CHARTERHOUSE SCHOOL

England & Wales · Charity number 312054

Details

Status	Registered
Legal form	Other
Registered	1964-03-06
Register	View on the Charity Commission register

Contact

Address	Charterhouse Hurtmore Road Godalming GU7 2DF
Phone	01483291500
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Website	www.charterhouse.org.uk

Activities

Objects: A DAY AND BOARDING SCHOOL FOR BOYS AND GIRLS

Activities: To advance education by the provision of a day and boarding school for boys and girls.

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- Surrey

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Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£64,815,965	£54,519,079	£97,205,106	707
2024-07-31	£57,592,142	£52,263,497	£86,987,429	678
2023-07-31	£54,102,142	£47,749,735	£79,131,000	644
2022-07-31	£46,210,000	£42,243,000	£71,675,000	653
2021-07-31	£44,886,000	£31,847,000	£64,935,000	485

Trustees

Name	Role	Appointed
Mark John Bishop	Chair	2023-09-01
Andrew Reid MA,		2016-06-17
CHARLES WILLIAM DAVID MACEY		2017-06-23
Clare Ferguson		2024-01-09
DAVID ROYDS		2017-06-23
Edward Durell Barnes		2017-03-17
Helen Margaret Goatley		2022-12-02
JEREMY MALISE MCILROY		2021-06-25
JOHN RICHARD OLSEN		2019-06-21
James Robert Charles Goldsmith		2019-06-21
Kwaku Awuku-Asabre		2020-12-04
Michael Nigel Harman Crawford		2025-08-01
Michael William Thompson Walton		2021-06-25
Sarah Ann Hartnell		2025-04-22
Sarah Jane Greasley		2025-04-22
Simon Roy Laver		2025-08-01
Stephen James Browne		2023-03-16
The Very Reverend Dianna Gwilliams		2016-06-17

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Linked charities

- DANIEL WRAY'S SCHOOL CHARITY (312054-1)
- B H WILLETT MEMORIAL FUND (312054-2)
- BROOKE HALL BENEVOLENT FUND (312054-3)
- LADY D FLETCHER'S BEQUEST (312054-4)
- CARTHUSIAN SOCIETY CHARITABLE FUND (312054-5)
- OLD DUCKITE FUND (312054-6)
- CHARTERHOUSE MASONIC WAR MEMORIAL FUND (312054-7)
- COURTENAY CAVENDISH BOYLE SCHOLARSHIPS FUND (312054-8)
- GOWNBOY ASSOCIATION FUND (312054-9)

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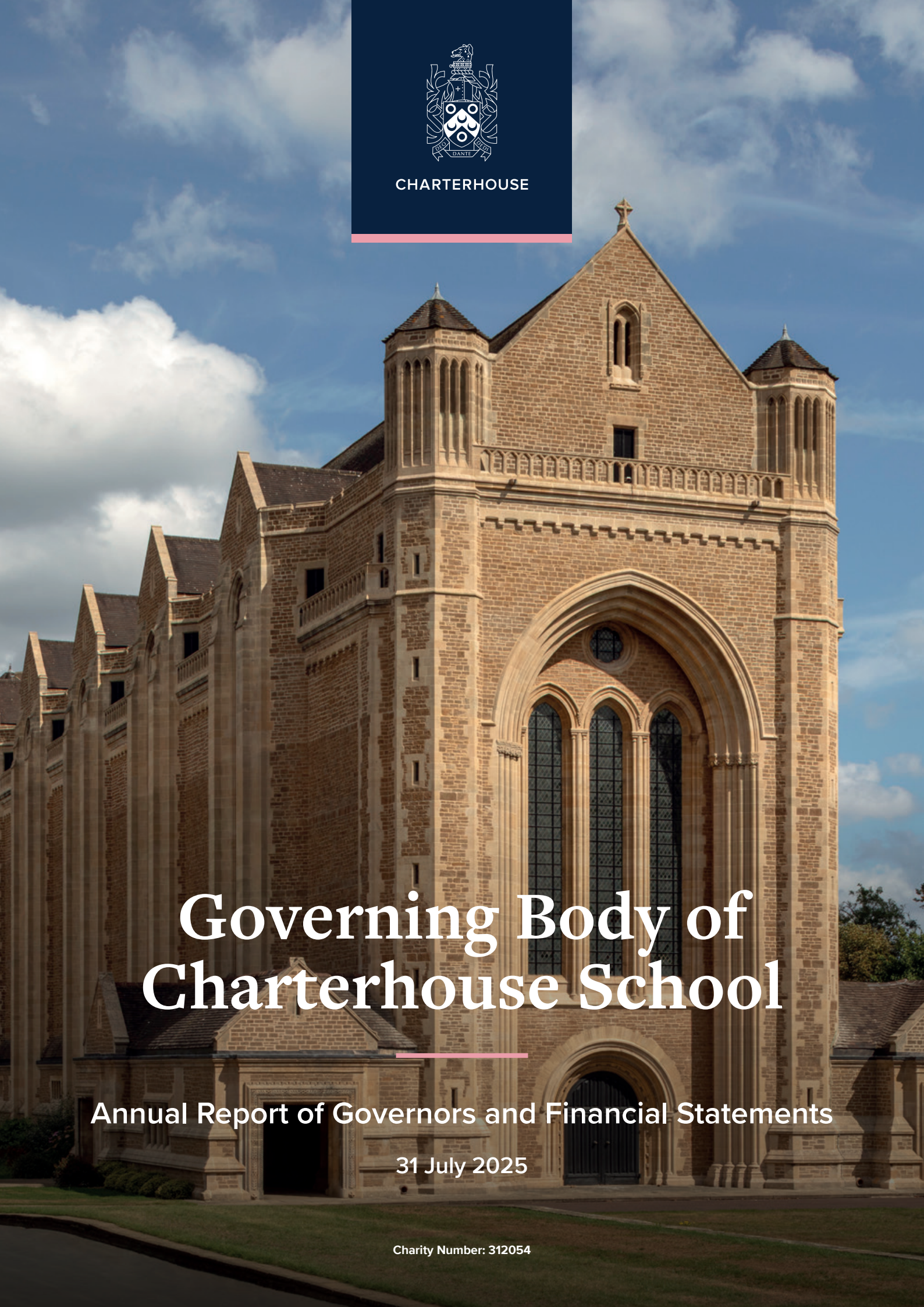
CHARTERHOUSE SCHOOL

England & Wales - Charity number 312054

Accounts



CHARTERHOUSE

Governing Body of Charterhouse School

Annual Report of Governors and Financial Statements

31 July 2025

Charity Number: 312054

Art & Design Engineering Centre Opening

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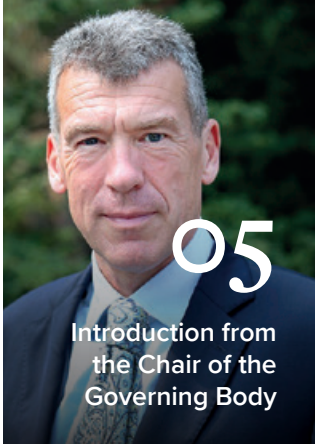
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Charity Reference and Background Information

Charterhouse School and Edgeborough School are registered with the Charity Commission under the name the Governing Body of Charterhouse School and charity number 312054. The financial statements comply with current statutory requirements and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP and FRS 102).

Particulars of the Charity's main professional advisors are given at page 19.

The Charity comprises:

Charterhouse School

A senior school for children aged 13 to 18, which became fully co-educational in 2021. The School was founded in 1611 under the terms of the will of Thomas Sutton who died on 12 December 1611. His bequest provided for the establishment of a school for poor boys and also an alms house for 80 elderly gentlemen, known today as "Sutton's Hospital", on the site of an ancient Carthusian monastery in London.

In 1872 this Foundation was divided in two with Sutton's Hospital remaining in London and the School moving to its present site in Godalming. From that date Charterhouse has been administered by its own Governing Body which is separate from the Governors of Sutton's Hospital. Following the report of the Clarendon Commission, Charterhouse was one of seven schools (the others being Eton, Harrow, Rugby, Shrewsbury, Westminster and Winchester) to have its constitution regulated by an Act of Parliament, namely The Public Schools Act 1868.

