisfied that the College has maintained an acceptable level of profitability and cashflows in the year to 31st July 2023 to allow it to carry out its objectives and will continue to do so in the future.
80. Demand for places has allowed the College to grow from 1233 to 1280 pupils by the start of the new 2022-23 academic year. Accordingly, the College is operating on a going concern basis.

RISK MANAGEMENT AND UNCERTAINTIES

81. The Governors, supported by the Executive, are responsible for the identification and management of the strategic risks faced by the College and its subsidiary undertakings. A review of the College Strategic Risk Register was completed as an annual standing item on the agenda of each of the various committees and the Governing Council itself. Following the review, the register was updated, and action taken to address any risks that are insufficiently mitigated. While it is recognised that any system can only provide reasonable but not absolute assurance, the Governors are satisfied the procedures described above have identified the risks faced by the College and that these have been adequately managed.
82. The preventative and proactive safeguarding of pupils was of primary importance. Governance oversight was deliberately focused on the safety of pupils. The Governing Council oversee the Executive in its compliance with Keeping Children Safe in Education, ensuring that there is direct governor engagement with processes and that they receive regular updates on regulations to facilitate the formation of policy and processes. They receive detailed reports on operational safeguarding from the Designated Safeguarding Leads.
83. The Governing Council remain mindful of the affordability of fees, heightened by high levels of inflation. The delivery of excellent education demands efficiency in order to maintain affordability. The War in Ukraine and the impact on the global and national economies had immediate and significant impact on College operational costs, most notably in the cost of energy supplies which suffered a threefold increase in costs.
84. The Labour Party remain committed to ending tax breaks, such as Business Rates Relief for private schools and to remove the exemption from VAT on independent school fees, should it be elected to Government. The impact of such changes has been subject to ISC and IFS research with speculation of a 3 to 7% reduction in pupil demand from the IFS and 20% from ISC. The College is working hard to forecast the impact but until the changes in legislation are fully known this will be, to a degree, speculative. The College is well placed to mitigate the impacts without compromise to the quality of our educational offer, given our economies of scale and extent of building works completed in the last ten years and planned for the coming ten years, should Capital Goods Scheme relief remain available. In addition, the College continues to grow commercial activity to ease pressure on fees setting and whilst the school finances are already managed prudently, we will continue to take efficiencies where they are available without detriment to the educational offer.
85. The other principal and connected by affordability risks is the challenges of a sustained downturn in the economy. wage inflation, has in the main mitigated the increase in fees needed to deal with inflation over this reporting period but lingering inflation continues to challenge operational costs. There remains risk related to the long-term affordability of the Teachers' Pension Scheme, knowing at time of publishing that the Employer rates will be increased to 28.6% from 23.68% from the April 2024. The Governors are looking to sustain resilience and capacity to tolerate external impacts and remain confident that the risks are being managed effectively through careful control of operational costs and due to the strong demand for places at the College.

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86. The Health and Safety risks, connected to College activities and its estate are clearly identified and efficiently treated through policies, risk assessments and planned preventative maintenance and measures. The College has commissioned condition surveys of its oldest buildings to better quantify medium term planning and the prioritisation of resources. The College make great reliance on external competence in assessing and mitigating risk, areas of consultation include; fire risks, legionella and water safety, electrical safety, gas and asbestos. The College Health and Safety Committee has broad representation and agenda to ensure that the College is continually learning and improving safety for pupils, staff and visitors.
87. Across all risks, the key controls used include:
- detailed terms of reference and formal agendas for all committee and Governing Council activity;
 - the formation of additional Governor led working groups to oversee specific areas of risk or challenge; remuneration, projects, contingency;
 - comprehensive strategic planning, budgeting and management accounting;
 - monitoring key performance indicators, e.g. pupil numbers, ratios and trends;
 - review, adjustment where necessary and approval by the Governors of all formal written policies;
 - spot checks by Governors on College records and ledgers to ensure approved procedures are being followed;
 - use of appropriate external professional advice;
 - clear authorisations for approved levels of expenditure;
 - safer recruitment and vetting procedures as required by law for the protection of children; and
 - COVID-19 contingency planning scenarios, risk assessment oversight and reporting of effectiveness.

LONGER TERM PLANS

88. The College Strategy highlights plans for the next ten years based on supporting and delivering the identified Eight Pillars strategy detailed in paragraph 24. The strategic development plan is formed of 16 connected projects;

Academic Excellence. Our curriculum does not stand still. We are committed to ensuring it is current and delivers pupils ready for their future lives and roles. Instilling a love of learning and developing intellectual curiosity are the cornerstones of excellent teaching and learning at Bishop's Stortford College. Our teachers will continue to empower our pupils to achieve outstanding results.

Supporting Projects:

- Conduct a comprehensive review of the school week to ensure teaching time is optimised and connected across all three schools.
- Examine the range and choice of subjects taught across the College to ensure our curriculum best prepares pupils to positively engage and contribute to a modern society and workplace.
- Foster the very best pupil support provision - from Learning Support to assessment and tracking and ensure smooth transition between schools.
- Develop a whole College pedagogical culture that teaches pupils how to learn and embeds a digital curriculum which is responsive to changing technologies.

Strong Personal Values. Nurturing integrity and strong values through outstanding pastoral care is of immense importance to us. Pupils learn the importance of tolerance, inclusivity and respect for others and will be aspirational about the contribution they make to our community and the wider world.