Edgeborough School

A co-educational preparatory school for children aged 2 to 13. The Charity merged with Edgeborough Educational Trust Ltd (charity number 312051) on 31st July 2021. Edgeborough School was founded in 1906 as a preparatory school for boys and moved to its current location in Frensham Place in 1939. Edgeborough has been co-educational since 1992.

Edgeborough School

Windlesham House School

Windlesham House School Merger

On 31 July 2025, the Charity merged with Windlesham House School in Washington, Pulborough, West Sussex. Windlesham School was operated by The Malden Trust Ltd. (company number 00747222 and charity number 307046). On 31st July 2025, the assets and liabilities of Windlesham House School transferred to Charterhouse. The financial statements in this annual report reflect that transfer accordingly. The Governing Body of Charterhouse School are trustees of Windlesham House School from 1st August 2025, and business activity of the school will be reflected in the 2025/26 financial statements.

Introduction from the Chair of the Governing Body

It is my privilege to introduce this year's Annual Report. The past twelve months have been marked by both continuity and change: continuity in our commitment to academic excellence, pastoral care, and character development; change in the ways we adapt to an evolving educational landscape and prepare our pupils for a rapidly shifting world.

As Governors, our foremost responsibility is to safeguard the long-term health of our family of schools, thereby ensuring that our values remain strong while we embrace innovation and celebrate our heritage. In that regard we warmly welcome Windlesham House, the country's oldest prep school, which formally joined the Charterhouse family of schools in August 2025.

This year, we have enhanced not only our academic provision but also the wider skills, experiences, and character development that prepare our pupils to flourish in higher education, careers, and society at large. We have strengthened our partnerships with prep schools, creating clearer pathways into Charterhouse and fostering a shared sense of purpose across our educational family.

At the same time, we have extended our global reach, establishing new relationships with international partners and broadening opportunities for pupils to thrive in an interconnected world. Above all, we have deepened our connection and commitment to community, strengthening ties with parents, alumni, and partners to ensure that every Carthusian is supported by a network that lasts a lifetime.

I would like to pay tribute to the entire staff body, whose dedication and professionalism underpin everything which Charterhouse and Edgeborough have achieved during the last 12 months. I also extend my gratitude to our parents and alumni, whose support and belief in our mission continue to inspire us. Above all, I wish to commend our pupils, who embody the spirit of curiosity, kindness, and ambition that defines us.

Looking ahead, the Governors remain committed to ensuring that Charterhouse, Edgeborough and Windlesham House not only maintain their places as leading independent schools but also continue to prepare young people to contribute meaningfully, creatively, and responsibly to society. This report offers an overview of the progress we have made, the challenges we continue to address, and the exciting opportunities that lie before us.

Objects, Aims, Objectives and Activities

Charitable Object

The charitable object of the schools is to advance education by the provision of boarding and day education for boys and girls. The Governors ensure that this charitable purpose is carried out for public benefit by making education available to all who are sufficiently talented and, where possible, irrespective of financial circumstances.

The Governors confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the general guidance issued by the Charity Commission on public benefit.

The charitable purpose for the schools within the meaning of the Act is enshrined within the objects, as noted above.

Aims and Intended Impact

The core aim of the Charity is to equip pupils to lead fulfilled and purposeful lives by providing an all-round education based on the Charterhouse values and those of its preparatory schools. Teaching and learning are at the heart of what the schools do, although this does not mean achieving only qualifications and passing examinations. An education in the Charterhouse family should endure long after time spent at the schools has passed. Each of our pupils will become future-ready during their time with us, in preparation for the challenges and opportunities that they will face within our rapidly evolving society. The centrepiece of our future-ready education is Charterhouse's FutureU programme. Delivered as a structured programme across all year groups, sitting alongside academic courses, it aims to ensure that pupils develop the transferable skills, professional knowledge, experiences and mindset required to thrive throughout their later lives. Our sixth form professional qualification in Applied Entrepreneurship is the first of its type anywhere in the world.

The schools value all pupils as individuals with unique talents and interests, and seek to instil intellectual curiosity and the ability to learn independently; the skills and attitudes to succeed in a fast-changing, multi-cultural society; a sense of personal values based on compassion, integrity and sound judgement; a commitment to service of others and to society; and spiritual, moral, cultural and aesthetic awareness, all of which contribute to a balanced and well-informed approach to life.

Objectives for the year

The Charity is following an overall strategy endorsed in 2017 and lasting until 2031, with a key objective of introducing full co-education at Charterhouse (achieved in 2021), and continuing to develop all aspects of its education provision and improving its non-fees income to assist in supporting public benefit. The strategy is reviewed at least annually, most recently in September 2025 and an annual management plan is prepared for each school, setting out in more detail the specific tasks and objectives for the academic year ahead to achieve the overall strategic goals.

Being just over half-way through the strategy period, and in the context of significant changes in 2025 to the tax regime for the independent schools sector, the Charity is currently reviewing its strategy in detail and extending the next phase through to 2035.

Specifically, the objectives for 2024-2025 were:

To continue to provide the highest quality co-education possible: Over the past twelve months Charterhouse has added to its academic curriculum by adding both Psychology and Sports Science to its A Level offer, whilst introducing a Philosophy course within the IB Diploma Programme. A ground-breaking 'Future U' programme has been introduced to Year 9, in which pupils learn about personal brand management, study skills, neuroscience and AI prompt engineering as part of their careers education. As an alternative to GCSE, a multi-disciplinary course in sustainable development has been added, with pupils collecting plastic recycling before breaking the products into pellets and re-moulding into everyday items which they have sold for charity through a website of their own design.

To complete the extension and refurbishment of Art facilities and the Ben Travers Theatre extension: The extension and refurbishment of the arts building was completed just as the academic year began, providing a bright and airy modern learning space which promotes cross-disciplinary collaborations. The space has been incredibly well received by pupils and staff alike. The official opening took place in June 2025 and gave the Charity an opportunity to thank its generous donors who made the project possible. The building now links to the Design and Technology building, combining to form the Art and Design Engineering Centre.

A large extension to the Ben Travers Theatre commenced in 2024 and was completed in time for the 2025/26 academic year. The extension provides a new dance studio, enlarged foyer and new services space to support productions in both the theatre and studio, enabling further expansion of activities in these increasingly popular areas.

To complete the car-park enlargement and new changing rooms facilities at Edgeborough: Following the amazing improvements made to the reception area and welcome experience in 2023, the car-park and changing rooms projects were completed on time in the first term of the 2024/25 year. These were the last two major projects in the current phase of Edgeborough's masterplan and have had a hugely positive impact. The changing rooms have their own dedicated, award-winning building, while the car-park and associated pedestrianised spaces have greatly improved traffic flow and safety at drop-off and pick-up times.

To continue the conversion from boys' to girls' boarding houses at Charterhouse: To enable meeting Charterhouse's strategic objective of achieving a 50:50 girl/boy pupil mix and to meet the continued strong demand for girls' places, conversion work on Girdlestoneites started in July 2023, following Weekites in 2022. The conversion work continued during the year and following an announcement in May 2024 that Lockites would be the final house to convert, work began in July 2025.

To prepare for tax changes, most notably the imposition of VAT on school fees: The Government announced in July 2024 that VAT would be imposed from January 2025, earlier than many had anticipated and after school budgets and fee levels for the year ahead had been set. Prior to the start of the year, Management and the Governing Body had been preparing financial plans to mitigate the impact of tax regime changes, obtaining independent tax advice and forming prioritised options. The Government's October 2024 budget confirmed that VAT would apply from 1st January 2025, along with the removal of charitable business-rates relief for independent schools and significant increases in Employers' National Insurance contributions impacting from April 2025. This triggered an acceleration and implementation of existing plans, and re-evaluation of the Charity's overall financial position and options, in the face of these enormous financial headwinds all impacting at the same time. (This is discussed further in the Financial Review section).

To continue to grow non-fee income in order to increase funding for bursaries and public benefit: Opportunities to further increase non-fee income have become even more important to mitigate the adverse financial impact of VAT on fees and the other elevated tax burdens placed on the sector. It is vital that we continue to fund bursaries and public benefit activities, and despite this being made much more challenging to afford, Charterhouse continues to work hard to diversify its income, through lettings of its facilities for summer schools, sports camps and other various events, public memberships for the Queen's Sports Centre, and from its International schools subsidiary which plays an important role in raising revenues which are gift aided to the School. During the year, further partnerships to generate royalty income for the school were announced in India and Dubai, adding to existing relationships in Malaysia, Nigeria and Kazakhstan.

To review opportunities to continue to develop the Charterhouse brand: Charterhouse once again achieved record levels of online engagement with applicant families during the year, alongside record attendance at recruitment events. These successes contributed to the School forecasting its largest ever pupil roll for the start of the 2025/26 academic year, reinforcing the growing esteem in which the Charity is held.

With refreshed key messages firmly established, the next phase of brand development has focused on their confident and purposeful use. Communications have been shaped to place the needs and aspirations of prospective families, partners and supporters at the forefront, ensuring that every message conveys a clear and compelling case for choosing Charterhouse over other schools.

This approach has moved the School from simply informing to actively inspiring its audiences. Messages have been brought to life through stories, experiences and evidence that speak directly to what our audiences value most: academic ambition, exceptional pastoral care, a vibrant co-educational environment, and the opportunities offered by a community with global reach. Such messaging aims to support business development across all strands of the Charity's work, in the year ahead.

Commercially, the Charterhouse brand has continued to strengthen. The Godalming campus has welcomed an increasing portfolio of clients during vacation periods, while international partnerships have grown significantly, extending the School's reach and reputation worldwide.

New changing room facilities at Edgeborough

Charterhouse Almaty, Kazakhstan (architect image)

Principal Activities During the Year

During the year the Charity provided education to:

	Age Group	Average Pupils for the Year 2024/2025*	2023/2024
Charterhouse	13-18	995	951
Edgeborough	2-13	360	382

*892 boarding and 103 day pupils at Charterhouse

Pupil numbers at Charterhouse have remained robust despite the imposition of VAT which resulted in parents facing an increase in fees in January 2025. Governors recognise that parents with children already at Charterhouse will be making significant financial sacrifices to keep them here, and those in receipt of bursary support were protected from the mid-year fee increase. Edgeborough's pupil numbers are holding up well compared to many in the wider preparatory schools sector, though a downward pressure has been evident as fees have had to rise due to VAT. Governors are confident of the future success of both schools and the recently acquired Windlesham House School, though the financial pressures placed on parents due to VAT has made pupil recruitment more challenging.

Co-education is thriving at Charterhouse having achieved the goal of girls being in all year groups from 2021. The girls' boarding houses are well established and as we near our goal of having a 50:50 girl/boy balance by 2027/28, work has commenced on converting the Lockites boarding house to a girls house in a phased approach over the next three summers.

Edgeborough has undergone a transformation in recent years under the leadership of its current Head, including curriculum development, improved facilities and leveraging synergies from being part of the Charterhouse family. 2024/25 saw the completion of a new changing rooms building, new cricket nets, and new car park and pedestrianisation measures to improve traffic flow and safety.

Trading activities through Charterhouse's subsidiary companies continue to return gift-aided profits for investment back into the schools. Membership of the Charterhouse Sports Club is strong and a full summer lettings programme of sports camps and learning courses ran in 2025. Together with events such as weddings and filming activity, Charterhouse Enterprises Ltd. delivered a record level of profit in the year. Charterhouse International Ltd. continues to develop overseas partnerships that bring a stream of royalty incomes, and offers online revision courses which are steadily growing.

Bursaries and Scholarships

The Charity provides bursaries ranging from 10% to 100% of fees to the parents/guardians of pupils who could not otherwise afford to send their children to Charterhouse or Edgeborough. Bursary awards are based on a comprehensive assessment of financial need, largely at entry, and may change during a pupil's time at the schools depending on changes to their financial situation. Bursaries are re-assessed annually.

Some funds are also made available to provide financial assistance for bursary applications made during the year as a result of a change in circumstances causing financial hardship. Following the application of VAT to fees in January 2025, the

Charity saw an increase in the number of in-year applications from families who were already at the limit of affordability. Additional funds were made available and used to support pupils who may otherwise have had to leave. Those already on bursaries were protected from the January fee increase.

Scholarships and awards are based on educational ability, the maximum scholarship value being 10% of the fee. Scholarships may be supplemented by bursary support up to the full value of fees in cases of proven financial need.

Bursaries are funded from a combination of Charity funds, restricted funds and third parties including The Carthusian Trust. During the year some 295 (2024: 272) bursaries, scholarships and other awards were made at a total cost of £2.681m (2024: £2.693m); £1.982m (2024: £2.34m) from Charity funds, £445k (2024: £21k) from restricted funds and £254k (2024: £330k) from third party funds. Additional support continued to be given to existing Ukrainian pupils as result of the conflict in their country.

Volunteers

Our schools receive tremendous support from alumni, parents, members of the local community and staff who freely give their time and experience throughout the year. The Governing Body would like to record its appreciation for this ongoing support which is so vital to delivering the Charity's educational and cultural activities.

Public Benefit and Community Engagement

In 2024/2025, a total of 295 pupils across both schools benefited from bursaries and/or scholarships. Bursary spending totalled £2.041m (2024: £2.033m) across 93 pupils of which 15 pupils were on 100% bursaries. The Charity also continues to be part of the School Partnership Alliance as well as Royal National Children's Springboard Foundation in support of transformational bursaries with a new pupil joining us in September 2025 through this program.

Working with other Educational Providers

The Governors continue to believe strongly in the many benefits of educational partnerships with maintained and Academy Trust schools. These partnerships come in various forms:

- Eight members of teaching and support staff are governors of other schools, having a positive impact on over 2,500 pupils; this equates to roughly 240 hours work per year.
- 1,335 pupils from twenty-one local state schools have taken part in academic focused educational activities at Charterhouse, for example Mathematics masterclasses, Science in schools lectures and workshops as well as Easter Revision courses.
- Nearly 4,000 staff hours, or equivalent of 400 teaching days, have been spent on Charitable and Volunteering work.
- At least 150 teachers from other schools have benefited from attending courses hosted and taught by Charterhouse;
- 7 trainee teachers have benefitted from our placements at Charterhouse or involvement in Charterhouse led CPD.
- 1,400 children have had enhanced opportunities and activities as a result of Charterhouse, such as residential summer schools, the Broadwater learning partnership, Chapel use, CCF partnerships and revision courses;
- The annual Shaftesbury Park Primary School summer camp took place in August 2024 providing activities and opportunities for 20 students and yet again was a great success.

Schools Triathlon

Science for Schools

Community Access and Engagement

The Charity has continued to allow use of its facilities to external users. Charterhouse has maintained its long-standing relationship with the local community supporting a wide range of activities for children at schools including Broadwater School, Guildford Grove School, Shaftestbury Park, Godalming Junior School, Amesbury and Aldro Prep Schools. These activities enabled children to enjoy physical activity, outdoor space and nature safely. A major event this year was the Restless Development Schools' triathlon which involved over 1,000 children on site, raising over £110,000 for them. Also, a number of local community groups and organisations used school facilities, including Guildford Hockey Club, Guildford Swimming and London Pulse.

Charitable Activity

The Charity continues to place great value on its charitable activities. Members of the school have raised over £45,000 for a range of other charities including; Cancer Research UK, The Royal Marsden and Green Hub to name but a few. This year has seen support for a variety of charities, particularly Godalming Community Store, the Meath, and Shooting Star Children's Hospices.

Volunteering

Volunteering continues to be highly valued at the Charity, reflecting as it does our values of responsibility and kindness, with at least 60 teaching and support staff involved this year in various activities and over 500 pupils. Over 300 pupils have been involved in the Duke of Edinburgh Award Scheme, which includes 3-12 months of service. Overall, pupils dedicated 10,000 hours to volunteering.

Review of Achievements and Performance for the year

The Addams Family Musical

The timetables in our schools are busy and fulfilling, with a wide range of activities and events at both Charterhouse and Edgeborough, including an impressive breadth of co-curricular activities and trips. We are fortunate to receive tremendous support from parents who want to be involved in school events and it is incredibly rewarding to see the full involvement of the wider Charterhouse and Edgeborough communities in school activities.