Supporting Projects:

- Develop an educational programme that challenges bias in all forms and focuses on inclusion, diversity and understanding of cultural heritage.
- Develop and embed a whole College approach to promoting positive behaviours which prioritise mental wellbeing.

Finding the Best in Every Pupil. Our pupils are treated as individuals. We will make it our mission to find and develop each pupil's unique strengths by providing a broad curriculum and co-curriculum. Our pupils should always have exciting and varied opportunities to find fulfilment at the College, enabling them to become skilful, happy young people who have confidence for life.

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Supporting Projects:

- Develop the College's games provision to encompass sport, health and fitness and provide a modern, multi-purpose sports facility for whole College use.
- Augment the creative arts curriculum at all Key Stages to help pupils understand the world and their part in it and update performance accommodation, providing stimulating environments for creative activity.
- Deliver a vibrant and unique Sixth Form experience for students at the College, increasing opportunities for intellectual growth and the development of skills which equip them for adult life.

Attracting Ambitious and Enthusiastic Pupils and Communicating about College Life. Our reputation for excellence will grow through a purposeful and well delivered strategy, ensuring a healthy demand for boarding and day places.

Supporting Projects:

- Define and communicate the Bishop's Stortford College brand and streamline all College communications.
- ~~Increase access to a Bishop's Stortford College education through delivery of a comprehensive bursary fundraising strategy. Extend current charitable engagement with our local area and beyond.~~
- Enhance the current alumni engagement programme.

Being a Great Place to Work. Our staff are our most important resource. We will continue to recruit and retain inspirational teachers and highly skilled College professional support staff. All staff will be equally valued, supported and developed professionally in their roles.

Supporting Projects:

- Establish and develop a wellbeing programme which values employees, builds community and promotes a healthy work/life balance.
- Ensure professional development is focused on this strategy and delivers excellence at every level.

Enhance the School Environment. The physical learning environment should be of the highest possible quality. We must ensure that our campus continues to support our vibrant learning community.

Supporting Projects:

- Develop a site plan that optimises the use of current buildings and spaces and minimises the College's environmental impact.
- Add to the built estate where it is needed to support delivery of this strategy.

Maximise our Resources. The affordability of fees and the charitable purposes of the College demand efficient and effective use of its resources towards delivering teaching and learning outcomes.

Supporting Project:

- Continue to ensure our financial strategy is affordable whilst delivering an excellent educational experience at all stages of the College.

Provide Inspiring Governance and Leadership. The leadership of the College should be accountable, responsible, courageous and have a clear vision.

Supporting Project:

- Establish an assurance framework which supports organisational stewardship and the effective delivery of this strategy.

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STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

89. The Trustees, who are also Directors of The Incorporated Bishop's Stortford College Association for the purposes of company law, are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and relevant accounting standards. Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve those financial statements unless they are satisfied that they 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 period. In preparing these financial statements, the Trustees are required to:
- select suitable accounting policies and then apply them consistently;
 - observe the methods and principles in the Charities SORP;
 - make judgments and estimates that are reasonable and prudent;
 - state whether applicable UK 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 charitable company will continue in business.
90. The Trustees are also responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Charity's constitution. They are in addition responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. To that end, the Chair of the Finance Committee makes regular spot checks of ledgers and other financial records to ensure the integrity of the College's accounting procedures.
91. Each of the Directors, as members of the Governing Body, at the date of approval of this Report, confirms that they are aware of no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware. In that context, each Governor has taken all the steps that he or she should have taken as a Governor, in order to make himself or herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

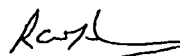
AUDITORS

92. Crowe U.K. LLP have expressed their willingness to continue as auditor for the next financial year.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of The Incorporated Bishop's Stortford College Association on 8th December 2023, including in their capacity as company directors approving the Strategic Report contained therein, and is signed on its behalf by:



G.E. Baker
Chair of the Governing Council
Date: 8/12/23



R.C.V. Harrison
Chair of the Finance Committee
Date: 8/12/23

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE INCORPORATED BISHOP'S STORTFORD COLLEGE ASSOCIATION

Opinion

We have audited the financial statements of The Incorporated Bishop's Stortford College Association ('the charitable company') and its subsidiaries ('the group') for the year ended 31 July 2023 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets, the Group Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 July 2023 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

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Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate and proper accounting records have not been kept or 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, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

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

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

Use of our report

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



Vincent Marke

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

Date: 07.02.2024

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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	2023 Total £'000	2022 Total £'000
Income from:					
Charitable activities					
School fees receivable	2	23,998	-	23,998	21,759
Income from insurance claims	3	107	-	107	-
Profit on disposal of fixed assets	3	-	-	-	12
Other trading activities					
Ancillary trading income	3	1,367	-	1,367	733
Investments					
Investment income	4	28	135	163	140
Interest receivable and similar income	6	39	-	39	3
Voluntary sources					
Grants and donations	5	8	159	167	233
Total income		25,547	294	25,841	22,880
Expenditure on:					
Raising funds					
Trading expenditure		(667)	-	(667)	(171)
Interest payable and similar charges	6 - 7	(234)	-	(234)	(237)
Fundraising & Development		(200)	-	(200)	(205)
Total deductible costs		(1,101)	-	(1,101)	(613)
Charitable activities					
Education and grant making		(26,023)	(75)	(26,098)	(21,784)
Total expenditure	7 - 8	(27,124)	(75)	(27,199)	(22,397)
Net (outgoing)/incoming funds from operations before transfers and investment gains		(1,577)	219	(1,358)	483
Losses on investments		-	(119)	(119)	(4)
Gains on investment properties		-	-	-	1,037
Net movement in funds for the year		(1,577)	100	(1,477)	1,516
Fund balances brought forward		40,253	2,897	43,150	41,634
Fund balances carried forward		38,676	2,997	41,673	43,150