Academic Performance

- The academic performance of Charterhouse pupils in Summer 2025 was typically strong. 190 pupils sat GCSEs, and 210 in the Sixth Form took either A Levels or the International Baccalaureate Diploma.
- GCSE results were the strongest post-Covid with 76% of grades at 7-9 (A/A*) consolidating the excellent performance of Carthusians a year ago. 54% of entries were awarded grade 8 or 9, and 104 pupils in the year group (well over half) achieved at least eight grade 7s or better.
- In the Sixth Form, pupils' performance in the International Baccalaureate Diploma was outstanding. Students achieved an average Diploma score of 37.2, far above the international average of 30.58. 71% of all subject papers were graded 6 or 7 (the equivalent of A*/A at A Level), and two-thirds of the cohort achieved at least 37 points.
- A Level results were again very good, and comparable to those achieved in each of the post-Covid years with 82% of grades between A*-B. 27 students achieved 2 A*s or more, and 93 (over half of the cohort) achieved at least AAB.
- The vast majority of our leavers have taken up places at university in the UK, USA, Canada or Europe. 86% of those remaining in the UK will be starting undergraduate courses at Russell Group institutions – which is a record for Charterhouse.

Standardised academic attainment and progress data reflect a highly successful year for Edgeborough pupils. Year on year, GL Assessment results consistently show that pupils from Year 3 to Year 8 are achieving significantly above the national average in English, Maths, and Science. Common Entrance results were strong, with 66% of grades awarded at A* to B. All Year 8 pupils are progressing to outstanding senior schools, including Bradfield, Canford, Charterhouse, Churcher's College, Cranleigh, Gordonstoun, King Edward's School Witley, Lord Wandsworth College, Marlborough, Royal Grammar School Guildford, Seaford, Wellington College, and Winchester College. Notably, Year 8 pupils surpassed last year's record by earning 22 awards and scholarships across a range of disciplines, including academics, art, drama, sport, and design technology.

Arts, Music, Sports and Other Achievements

Candlelit Carols

Music

Music has continued to grow in all areas, with weekly choral evensong matched by ever increasing numbers of rock bands. Major performances have included Duruflé's Requiem for All Souls' Day, Jazz and Rock concerts, Candlelit Carols, Battle of the Bands and Elgar's Cello Concerto. Undoubtedly the musical highlight of the year was the gala performance at London's Cadogan Hall, featuring all the Charterhouse major ensembles spanning all musical genres. The entire community including staff, OCs and parents came together for the second half of the performance for Beethoven's 9th Symphony, accompanied by the Charterhouse Symphony Orchestra.

The Pop Choir and Glee Club have continued to go from strength to strength, and have represented the school in local festivals in both Farncombe and Godalming. Likewise the Big Band gave their ever popular performances in the Big Band Bonanza and in a spectacular combined concert with the Band of the Royal Marines as part of Artifex, our end of year creative arts event.

As always the house competitions were incredibly popular, and while only one house ever agrees with the judge's decision, House Singing and Party Song competitions were hotly contested.

Weekly visits to local primary schools continue to great acclaim, and students have organised monthly recitals in Farncombe Church for local audiences.

2025/26 will be a busy year musically, with major performances including Strauss Four Last Songs and Vaughan Williams Flos Campi by the Symphony Orchestra in November, a combined Chapel Choir and Orchestra performance of Bach's St Matthew Passion in February and a Choral Society performance of the Verdi Requiem in Cricket Quarter. This, in addition to the regular run of rock concerts, choral evensong, jazz performances and solo recitals, makes for an exciting year ahead.

At Edgeborough there were over 160 individual music lessons a week and a high percentage of our pupils sang in the four choirs. Throughout the year, the musicians, choir members and soloists had numerous opportunities to perform. These included the Chamber Choir singing at Charterhouse Evensong Services, and, along with some musicians at All Saints' Church for the Tilford community. There were regular musical concerts allowing musicians of all abilities to perform, as well as the very popular Vincent Singing Competition and the Easter House Singing.

Art

The Art and Design Department had a successful year under the leadership of Helen Pinkney. With the completion of a full refurbishment and extension of art facilities at the beginning of the year, the department benefits from outstanding facilities that support both ambitious practical work and cross-disciplinary collaboration. The enhanced environment has significantly expanded opportunities for creative practice, particularly in ceramics and large-scale sculpture, and continues to strengthen links with the design engineering program.

A strategic focus this year has been on addressing gender imbalance at GCSE and A Level. There has been a marked increase in the number of boys opting to take Art, contributing to a diverse and inclusive cohort. A Level numbers have more than doubled, and the department reports a notable increase in student engagement, with pupils taking genuine ownership of the studio spaces and displaying pride in their creative work.

The official opening of the newly extended and refurbished building was marked by a visit from Stephanie Wilson, an Old Carthusian and former student of Miss Pinkney, who this year won the prestigious Taylor Wessing Photographic Portrait Prize at the National Portrait Gallery. Her success stands as an inspiring example of the long-term impact of a strong creative education and a powerful testament to the previous art studio's legacy.

The House Art Competition was judged by Alistair Burtenshaw, Director of the Watts Gallery, who praised the quality and ambition of the students' work. In a further development, Helen Pinkney was appointed to the Watts Council this year, establishing a formal link between the school and the gallery, with plans to grow opportunities for pupils to engage with the wider community.

Trips and enrichment have remained a key strength of the department, with visits to the Tate, Hayward Gallery, and the Kurt Jackson Gallery, as well as continued collaboration with Newlands House Gallery in Petworth. The outdoor courtyard space has become an increasingly important extension of the studios, providing a platform for exhibiting student sculpture.

The year concluded with exceptional outcomes for our leavers. Students have progressed to a range of prestigious courses, including architecture, fine art, film and animation. Offers were secured from leading institutions such as Goldsmiths, Central Saint Martins, and The Slade School of Fine Art, as well as Parsons in New York. We are seeing more applications to American art schools as well as European.

Performing Arts

2024/25 was an outstanding year for Performing Arts at Charterhouse with pupil engagement stronger than ever before.

LAMDA numbers are now beyond 150 with wonderfully positive results and record numbers of pupils auditioned for the two main productions in the Ben Travers Theatre (BTT), with pupils seeking one of 25 places in the cast of The Cherry Orchard, or one of 46 places in the cast of The Addams Family. Of the latter, all six shows were standing room only, with a total sell out to over 1600 audience members who watched pure joy on stage. With separate principal casts and a huge ensemble - they gave us an evening to remember. Tech crew combined with cast, student led front of house and musicians meant that more than 70 pupils per show were involved.

In the Spring term, an additional production was staged, SHOUT for Groundlings with an astonishing 48 actors on stage over 3 nights. The piece embraced young people and celebrated their differences and diversities. LAMDA numbers are now beyond 150 – with wonderfully positive results too.

Dance continues to grow in a wonderful way and we have our new Head of Dance starting in September 2025. Helen Chisnal has already worked at Charterhouse for two years and now brings her West End career experience to further benefit the dance activities at Charterhouse which broad Carthusian life tremendously.

The School has recently launched Hip-Hop and StreetStyles dance and this will be a weekly event from September 2025. Our Hip-Hop launch totalled 40 students, some of whom had never stepped foot in the BTT before, as we continue to engage with every kind of Carthusian.

Shakespeare made a return to Charterhouse before the year was out with a performance of As You Like It performed beautifully in the woods toward the end of the summer term, and to round off the year, Artifex brought an entirely student led production of The Greatest Show.

Staff and pupils have eagerly anticipated the completion of the extension to the theatre, which from September 2025 provides a world class facility.

There is a very busy and exciting year ahead with Charterhouse embarking on its most ambitious programme yet. Projects planned are The Curious Incident Of The Dog In The Night Time, The Playhouse Apprentice, We Will Rock You, Frozen Jr, Just Dance & Blue Remembered Hills.

In the Autumn Term, Year 5 pupils at Edgeborough performed Pirates of the Curry Bean, a joyful production full of fun and talent and the Pre-Prep and Nursery showed off their talents with delightful Nativity plays and Christmas shows. In March, pupils in Years 7 and 8 delivered an outstanding production of Matilda. Representatives from the National Theatre Awards, who attended the performances, described it as “a charming retelling of this uplifting musical. The choreography showcased a range of impressive skills, allowing young performers to highlight their individual talents.”

One of the greatest successes of the production was the sheer number of pupils eager to take part, a testament to their passion for the performing arts. We were thrilled that some of the cast performed a scene at the National Theatre Awards.

Sport

Sport is thriving at Charterhouse with the principal sports being Football, Hockey, Cricket, Netball, Tennis, Lacrosse, Athletics, Squash, Fives, Racquets, Basketball, Cross Country, Swimming, Golf and Water Polo. Participation in sport is central to school life, with 189 different teams playing across 18 sports, taking part in 1,223 fixtures during the year. A total of 859 pupils represented the school in at least one sports fixture during the year, up from 773 pupils the previous year. By year group, 100% of Fourths and Removes (Years 9 and 10) represented the school, while for Fifths (Year 11) it was 85%. In the sixth form, 80% of first years took part in a fixture, and 68% of second years.

For our sport scholars and selected others there is the Charterhouse Athlete Programme which continues to flourish with 95 pupils across all year groups. Strength and conditioning morning sessions, plyometric afternoon sessions, baseline testing, an online speaker series, nutrition and psychology talks all make up this varied programme for our top athletes.

2024/25 sporting achievements by teams showcase the breadth and depth of talent nurtured at Charterhouse:

- Shooting team – British Schools open champions 2024/25
- U15 Surrey Girls ‘SOCS’ Cricket winners 2023/24 (final played in September 2024)
- U15 ISHC Girls Hockey Plate winners 2024/25
- U18 Basketball Public Schools champions 2024/25
- U18 England Hockey Boys Tier 2 runners up 2024/25
- U15 Boys football team ISFA Cup quarter finals 2024/25
- U15 Girls Inter School UK Padel champions 2024/25
- U15 Girls Surrey cricket runners up
- British Schools Smallbore Long Range shooting champions 2024/25
- U18 Girls 1st XI Football Invitational Tournament Winners 2024/25
- U18 Girls 1st VII Netball Invitational Tournament Winners 2024/25
- Fives Plate winners at Nationals
- 1st XI Boys Cricket Cowdrey Cup runners up 2024/25
- 1st XI Girls Cricket ‘Surrey U18 cup’ winners 2024/25

Notable individual performances and representation include:

- ISFA England U14 girls
- Chelsea FC academy
- Surrey Cricket U18 – boys and girls
- Hampshire Cricket U18 – boys and girls
- Guildford Talent Academy hockey selection
- Wakeboarding Bronze medal in Pan Am games
- Ladies Real Tennis U21 champion
- GB Horseriding selection
- Waverley Vipers Netball regional selection
- Hockey scholarship to Dartmouth College, US

At Edgeborough the girls and boys continue to play regular fixtures in the major sports – hockey, netball, football, cricket and rugby – and in the minor sports of tennis, cross country and athletics. The activity programme continues to grow and this year sailing, clay pigeon shooting and golf have continued to thrive.

Our Under-13 girls’ netball team, after winning the regional finals at Charterhouse, came 3rd at the National Finals. The Under-13 boys’ hockey team also reached the National Finals after finishing second in the regional round.

In the Pre-Prep, the pupils continue to enjoy their lessons with the PE department. The Year 1 and 2 parents were given the opportunity to participate in a games lesson, which focused on giving feedback – particularly how to speak positively to children after matches and training.

Leadership and Outdoor Education

Duke of Edinburgh (DofE) Award

It has been another incredibly busy and successful year, with numbers participating continuing to climb as our pupils relish the challenge across the three levels of Bronze, Silver and Gold. Of the 178 pupils in the 2023/24 Bronze Award cohort, 165 have completed the award during the 2024/25 academic year, and all but one of the 2024/25 cohort of Fourths (Yr 9) signed up, with 145 of them already completing their Award. The Silver Award continues to be very popular, with 121 of the Removes (Yr 10) signing up, all of whom have fully completed their Bronze Award, and are aiming to complete their Silver after their assessment in October 2025. A record number of pupils also completed their Gold award during 2024/25, 27 in total, with 18 collecting their award from Buckingham Palace in May, the largest number for the school to date. The records keep coming. 68 pupils have signed up to do their Gold award, and at the end of the academic year completed their assessment expeditions.

Pioneers

'Pioneers' is a non-uniformed outdoor education programme for pupils in the Removes (Yr 10) who are not members of the CCF. The programme has small groups of between eight and sixteen pupils engaged in a variety of activities, including adventurous activities such as climbing, geocaching and mountain biking, life skills such as cooking (using the food science facilities at Broadwater), and volunteering such as helping at a local youth centre, tidying the grounds outside Guildford Cathedral and collecting plastic for recycling at school. Multiple smaller trips during activities weekends in OQ and LQ and during Activities Week in CQ were also run. Opportunities included a day on e-Mountain Bikes in Peaslake, collecting and hiding Geocache 'routes' in the local area, lessons on climbing walls in Guildford and London, a treasure hunt around Borough Market in London, go-karting, and visits to a local art gallery.

Combined Cadet Force (CCF)

CCF continues to flourish both in-house at Charterhouse and with our local partnership, Broadwater School. 250 children are involved across all sections and the activity programme remains busy with six weekend trips, a full activity week and additional competitive elements for the Shooting Team, Pringle Team and Military Skills Teams. The contingent continues to impress, being awarded Commonwealth Champions in three individual elements this year, as well as English and British Champions in others. A number of the cadets are in selection for UK and GB teams.

Outdoor learning and leadership at Edgeborough

Outdoor learning at Edgeborough has flourished with the guidance of a new lead for pre-prep years. Edgeborough is now a certified Forest School, offering children the opportunity to immerse themselves in nature and learn through outdoor play. In Years 3 and 4, The Edge lessons have provided pupils with the chance to develop essential skills in an outdoor setting, enhancing their communication, collaboration, and leadership abilities.

The Edgeborough Leaders Programme was introduced this year to provide meaningful leadership opportunities for pupils across key areas of school life, including Boarding, Wellbeing, Pupil Voice, Pre-Prep and Nursery, and Prefects. Each team, supported by a designated staff member, is led by pupils and given responsibility for shaping their area of focus. The programme promotes pupil voice, fosters responsibility, and enhances both leadership development and the overall school community.

Fundraising

In 2024/25, the Charity's fundraising priorities continued to focus on three key areas: bursaries, infrastructure projects, and social responsibility. Following another exceptionally strong year for philanthropy, total donations reached £2.793m (2023/24: £2.912m), maintaining the high level of support achieved in recent years and building on the positive momentum in donor engagement.

The Foundation Office secured £2.540m in total (2023/24: £2.581m), of which £2.075m (2023/24: £2.207m) was received as restricted donations, the majority of which supported the new Chapel Organ. This year's fundraising return on investment was £5.94 (2023/24: £7.00) for every £1 spent, based on expenditure of £470k (2023: £416k).

All fundraising activities for the Charity are carried out by our staff, with additional support from parents and pupils for specific events. No third-party fundraisers are engaged. Activities are overseen by the Director of External Relations & Foundation and monitored by the Charity's Executive, of which they are also a member.

No fundraising-related complaints were received during the period; however, clear procedures remain in place should any arise. The Charity subscribes to the UK Fundraising Regulator's Code of Fundraising Practice and applies national guidelines and sector best practice to ensure all activity is conducted to the highest ethical standards. In particular, the Charity considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion.

Review of Financial Activities

The Charity's principal financial aim remains one of generating a surplus of sufficient level to enhance its facilities and continue to provide an education of the highest quality across its schools. Also, to help enable its ambitions to widen access to its education through financial assistance to those who could otherwise not afford it.

The Charity's finances in 2024/25 were buffeted by three significant headwinds from changes to the UK tax regime; the imposition of VAT on independent school fees in January 2025, and from April 2025 the large increase in employers' national insurance contributions and the removal of charitable business rates relief from independent schools. These pressures will endure in future years, adversely impacting the Charity's ability to improve surpluses for the achievement of its charitable goals and strategic objectives.