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GROUP CONSOLIDATED AND COMPANY BALANCE SHEET

		Group		College	
		2023	2022	2023	2022
	Notes	£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	9	38,410	39,321	38,410	39,321
Fixed Asset Investments	10	2,578	2,701	2,578	2,701
Property investments	11	4,400	4,400	4,400	4,400
		<u>45,388</u>	<u>46,422</u>	<u>45,388</u>	<u>46,422</u>
CURRENT ASSETS					
Debtors	12	1,123	1,087	1,183	1,052
Cash and Deposits		<u>3,065</u>	<u>5,512</u>	<u>2,821</u>	<u>5,444</u>
		<u>4,188</u>	<u>6,599</u>	<u>4,004</u>	<u>6,496</u>
CURRENT LIABILITIES					
Creditors payable within one year	13	<u>(5,787)</u>	<u>(6,453)</u>	<u>(5,726)</u>	<u>(6,406)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(1,599)</u>	<u>146</u>	<u>(1,722)</u>	<u>90</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		43,789	46,568	43,666	46,512
LONG-TERM LIABILITIES					
Creditors payable after one year	14	<u>(2,116)</u>	<u>(3,418)</u>	<u>(2,116)</u>	<u>(3,418)</u>
NET ASSETS		<u>41,673</u>	<u>43,150</u>	<u>41,550</u>	<u>43,094</u>
REPRESENTED BY:					
SHARE CAPITAL		1	1	1	1
RESTRICTED FUNDS	16	2,997	2,897	2,997	2,897
UNRESTRICTED FUNDS					
General Reserve	16	35,274	36,851	35,151	36,795
Revaluation Reserve	16	<u>3,401</u>	<u>3,401</u>	<u>3,401</u>	<u>3,401</u>
TOTAL FUNDS		<u>41,673</u>	<u>43,150</u>	<u>41,550</u>	<u>43,094</u>

The profit for the financial year dealt with in the financial statements of the parent Company was a deficit of £1643k (2022: £138k profit).

These financial statements were approved by the Governing Body on 8th December 2023 and were signed on its behalf by:

R.C.V. Harrison
Chair of the Finance and General Purpose Committee

Date: 8/12/23

G.E. Baker
Chair of the Governing Council

Date: 8/12/23

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CONSOLIDATED CASHFLOW STATEMENT

	2023	2022
£'000	£'000	£'000
Net Cash (Outflow)/Inflow From Charitable Activities (Note 1)	(35)	2,931
(Cost of)/returns on investments and servicing of finance		
Investment income	163	
Net interest expense	(195)	
	(32)	(94)
	(67)	2,837
Capital Expenditure		
Income from sale of investments/(payments to acquire investments)	3	(770)
Payments to acquire tangible assets	(575)	(1,022)
Net Cash (outflow)/Inflow after Capital Expenditure and before movement on prepaid fees	(639)	1,045
Financing		
Prepaid fees		
New contracts, repayments and revaluations during the year	340	
Utilised during the year	(2,146)	
	(1,806)	17
(DECREASE)/INCREASE IN CASH IN THE YEAR	(2,445)	1,062
RECONCILIATION OF NET (OUTGOING)/INCOMING RESOURCES TO NET CASH (OUTFLOW)/INFLOW FROM CHARITABLE ACTIVITIES		
	2023	2022
	£'000	£'000
Net (outgoing)/incoming resources	(1,357)	483
Investment income	(163)	(140)
Net interest expense	195	234
Depreciation of tangible assets	1,486	1,349
Increase in debtors	(36)	(416)
(Decrease)/Increase in creditors excluding prepaid fees	(160)	1,421
NET CASH (OUTFLOW)/INFLOW FROM CHARITABLE ACTIVITIES	(35)	2,931

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1. ACCOUNTING POLICIES

The College is a Public Benefit Entity registered as a charity in England and Wales and a company limited by shares. It was incorporated on 2 June 1904 company number: 081130 and registered as a charity on 22 July 1964 charity number: 311057.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015.

The functional currency of the College is considered to be GBP because that is the currency of the primary economic environment in which the College operates.

The accounts present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and charity balance sheets comprising the consolidation of the College and its wholly owned subsidiary Bishop's Stortford College Enterprises Limited.

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

The College has also taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

Having reviewed the funding facilities available to the College together with the expected ongoing demand for places and the College's stress tested future projected cash flows, the Governors have a reasonable expectation that the College has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the College's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities in the Directors' Report.

1.2 Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees the only significant estimation made in the preparation of the financial statements is in relation to the valuation of investment properties. Investment properties are held at fair value, based on open market value. The basis of Open Market value is comparable evidence, based on a review of similar land exchanges in the local area, together with the valuer's knowledge of the local area and property market. The main assumption in the calculation of this valuation is finding similar comparable, recent transactions by which to reference/calculate open market value.

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

1.3 Fees and similar earned income

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

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Following a review by Governors, the scheme was paused to new prepayments from March 2022 until June 2023. Following the relaunch the College accepted prepayment of fees from parents into the Fees in Advance Scheme for any period up to three years from the commencement of the following academic year. Fees were accepted on the basis that future years will be calculated at the base rate prevailing at the time the contract was made incremented by 1.5% discount. The terms on which prepayment of fees are accepted are reviewed from time to time in the light of investment returns and the level of increase in school fees.

The present value of future costs arising from the difference between the fixed fee price offered and the projected fee price is provided for as a liability in the accounts.

1.4 Investment Income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis. Income from investment properties is accounted for in the period to which the rental income relates.

Rental income (including incentives received or paid) for operating leases on investment property are recognised in profit or loss on a straight-line basis over the lease term.

1.5 Donations, legacies, grants and other voluntary incoming resources

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

Voluntary income for the College's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the College in the case of donated services or facilities.

Grant income is recognised on an accruals basis, in the period in which it occurs. Government grants are recognised on the performance model, when the Company has complied with any conditions attaching to the grant and the grant will be received. The grant in connection to the job retention scheme has been recognised in the period to which the underlying furloughed staff costs relate to.

1.6 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. The direct costs incurred in preserving the College's ancient buildings and their contents are shown as a charitable activity distinct from that of education and grant making. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become legal or operational commitments. Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the College and its subsidiaries are excluded from trading income and expenditure.

1.7 Tangible fixed assets

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £10,000 together with vehicles, furniture, machinery, ICT infrastructure and other equipment costing more than £10,000 are capitalised and carried in the balance sheet at historical cost. ICT equipment costs are written off as incurred. In certain circumstances, where the original costs of assets are not ascertainable, a reasonable estimate of the cost, if material, has been used.

Other expenditure on equipment incurred in the normal day-to-day running of the College and its subsidiaries is charged to the Statement of Financial Activities as incurred.

Depreciation is provided on all tangible fixed assets in use at rates and bases calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

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Freehold land and buildings	- over 50, 10 or 5 years
Astro Turf All Weather Surface	- over 10 years
Furniture and equipment	- over 10 years
Motor vehicles	- over 4 years
Computers	- over 3 years

The Governors have carried out an impairment review of the assets and are satisfied that they are not impaired. The Governors will undertake future reviews in accordance with Financial Reporting Standard 102.

1.8 Investments

Investment properties are valued as individual investments at their market values as at the balance sheet date. Rental income is recognised in the period to which it relates. Purchases and sales of investment properties are recognised on exchange of contracts.

The investment properties at Clapton Hall are stated at market value as at 21 March 2023, as calculated by Strutt and Parker. The Governors believe this to be an accurate estimate of the current open market value.

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets. Investments in subsidiaries are valued at cost less provision for impairment.

1.9 Investment accounting

Investment returns are accounted for on a receivable basis of their income.

1.10 Fund accounting

The charitable trust funds of the College are accounted for as restricted income, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

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

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

1.11 Pension costs

The Charity contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the College. In accordance with FRS 102, therefore the scheme is accounted for as a defined contribution scheme.

The company participates in a Group Personal Pension Plan for non-teaching staff to provide individual pension accounts for participating employees. Individual pension policies accrue to each individual participating, and are underwritten by the Scottish Widows. In addition, the College as employer will pay premiums under a Group Life Policy, the annual contributions are expensed as incurred.

1.12 Operating leases

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

1.13 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost

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

2. CHARITABLE ACTIVITIES - FEES RECEIVABLE

	2023	2022
	£'000	£'000
Fees receivable consist of:		
School fees	26,492	23,820
Scholarships, bursaries and staff concessions	(2,557)	(2,083)
	<u>23,935</u>	<u>21,737</u>
Add back: bursaries and other awards paid for by restricted funds	63	22
	<u>23,998</u>	<u>21,759</u>

Scholarships, bursaries, staff concessions and other awards were paid to 341 pupils (2022: 334). Within this means-tested bursaries totalling £957,000 were paid to 51 pupils (2022: £826,000 to 51 pupils).

3. CHARITABLE AND OTHER TRADING ACTIVITIES - OTHER INCOME

	2023	2022
	£'000	£'000
Rental and other commercial income	794	600
School trips	517	78
Entrance and registration fees	56	55
Profit on disposal of fixed assets	-	12
Income from insurance claims	107	-
	<u>1,474</u>	<u>745</u>

4. INVESTMENT INCOME

	Unrestricted	Restricted	Total	Total
			2023	2022
	£'000	£'000	£'000	£'000
Securities investment income:				
Equities	-	135	135	95
Property investment income				
Rents receivable	28	-	28	45
	<u>28</u>	<u>135</u>	<u>163</u>	<u>140</u>

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5. GRANTS AND DONATIONS RECEIVABLE

	Unrestricted	Restricted	Total	Total
			2023	2022
	£'000	£'000	£'000	£'000
Development donations	8	159	167	233

6. NET INTEREST INCOME

(a) Interest receivable and similar income	2023	2022
	£'000	£'000
Bank interest receivable	39	3
Total interest receivable and similar income	39	3
 (b) Interest payable and similar charges	 2023	 2022
	£'000	£'000
Fees in advance debt-financing charge	(234)	(237)
Total interest payable and similar charges	(234)	(237)
 (C) Net interest expense	 2023	 2022
	£'000	£'000
Interest receivable and similar income	39	3
Interest payable and similar charges	(234)	(237)
Net interest expense	(195)	(234)