For 2024/25, Charterhouse had a target surplus of 5% of fees receivable or £2.575m. As a result of the tax changes imposed, the target was revised down to £1.752m. Actual performance appears much stronger at £5.1m due to one-off items; donations exceeding expectations by £1.0m, and investment and interest income £1.1m ahead of target. In addition, gift-aided profits from Charterhouse's commercial subsidiary were £0.3m ahead of target, and in the core school finances, cost efficiencies, deferrals of non-urgent and non pupil-facing spend, coupled with the ability to reclaim VAT on some costs aided the surplus by £0.5m. Lastly, added to these variances is a further £5.06m as the gift of net assets of The Malden Trust following the merger with Charterhouse. Consequently, the statements show a total net incoming resources figure of £10.297m.

The Governors of The Charterhouse in London, formerly known as Sutton's Hospital in Charterhouse, manage the permanent endowment bequeathed by Thomas Sutton in 1611 and pay over to the Charity the Moiety which is applied to the provision of bursaries. For this financial year the Charity received £386k, down from £456k received in the prior year.

Charterhouse diversifies and enhances its income through wholly owned trading subsidiaries which gift aid their profits to the charity:

- Charterhouse Enterprises Limited manages the letting and hiring of facilities at the schools, including management of the external club memberships for the Queen's Sports Centre. For the year ending 31st July 2025 the trading company made a record gift aid payment to the Charity of £735k (2024: £517k). Further enterprise opportunities across the family of schools continue to be developed to help mitigate the adverse financial impacts of VAT being imposed on independent school fees and the loss of charitable business rates relief for independent schools.
- Charterhouse School Design & Build Limited, is responsible for some major new building projects. There was no activity through this company in the year, with the only transactions relating to two houses for staff which were completed in July 2023. The Company gift aid was therefore £Nil (2024: Nil). No further work is planned through this subsidiary in the near future.

Art & Design Engineering Centre

- Charterhouse International Limited is a revenue-generating subsidiary that is growing our reach and reputation within the international schools market. Our first two schools are open in Kuala Lumpur, Malaysia and in Lagos, Nigeria, with further schools due to open in Kazakhstan, India and Dubai. Further opportunities are in the pipeline and our royalty-based model is intended to ensure consistent income streams for many years to come, without a requirement for capital investment from the School. In addition, an online one-year A Level was offered from 2024/25 with further online learning offers being considered. This year the Company gift aided £384k (2024: £30k).

Total Charterhouse group income grew 12.5% year on year to £64.8m (2024: £ 57.6m), largely due to the gift of net assets of the Malden Trust and increased investment income. Expenditure was £54.5m (2024: £52.3m), up 4% due to general cost inflation and some specific increases in for example utilities.

Overall this year, net income from operations was £10.297m (2024: £5.3m), gains on investments were £65k (2024: £2.7m) and the pension scheme position also improved despite an actuarial loss of £144k (2024: loss £137k). This resulted in net movement in funds for the year being £10.2m (2024: £7.9m).

Reserves

The Charity's unrestricted funds stand at £89.3m (2024: £79.6m) at the year end, and total group funds are £97.2m (2024: £87.0m). The unrestricted funds of £89.2m represent funds deployed as part of the schools premises and equipment. Free reserves are unrestricted general funds less the fixed assets deployed for Charity use. On this basis, the Charity has no free reserves (2023/24: nil), due to the long-term investment in buildings (see note 14). The Governors continue to be satisfied that external financial facilities provide an acceptable level of support and the asset base includes property which can be realised to support the schools' capital programme should it be required. The Governors believe that the conditions for preparing these financial statements on the going concern basis are met and have therefore prepared them accordingly.

New dance studio

New changing room facilities at Edgeborough

The Governing Body normally considers the budget for the new financial year initially in March and finalises it in June. In addition, regular financial forecasts are produced that estimate incoming funds and expenditure, as well as capital expenditure, providing a clear understanding of the schools' short-term and medium-term financial obligations. Should additional liquidity be required beyond normal operating levels, the Charity could draw upon its revolving credit facility with its principal bankers, or temporarily utilise some of its investments.

Much of the Charterhouse estate is not attributed at any value in the balance sheet, particularly the Victorian buildings erected when the School moved to Godalming in 1872 and the Memorial Chapel built in 1926 to seat some 800 people (the largest war memorial in England). All these buildings are Grade II listed properties whose costs were written off at the time of building.

Investments

The Trustees' investment powers are governed by the scheme approved by the Charity Commission on 12 October 1989. The portfolios are managed by investment managers who have been given discretion to manage them, within agreed guidelines, by investing in mainly equities and fixed interest securities. The Charity's portfolio holding through the year was divided with equity investment with Navera Investment Management LLP (formerly Meridiem) and medium-term investment grade bonds with Vanguard Investments. Advanced fees received are held as bank deposits. The portfolio and its performance are regularly reviewed by the Investment Sub-Committee which reports to the Finance and Business Development Committee.

In July, the Vanguard portfolio was liquidated, along with some of the Naveara holdings, to release £3.5m towards repayment of a loan held by Windlesham House School. The loan had restrictive covenants and security over the assets, and so was repaid on completion of the acquisition, allowing the assets of the school to come onto Charterhouse's balance sheet unencumbered. The total loan balance outstanding on completion was £5.3m and the remaining £1.8m was repaid from the unrestricted cash reserves of Windlesham House School.

Pension Scheme

The Charterhouse Retirement Benefits Scheme (CRBS) is administered by First Actuarial. Scheme funds are invested in accordance with its investment strategy, with funds currently invested with Navera Investment Management LLP (formerly Meridiem), M&G Total Return Credit Investment Fund, a Partnership Group semi-liquid fund and an LDI managed by Legal & General. The triennial review of the Pension Scheme held in 2024 has concluded, and Governors agreed to continue to make annual payments of £408k per annum to reduce the residual deficit. This payment level was first agreed following the 2021 valuation and by continuing at this rate, the residual deficit confirmed in the 2024 valuation will be cleared in a shorter time frame. The CRBS Trustees are also reviewing the investment strategy in light of the latest valuation, continuing with a de-risking approach as the scheme's funding position further improves.

Capital Expenditure

Charterhouse has a magnificent 250-acre estate to maintain, comprising heritage buildings, some with listed status, alongside modern facilities which have expanded using funds from a 2018 private placement borrowing, and from generous donations. In addition, the charity owns a number of residential properties for certain teachers and support staff. This requires the setting of appropriate priorities and financial plans. It is the policy of the Governing Body, if possible, to provide funds of at least £2.5m annually towards investment in equipment and facilities, including the refurbishment of existing buildings.

Work guided by an infrastructure masterplan continues. A large extension and refurbishment of art facilities was operational from September 2024, providing a fantastic space double the size of the original facility. In July 2025, construction finished on a new drama studio extension to the Ben Travers Theatre, enabling expansion of popular dance and theatre activities from the start of the 2025/26 academic year. Exterior renovation of the Memorial Chapel also took place, comprising repairs to stonework, porches, parapets and gutters. These will ensure longevity of the building as we approach its centenary in 2027.

Edgeborough School operates a smaller site of 55 acres under its own infrastructure masterplan, which in 2024/25 saw completion of a car-park extension and associated pedestrianisation measures, and a new changing rooms building.

These larger capital projects at both schools continued as scheduled, despite the financial pressures and uncertainties faced during the year, as the funding was already secured. Other projects, including an extension and refurbishment of the Music School remained paused through the year whilst we assess affordability. It is anticipated the project will resume in the summer of 2026.

Principal Risks

The Governing Body is responsible for overseeing the management of risks faced by the Charity. Detailed consideration of risks and the strategies and actions to mitigate them is delegated to the Audit, Risk and Compliance Committee, which is assisted by the Director of Finance and Operations, and reports back to the Governing Body regularly. A risk register summarises the risks, owners, mitigating actions and controls and indicates movement in any risk from one period to the next. The various Governing Body and management committees also each play a lead role in the identification, discussion and actions against risks specific to their remits. The Charterhouse and Edgeborough senior leadership teams take responsibility for identifying and managing operational risks.

The key controls in the Charity include the following:

- Formal written policies, including policies and procedures required by law, and external reviews of policies and procedures;
- Formal agendas for all Governing Body and Committee meetings, with detailed terms of reference for all Committees;
- The creation and ongoing review of strategies;
- Comprehensive planning, budgeting and management accounting;
- Schemes of delegation, formal financial regulations, and systems of internal control;
- Regular review of activities and events with lessons learned process;
- Expert advice and support from professional support teams including Human Resources, Estates, Finance, Health and Safety Management, Catering, Operations, Admissions and Communications.
- Expert advice from qualified and experienced academic staff with dedicated responsibility for safeguarding and pastoral care.