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7. ANALYSIS OF EXPENDITURE

(a) Total expenditure

	Staff Costs (Note 8) £'000	Other £'000	Depreciation £'000	TOTAL 2023 £,000	Total 2022 £'000
Costs of generating funds					
Trading expenditure	-	667	-	667	171
Interest payable and similar charges	-	234	-	234	237
Development costs	124	76	-	200	205
Total cost of generating funds	124	977	-	1,101	613
Charitable expenditure					
Education and grant making					
Teaching	11,076	2,106	218	13,400	12,420
Welfare	578	3,255	-	3,833	2,816
Premises repair and maintenance	849	3,367	1,268	5,484	3,983
Support costs and governance	1,996	1,310	-	3,306	2,502
Grants, awards and prizes (note 7 (b))	-	75	-	75	63
Total charitable expenditure	14,499	10,113	1,486	26,098	21,784
Total Expenditure	14,623	11,090	1,486	27,199	22,397

(b) Grants, awards and prizes	2023	2022
	£'000	£'000

From Restricted Funds:

Bursaries and other grants and awards	67	25
Prizes and leaving awards	8	36
Library archiving	-	2
	75	63

(c) Governance included in support costs:	2023	2022
	£'000	£'000
Remuneration paid to auditor for audit services	24	21
Other governance costs	2	1
	26	22

In addition to the above audit remuneration the auditor received fees for advisory services totalling £4,000 (2022: £5,000).

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8. STAFF COSTS AND RELATED PARTY TRANSACTIONS

	2023	2022
The aggregate payroll costs for the year were as follows:	£'000	£'000
Wages and salaries	11,384	10,152
Social security costs	1,186	1,076
Apprentice levy	41	36
Other pension costs	2,012	1,787
	14,623	13,051

Key Personnel	2023	2022
	£'000	£'000
Aggregate employee-benefits of key management personnel	821	712

	2023	2022
Number of higher paid employees in bands of:		
£60,001 to £70,000	19	15
£70,001 to £80,000	5	1
£80,001 to £90,000	3	3
£90,001 to £100,000	1	-
£120,001 to £130,000	-	2
£140,001 to £150,000	1	-
£150,001 to £160,000	1	-
£160,000 to £170,000	-	1
£200,000 to £210,000	1	-

28 of these employees are in a defined benefit pension scheme (2022: 20) and 3 employees are in a defined contribution pension scheme (2022: 2).

The table below sets out the College employee numbers shown by average monthly gross amount and full time equivalent.

	Gross 2023	FTE 2023	Gross 2022	FTE 2022
Teaching	209	169	194	158
Welfare	38	20	36	19
Premises	17	17	21	20
Support	77	48	53	38
Development	3	3	3	3
	344	257	307	238

During the year there were redundancy or termination payments made which amounted to £3,500 (2022: £38,000) there was £nil outstanding at the year end (2022: £nil).

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9. TANGIBLE FIXED ASSETS - GROUP AND COLLEGE

	Freehold Land and Buildings £'000	Buildings under Construction £'000	Furniture and Equipment £'000	Motor Vehicles £'000	Total £'000
Cost (or frozen* valuation)					
At 1 August 2022	54,161	345	2,617	70	57,193
Additions	159	183	206	27	575
Assets transferred	345	(345)	-	-	-
Fully depreciated assets written off	-	-	(237)	-	(237)
At 31 July 2023	54,665	183	2,586	97	57,531
Depreciation					
At 1 August 2022	16,146	-	1,686	40	17,872
Charge for the year	1,268	-	199	19	1,486
Fully depreciated assets written off	-	-	(237)	-	(237)
At 31 July 2023	17,414	-	1,648	59	19,121
Net book value					
At 31 July 2023	37,251	183	938	38	38,410
At 31 July 2022	38,015	345	931	30	39,321

All tangible fixed assets are held for use on charitable activities.

*The College has substantial long-held historic assets used in the course of the College's educational activities. These comprise listed buildings on the College campus, together with their contents comprising works of art, ancient books and manuscripts and other treasured artefacts. Because of their age and, in many cases, unique nature, reliable historical cost information is not available for these assets and could not be obtained except at disproportionate expense. However, in the opinion of the Governors the depreciated historical cost of these assets would now be immaterial.

10. FIXED ASSET INVESTMENTS

GROUP AND COLLEGE	2023	2022
	£'000	£'000
Listed investments - Equity unit trusts		
At 1 August	2,701	1,935
Revaluation to market value	(119)	(4)
Purchase of additional units/(transfer investment to cash)	(4)	770
At 31 July	2,578	2,701

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10. FIXED ASSET INVESTMENTS (CONTINUED)

COLLEGE	2023	2022
	£	£
Interest in subsidiary undertaking	100	100

At 31 July the College had the following subsidiary undertaking with the common registered office on page 2:

	Company number	Class of share capital held	Proportion held	Nature of business
Bishop's Stortford College Enterprises Limited	13057176	Ordinary £1	100%	Service

BISHOP'S STORTFORD COLLEGE ENTERPRISES LIMITED
AS AT 31 JULY 2023

BALANCE SHEET	2023	2022
	£	£
CURRENT ASSETS		
Debtors	117,170	134,398
Cash at bank	243,610	67,577
	360,780	201,975
CREDITORS: Amounts falling due within one year	(238,136)	(145,768)
NET CURRENT ASSETS	122,644	56,207
TOTAL ASSETS LESS CURRENT LIABILITIES	122,644	56,207
NET ASSETS	122,644	56,207