The key risks focused on through the year were primarily those driven by economic and political factors, with a high degree of overlap and interdependency between them. Most notably the ability to recruit and retain pupils due to affordability pressures faced by parents and guardians, and external financial pressures being placed upon the schools due to changes in taxation and continued cost inflation pressures.

- **External factors placing a financial burden on the schools.** 2024/25 was a year of unprecedented adverse financial pressure being placed on the sector due to the imposition of VAT on fees, increases in Employers' National Insurance contributions and the removal of charitable business rates relief for independent schools. Additionally, cost inflation has persisted on many of the goods and services required to operate the schools.

  We remain dedicated to mitigating the circumstances we have been presented with since the general election last year, working with management to review and implement expenditure and revenue opportunities. Given the strategic nature of some of our actions, further impact and gains of this work will be seen during the coming years and will contribute to the future long-term development of the schools.

- **Recruitment and retention of pupils.** We recognise that our parents and guardians are making an increasing level of financial sacrifice to send their children to our schools. Our immediate VAT-related fee increase was limited to 12.5% in January 2025 and at Charterhouse we have seen pupil numbers remain robust overall, though for some, the pressures have unfortunately become too much. Bursary awards were enhanced so that fees payable remained at the levels previously assessed as affordable to the 93 families receiving financial assistance. However, we remain vigilant to the risk of future pupil number reduction, particularly due to parents now deterred from embarking on an independent education due to the addition of VAT on fees.

  Through all of our actions to mitigate financial headwinds, we have been mindful of striking an appropriate balance between the level of fees without compromising the quality and breadth of education, co-curricular activities, pastoral care and facilities that our parents and pupils rightly expect and receive. We believe we have achieved that balance thus far, but the challenge of pupil recruitment and retention remains greater than ever, and our admissions strategies and processes will continue to be closely monitored.

Through the risk management processes established for the Charity, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary, and that all risks on the register were reviewed by appropriate committees and management, with mitigations and controls revised accordingly. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Future Plans

New Music Centre

The Charterhouse development strategy (2017 to 2031) was endorsed by Governors in December 2016 and is reviewed annually. The first phase was successfully completed with the start of full co-education and the introduction of girls at 13+ in September 2021. An estates masterplan, funded by a private placement borrowing arranged in 2018, has seen the construction of new facilities to enable the move to full co-education, expansion of the school and development of our educational and co-curricular facilities. In the year ahead, Charterhouse is finalising plans for the last of the major projects in the current phase of the masterplan – an extension and refurbishment of the Music School. The project was delayed in light of the impact of VAT on the school but, subject to affordability, we anticipate construction to commence in the summer of 2026.

The Edgeborough development strategy was endorsed in June 2022, a year after it became part of the Charterhouse family. The strategy builds on the strengths of the school and develops both academic and pastoral provision, with appropriate infrastructure improvements made in recent years. A similarly appropriate development strategy is also being prepared with our new colleagues at Windlesham House School following them joining the Charterhouse family in August 2025.

Now that we are a little over half-way through the overall strategy period, in 2025/26 we are taking the opportunity to review and extend our strategic plans through to 2035. This includes consideration of further consolidation opportunities. Demand for an independent education remains robust, though the Governors and Executive recognise we must not be complacent and continue to mitigate the challenges presented by the significant financial headwinds placed on the sector.

The key objectives for next year are:

1. To continue to provide the highest quality co-education possible, including progressing our thoughts and plans around Artificial Intelligence and its role in many areas of school life;
2. To integrate Windlesham House School into the Charterhouse family and to capitalise on the opportunities for all our schools that flow from being part of a larger group;
3. To finalise plans and commence a new extension and refurbishment of the Music School;
4. To continue the conversion of Lockites as the final house to convert from a boys to a girls house, thus enabling our ambition to achieve a 50:50 ratio of girls and boys;
5. To continue to grow non-fee income, both in the UK and overseas, to provide further funding for bursaries and public benefit, and to mitigate the impact of tax increases on fee levels;
6. To continue to develop the Charterhouse brand through achievement of the objectives above, and to launch a new website.

Subsequent to the year-end of 31st July 2025, and in accordance with our plans to consider further consolidation opportunities, the Charity has entered into a memorandum of understanding to merge with another preparatory school. Subject to ongoing due diligence, the merger would be effective from 31st July 2026.

Governors and Charity Trustees

Members	Appointed by:
Mr M J Bishop BA MA PGCE MBA [7,9,10]	Governing Body
Mr K Awuku-Asabre BSC Dip LAW [3,7]	Governing Body
Mr E D A Barnes BA [4,7,9]	Teachers of Charterhouse
Mrs C Brown MA PgDL LPC [3,6,9] (resigned 20 June 2025)	Governing Body
Mr S Browne MA, MBA, PGCE, MCSI [2,4]	Governing Body
Mrs C Ferguson MEng [7,10]	Governing Body
Mrs H M Goatley BA [4,6]	Governing Body
Mr J Goldsmith BSc MRICS [1,5]	The Charterhouse*
Mrs S Greasley MA (Cantab), CITP, FBCS, CENG, FIET [3,5] (appointed from 22 April 2025)	Governing Body
The Very Revd. Gwilliams DL [4,6]	Governing Body
Mrs S Hartnell [3,6,9] (appointed from 22 April 2025)	Governing Body
Dr N Krause MBE BSc MSc PsychD C.Psychol C.Sci AFBPsS [4] (resigned 20 June 2025)	Governing Body
Mr C W D Macey FCA [2,3]	The Charterhouse*
Mr J McIlroy FCA ATII [1,9]	Governing Body
Mr J R Olsen BA [1,7,9]	Sutton's Hospital
Mr A M Reid MA MBA FCA [1,2]	Governing Body
Mr D J G Royds BSc [1,2,5,10]	Governing Body
Mr M W T Walton MA MBA FRICS [3,5,8,9]	Governing Body

[1] Indicates membership of the Finance and Business Development Committee
[2] Indicates membership of the Investment Sub-Committee
[3] Indicates membership of the Audit, Risk, and Compliance Committee
[4] Indicates membership of the Education Committee
[5] Indicates membership of the Projects and Planning Committee
[6] Indicates governor with special responsibility for Safeguarding and Child Protection
[7] Indicates membership of the Nominations and Governance Committee
[8] Indicates governor with special responsibility for Health & Safety
[9] Indicates membership of the Edgeborough School Committee
[10] Indicates membership of the Remuneration Sub-Committee

OFFICERS

Head of Charterhouse School	Dr A L R Peterken BA, MA, EdD
Director of Finance and Operations	P J Grainge MA (Cantab), ACMA
Head of Edgeborough School	D R Cox BA MSc
Bursar of Edgeborough School	S H Riley BA MBA

CLERK TO THE GOVERNING BODY

Mrs A C Warburton

*Formerly known as Sutton's Hospital in Charterhouse (Charity No. 207773)

Advisors

AUDITOR

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BANKERS

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SOLICITORS

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INVESTMENT MANAGERS

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London, SE1 9HA

Flagstone Investment Management
1st Floor, Clareville House
26-27 Oxendon Street
London, SW1Y 4EL

Vanguard Asset Management Ltd
4th Floor, The Walbrook Building
25 Walbrook
London, EC4N 8AF

INSURANCE BROKERS

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

PRINCIPAL ADDRESSES

Charterhouse
Godalming
Surrey
GU7 2DX

Edgeborough School
84 Frensham Road
Lower Bourne
Farnham
GU10 3AH

Structure, Governance and Management

Governing Documents

The Charity's own Statutes and Regulations are made in accordance with the provisions of the Public Schools Act 1868 and its amendments. The Statutes were last amended on 13 December 2017.

Governing Body

The Governors are the Trustees of the Charity. Up to 15 governors can be appointed by the Charity with a further three appointed by the Governors of The Charterhouse, formerly known as Sutton's Hospital in Charterhouse, and one appointed following a nomination by the teaching staff. Governors, except the Chair, serve a term of up to five years and may, if reappointed by the Governing Body, serve for one further term of up to five years. The Chair may serve the remainder of their term as a governor and then one further term of up to five years if reappointed by the Governing Body.