CAPITAL AND RESERVES

Share Capital	100	100
Profit and loss account	122,544	56,107
SHAREHOLDERS FUNDS	122,644	56,207

PROFIT & LOSS ACCOUNT

	2023	2022
	£	£
TOTAL INCOME	419,946	229,608
TOTAL EXPENDITURE	(205,643)	(132,398)
NET PROFIT	214,303	97,210

STATEMENT OF RETAINED EARNINGS

	2023	2022
	£	£
RETAINED EARNINGS BROUGHT FORWARD	56,107	-
Profit for the year	214,303	97,210
Gift aid to The Incorporated Bishop's Stortford College Association	(147,866)	(41,103)
RETAINED EARNINGS CARRIED FORWARD	122,544	56,107

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11. PROPERTY INVESTMENTS - GROUP AND COLLEGE

	2023	2022
	£'000	£'000
Valuation at 1 August	4,400	3,363
Net movement	-	1,037
Valuation at 31 July	4,400	4,400

Investment properties consist of a legacy from a College Alumnus consisting of farm land and buildings near to great Dunmow.

The group holds investment properties at fair value which is based on open market value. Periodically the investment properties are subject to a 3rd party valuation, last performed by Edward Rout, MRICS FAIV of Strutt and Parker as at 31 July 2022 at which point investment properties were valued at £4,400,000 (compared to a book cost of £1,000,000). In 2023 the Trustee's performed an internal valuation as at 31 July 2023 and do not consider the fair value of investment properties to have changed on the valuation received in 2022.

12. DEBTORS

	Group		College	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade debtors	335	389	320	255
Staff loans	6	3	6	3
Amounts due from subsidiary	-	-	177	99
Other debtors	73	220	73	220
Other prepayments and accrued income	709	475	607	475
	1,123	1,087	1,183	1,052

All debtors are due within one year.

13. CREDITORS: amounts falling due within one year

	Group		College	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Deposits from parents	755	705	755	705
Fees received in advance of term	1,326	1,234	1,326	1,234
Trade creditors	1,062	1,040	1,013	1,039
Taxation and social security	302	276	300	273
Contributions due to pension schemes	252	192	252	192
Other creditors	63	60	63	60
Fees in advance scheme	1,600	2,148	1,600	2,148
Fees in advance adjustment to fair value	110	83	110	83
Defined benefit pension deficit provision	10	10	10	10
Accruals and deferred income	307	705	297	662
	5,787	6,453	5,726	6,406

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14. CREDITORS: amounts falling due after more than one year

	Group		College	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Defined benefit pension deficit provision	70	85	70	85
Fees in advance scheme	1,814	3,225	1,814	3,225
Fees In advance adjustment to fair Value	232	108	232	108
	<u>2,116</u>	<u>3,418</u>	<u>2,116</u>	<u>3,418</u>

The Governors have reviewed the contract terms under which Pupil fee deposits are held by the College. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the College, pupils can leave at earlier dates. The College does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 July 2023 have been included within current liabilities. The prior year Pupil fee deposits balance has been similarly represented.

15. FEES IN ADVANCE SCHEME - GROUP AND COLLEGE

Some parents have entered into a contract to pay the College in advance for contributions towards the tuition fees for up to five years in return for a fixed price on their fees. The money may be returned subject to specific conditions on the receipt of notice. Assuming pupils will remain in the College, fees in advance will be applied as follows:

	2023	2022
	£'000	£'000
Within two to five years	988	1,756
Within one to two years	826	1,469
	<u>1,814</u>	<u>3,225</u>
Within one year	1,600	2,148
	<u>3,414</u>	<u>5,373</u>
Summary of movements in liability		£'000
Balance at 1 August 2022		5,373
New contracts		253
Repayments		(66)
Amounts used to pay fees		(2,146)
Balance at 31 July 2023		<u>3,414</u>

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16. SUMMARY OF MOVEMENTS ON MAJOR FUNDS

GROUP

	1 August 2022	Income	Expenditure	Transfer between funds & revaluation	31 July 2023
	£'000	£'000	£'000	£'000	£'000
Share capital	1	-	-	-	1
Unrestricted Funds					
General Reserve	36,851	25,547	(27,124)	-	35,274
Revaluation Reserve	3,401	-	-	-	3,401
	40,252	25,547	(27,124)	-	38,675
Restricted Funds					
Bursary/Scholarship Funds	1,697	183	(67)	(79)	1,734
Alumni Funds	1,044	41	(4)	(36)	1,045
Prize Funds	97	6	(4)	(4)	95
Building Funds	40	64	-	-	104
Sporting Expenditure Funds	1	-	-	-	1
Library Archiving Fund	18	-	-	-	18
	2,897	294	(75)	(119)	2,997

GROUP

	1 August 2021	Income	Expenditure	Transfer between funds & revaluation	31 July 2022
	£'000	£'000	£'000	£'000	£'000
Share capital	1	-	-	-	1
Unrestricted funds					
General reserve	36,657	22,571	(22,334)	(43)	36,851
Revaluation reserve	2,364	1,037	-	-	3,401
	39,021	23,608	(22,334)	(43)	40,252
Restricted funds					
Bursary/scholarship funds	1,438	246	(25)	38	1,697
Alumni funds	1,043	32	(33)	2	1,044
Prize funds	101	4	(4)	(4)	97
Building funds	10	27	-	3	40
Sporting expenditure funds	1	-	-	-	1
Library archiving fund	19	-	(1)	-	18
	2,612	309	(63)	39	2,897

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16. SUMMARY OF MOVEMENTS ON MAJOR FUNDS (CONTINUED)

COLLEGE

	1 August 2022	Income	Expenditure	Transfer between funds & revaluation	31 July 2023
	£'000	£'000	£'000	£'000	£'000
Share capital	1	-	-	-	1
Unrestricted funds					
General reserve	36,795	25,127	(26,771)	-	35,151
Revaluation reserve	3,401	-	-	-	3,401
	40,196	25,127	(26,771)	-	38,552
Restricted funds					
Bursary/scholarship funds	1,697	183	(67)	(79)	1,734
Alumni funds	1,044	41	(4)	(36)	1,045
Prize funds	97	6	(4)	(4)	95
Building funds	40	64	-	-	104
Sporting expenditure funds	1	-	-	-	1
Library archiving fund	18	-	-	-	18
	2,897	294	(75)	(119)	2,997

COLLEGE

	1 August 2021	Income	Expenditure	Transfer between funds & revaluation	31 July 2022
	£'000	£'000	£'000	£'000	£'000
Share capital	1	-	-	-	1
Unrestricted funds					
General reserve	36,657	22,515	(22,334)	(43)	36,795
Revaluation reserve	2,364	1,037	-	-	3,401
	39,021	23,552	(22,334)	(43)	40,196
Restricted funds					
Bursary/scholarship funds	1,438	246	(25)	38	1,697
Alumni funds	1,043	32	(33)	2	1,044
Prize funds	101	4	(4)	(4)	97
Building funds	10	27	-	3	40
Sporting expenditure funds	1	-	-	-	1
Library archiving fund	19	-	(1)	-	18
	2,612	309	(63)	39	2,897

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16. SUMMARY OF MOVEMENTS ON MAJOR FUNDS (CONTINUED)

The bursary/scholarship funds were established to provide support for bursaries, scholarships, prizes books and financial assistance to employees.

The alumni funds are made up of three donations and bequests from alumni of the College and provide support for pupils continuing their studies at university as well as funding for books for the Senior School library.

17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted	Unrestricted	Total 2023	Total 2022
	£'000	£'000	£'000	£'000
Tangible fixed assets	-	38,410	38,410	39,321
Property investments	-	4,400	4,400	4,400
Securities investments	2,578	-	2,578	2,701
Net current assets/(liabilities)	419	(2,018)	(1,599)	146
Long term liabilities	-	(2,116)	(2,116)	(3,418)
	2,997	38,676	41,673	43,150

	Restricted	Unrestricted	Total 2022	Total 2021
	£'000	£'000	£'000	£'000
Tangible fixed assets	-	39,321	39,321	39,648
Property investments	-	4,400	4,400	3,363
Securities investments	2,701	-	2,701	1,935
Net current assets/(liabilities)	196	(50)	146	241
Long term liabilities	-	(3,418)	(3,418)	(3,553)
	2,897	40,253	43,150	41,634

18. PENSION SCHEMES - GROUP AND COLLEGE

Retirement benefits to employees of the College are provided through two defined benefit schemes and four defined contribution schemes, which are funded by the College's and employees' contributions.

Defined benefit schemes

Teachers' Pension Scheme

The College 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 £1,636,000 (2022: £1,554,000) and at the year-end £201,000 (2022: £182,000) was accrued in respect of contributions to this scheme.

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

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18. PENSION SCHEMES - GROUP AND COLLEGE (CONTINUED)

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

Pensions Trust Independent School's Scheme

The College participates in the scheme, a multi-employer scheme which provides benefits to some 61 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the College 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 Pensions 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.

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18. PENSION SCHEMES - GROUP AND COLLEGE (CONTINUED)

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 27 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers to the scheme as follows:

From 1 September 2022 to 30 June 2032: £2,687,000 per annum
(payable monthly and increasing by 3% on each 1st September)

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

From 1 September 2019 to 30 April 2030: £2,387,357 per annum
(payable monthly and increasing by 3% on each 1st September)

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

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 the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present values of provision

	2023	2022
	£'000	£'000
Present value of provision	80	95

The following schedule sets out the future deficit reduction contributions agreed between the Company and the scheme under the deficit funding arrangement:

	2023	2022
	£'000	£'000
Year ended:		
31 st July 2023	-	10
31 st July 2024	10	10
31 st July 2025	10	10
31 st July 2026	11	11
31 st July 2027	11	11
31 st July 2028	11	11
31 st July 2029	12	12
31 st July 2030	12	12
31 st July 2031	12	12
31 st July 2032	12	12

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18. PENSION SCHEMES - GROUP AND COLLEGE (CONTINUED)

The movement on the defined benefit pension scheme liability during the year was as follows:

	2023	2022
	£'000	£'000
Balance at 1 August	95	99
Unwinding of the discount factor (interest expense)	3	1
Deficit contribution paid	(10)	(11)
Remeasurements - impact of any change in assumptions	(8)	(10)
Remeasurements - amendments to the contribution schedule	-	16
Balance at 31 July	80	95

The impact of income and expenditure during the year was as follows:

	2023	2022
	£'000	£'000
Interest expense	3	1
Remeasurements - impact of any change in assumptions	(8)	(10)
Remeasurements - amendments to the contribution schedule	-	16
	(5)	7

The net present value calculation to determine the value of the provision has been made on the basis of discount rates of 5.70% as at 31 July 2023 and 3.24% as at 31 July 2022. These rates are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

This defined benefit scheme was provided to support staff that have ceased to be employed by the College. Contributions were paid for 1 member of support staff to the defined contribution section of the pension scheme during the year ended 31 July 2023 (2022: 1). Contributions paid to the defined contribution section of the pension scheme in the current year were £4k (2022: £4k).

The College Support Staff Pension Plan

The College participated in 2 group personal pension plans for non-teaching staff during the year. These were closed at the end of October 2022 and a new single pension provider; Royal London was established offering salary exchange. The regular cost is charged to income and expenditure account and from 1st September 2022 was increased from 7.5% to 10% of salary. Contributions paid in the current year were £324,000 (2022: £126,000) and £48,000 was payable at the year end (2022: £nil). In addition to the pension contributions, the College pays 1% for each of the participating employees for life assurance cover.

In February 2014 the College introduced Auto Enrolment in accordance with new legislation. This has resulted in some employees being enrolled in the NEST pension scheme at the minimum contribution levels. This scheme was also closed during the year in October 2022 and the Auto Enrolment duties was transferred to the new single pension provider, Royal London. Contributions paid in the current year to Nest were £18,000 (2022: £55,000) and £nil was payable at the year end (2022: £8,000).

In addition, the College pays employer contributions into a further defined contribution scheme for one employee under a salary sacrifice scheme. During the year the College paid contributions of £34,000 into the scheme (2022: £30,000) and £3,000 was payable at the year end (2022: £3,000).

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19. CAPITAL EXPENDITURE CONTRACTED - GROUP AND COLLEGE

Capital expenditure in the sum of £264,000 has been contracted for as at 31st July 2023. The capital expenditure is to complete refurbishment work on the Shell and Library buildings.

The capital commitments at the year-end on 31st July 2022 were £80,000 to complete building works to science labs, a grounds compound and a waiting shelter.

20. OPERATING LEASE COMMITMENTS - GROUP AND COLLEGE

As at 31 July 2023 the Group and College had future minimum lease payments under non-cancellable operating leases for each of the following lease periods:

	2023	2022
	£000	£000
Not later than one year	283	281
Later than one year and not later than five years	485	626

21. RELATED PARTY TRANSACTIONS

During the year donations of £2,615 (2022: £9,415) were received from Governors.

Travel and subsistence expenses of £600 were paid to Governors during the year (2022: £nil).

Mr Conti, Mr Harrison and Mrs Gammage are parents of pupils in the College. These families are paying school fees in accordance with the College's standard terms and conditions.

Bishop's Stortford College Enterprises Limited is a 100% subsidiary of the College. The subsidiary makes a donation under gift aid to the College of its taxable profits each year.

At the year end the College owed the subsidiary £15,000 (2022: £15,000) and the subsidiary owed the College £177,000 (2022: £170,000).

22. FINANCIAL INSTRUMENTS

	Group		College	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Financial assets measured at amortised cost (a)	3,581	6,120	3,398	6,021
Financial liabilities measured at amortised cost (b)	(1,880)	(1,805)	(1,831)	(1,803)
Financial assets measured at fair value (c)	2,578	2,701	2,578	2,701
Net financial assets/(liabilities) measured at amortised cost (a) - (b)	1,701	4,315	1,567	4,218

(a) Financial assets include cash, trade and fee debtors, intercompany debtors, staff loans, other debtors and accrued income.

(b) Financial liabilities include bank overdraft, deposits, trade creditors, intercompany creditors and other creditors

(c) Financial assets held at fair value include assets held as investments

A reduction of £nil in impairment losses was credited to financial assets of the Group and College measured at amortised cost in the year, in 2022 there was an impairment charge of £nil.

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23. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES - COMPARATIVE FIGURES BY FUND TYPE

	Unrestricted Funds £'000	Restricted Funds £'000	2023 Total £'000
Income from:			
Charitable activities			
School fees receivable	23,998	-	23,998
Income from insurance claims	107	-	107
Grant income	-	-	-
Profit on disposal of fixed assets	-	-	-
Other trading activities			
Ancillary trading income	1,367	-	1,367
Investments			
Investment income	28	135	163
Interest receivable and similar income	39	-	39
Voluntary sources			
Grants and donations	8	159	167
Total incoming resources	25,547	294	25,841
Expenditure on:			
Raising funds			
Trading expenditure	(667)	-	(667)
Interest payable and similar charges	(234)	-	(234)
Fundraising & Development	(200)	-	(200)
Total deductible costs	(1,101)	-	(1,101)
Charitable activities			
Education and grant making	(26,023)	(75)	(26,098)
Total expenditure	(27,124)	(75)	(27,199)
Net incoming funds from operations before transfers and investment gains	(1,577)	219	(1,358)
Gains/(losses) on investments	-	(119)	(119)
Gains on investment properties	-	-	-
Total income and capital inflow	(1,577)	100	(1,477)
Transfer between funds for the year	-	-	-
Net movement in funds for the year	(1,577)	100	(1,477)
Fund balances brought forward at 1 August 2022	40,253	2,897	43,150
Fund balances carried forward at 31 July 2023	38,676	2,997	41,673