Recruitment and Training of Governors

New Governors are inducted into the workings of the Charity by the Head, the Director of Finance and Operations, and the Clerk to the Governors. Governors visit the schools and meet key staff and leaders early in their induction, and participate in both external and internal trustee training designed to keep them informed and updated on current issues in the sector and regulatory requirements.

Organisational Management

The members of the Governing Body, as the charity trustees, are legally responsible for the overall management and control of the schools. They meet as a full Governing Body in person at least three times a year to review reports and discuss strategic issues, with each governor also sitting on one or more of the committee's below who meet regularly through the year.

The Committee Structure is:

- The Finance and Business Development Committee considers financial matters, admissions data, communications, and commercial opportunities;
- The Investment Sub-Committee scrutinises investments, reviews the investment and treasury policies and reports to the Finance and Business Development Committee;
- The Education Committee considers academic, co-curricular and pastoral matters;
- The Projects and Planning Committee considers infrastructure and other development projects;
- The Audit, Risk and Compliance Committee oversees the formal external audit process, reviews the internal risk management matrix, and considers compliance matters;
- The Nominations and Governance Committee reviews the effectiveness and membership of the Governing Body;
- The Edgeborough School Committee oversees the educational and pastoral aspects of the preparatory school, including safeguarding;
- The Remuneration Committee meets annually and considers targets and remuneration packages for senior members of staff (members of the Strategy and Business Committee) within an agreed annual budget;
- There are designated Governor leads for Safeguarding, Health & Safety and Boarding.

During the year the Governors also operated working groups to consider and advise on strategic opportunities, tax regime changes (most notably the imposition of VAT on school fees) and associated mitigations, and the merger with Windlesham House School which became effective 31st July 2025.

The Governing Body appoints the Head and the Director of Finance and Operations for Charterhouse and the Head and Bursar of Edgeborough School and delegates day-to-day running of the schools to them. The Head of Edgeborough School reports to the Head of Charterhouse School and the Bursar of Edgeborough School reports to the Director of Finance and Operations of Charterhouse.

Each School has its own Senior Leadership Team which is responsible for the daily management of the school. In addition the Head and Director of Finance and Operations for Charterhouse and the Head and Bursar of Edgeborough School meet regularly. A joint Executive Strategy Committee considers longer-term issues.

Remuneration is set by the Governing Body, with a policy of providing appropriate incentives to encourage enhanced performance and to reward individual contributions to the schools' success fairly and responsibly. This also covers members of the key management personnel.

Mindful of the Charity Governance Code, the Charity continues to review its processes and procedures to ensure the best possible governance. Committee structures and memberships are reviewed at least annually, and a software system is used for the management of board papers. A Governor Handbook provides clear direction on all procedures, and Governor skills are reviewed on a regular basis to ensure a broad set of skills and experiences benefits the Charity.

Associated Charities

The Charterhouse (Charity No: 207773) was the charity governing both Charterhouse School and Sutton's Hospital until Charterhouse moved to Godalming in 1872 and is administered by its own Governors. The Governors of The Charterhouse manage the permanent endowment bequeathed by Thomas Sutton and pay over to the Charity the Moiety; for this last financial year the Charity received £386k (2024: £456k).

The Carthusian Trust, a Charitable Incorporated Organisation (Charity No: 1171955), providing means-tested bursaries and scholarships to pupils of Charterhouse School or donations towards capital projects that will benefit the pupils of the School. During the year the Trust provided £182,527 (2024: £233,122). The Carthusian Trust also pays for up to six Birley scholarships amounting to £14,101 (2024: £20,220).

The Carthusian Society Charitable Fund (Charity No: 1099809) was formed in 1938 with three objects: to provide additional finance for the Old Carthusian Club; to provide amenities for Charterhouse which would help enrich experiences; and to foster relations between the School and Old Carthusians.

The Charterhouse War Memorial and Tercentenary Trust (Charity No: 268012) was established to provide grants to help pupils whose parents experience financial hardship to remain at Charterhouse until a natural breakpoint. During the year £16,312 (2024: £27,315) was provided to Charterhouse as bursaries.

Statement of Responsibilities of the Governing Body

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

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

Under charity law the Governors must prepare financial statements so that they are satisfied that they give a true and fair view of the state of affairs of the charity and the group and of the group's net incoming / outgoing resources for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and the group, and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Governing Body

Mr M J Bishop BA, MA, MBA Chair
Dated: 28 November 2025

Independent Auditor's Report to the Members of the Governing Body of Charterhouse School

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 31 July 2025 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity/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 charity'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 22, the trustees 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 group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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 charity 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 Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity 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 charity 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, Health and Safety regulation, Employment legislation and General Data Protection Regulation (GDPR).

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 timing of recognition of trading subsidiary income, procurement processes for significant capital projects, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit, Risk & Compliance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Independent Schools Inspectorate, 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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP, Statutory Auditor, London

Date 12 December 2025

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Financial Statements

GOVERNING BODY OF CHARTERHOUSE SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2025

	Notes	Unrestricted Funds £'000	Endowed Funds £'000	Restricted Funds £'000	Year ended 31 July 2025 £'000	*Year ended 31 July 2024 £'000*
INCOME AND ENDOWMENTS FROM						
Charitable activities						
Fees receivable	2	**50,162**	**-**	**-**	**50,162**	*48,316*
Foundation income		**386**	**-**	**-**	**386**	*456*
Charitable trading income		**201**	**-**	**-**	**201**	*128*
Gift of net assets of the Malden Trust		**5,022**	**-**	**38**	**5,060**	
Other trading activities						
Income of trading subsidiaries	3a	**3,261**	**-**	**-**	**3,261**	*2,470*
Donations		**466**	**-**	**2,327**	**2,793**	*2,912*
Investment and interest income	4a	**1,266**	**31**	**32**	**1,329**	*1,396*
Other income	4b	**1,624**			**1,624**	*1,835*
Gain on disposal of fixed assets					**-**	*79*
Total income and endowments		**62,388**	**31**	**2,397**	**64,816**	*57,592*
EXPENDITURE ON	5, 6					
Raising funds						
Trading subsidiaries		**2,047**	**-**	**-**	**2,047**	*1,876*
Financing costs		**1,188**	**-**	**-**	**1,188**	*1,262*
Investment management		**156**	**21**	**22**	**199**	*182*
Fundraising		**470**			**470**	*416*
Total deductible costs		**3,861**	**21**	**22**	**3,904**	*3,736*
Charitable activities						
Schools and grant making		**48,469**	**1**	**2,145**	**50,615**	*48,527*
Total expenditure	6	**52,330**	**22**	**2,167**	**54,519**	*52,263*
Net income from operations		**10,058**	**9**	**230**	**10,297**	*5,329*
Net gain on investment assets	8	**51**	**7**	**7**	**65**	*2,664*
NET INCOME for the year		**10,109**	**16**	**237**	**10,362**	*7,993*
Actuarial (Loss)	17	**(144)**	**-**	**-**	**(144)**	*(137)*
Net movement in funds for the year		**9,965**	**16**	**237**	**10,218**	*7,856*
Balances brought forward at 1 August 2024		79,018	2,622	5,347	**86,987**	*79,131*
BALANCES CARRIED FORWARD AT 31 JULY 2025		**88,983**	**2,638**	**5,584**	**97,205**	*86,987*

The notes on pages 30 to 56 form part of these accounts.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
BALANCE SHEETS
AT 31 JULY 2025

		Consolidated		Schools	
		2025	*2024*	**2025**	*2024*
		£'000	*£'000*	**£'000**	*£'000*
FIXED ASSETS					
Tangible fixed assets	7	**107,964**	*96,136*	**107,937**	*96,100*
Investments	8	**21,664**	*25,028*	**21,914**	*25,278*
		129,628	*121,164*	**129,851**	*121,378*
CURRENT ASSETS					
Stocks	9	**124**	*115*	**42**	*38*
Debtors and prepayments	10	**7,399**	*3,898*	**8,184**	*4,191*
Bank and other deposits		**20,672**	*23,451*	**20,672**	*23,451*
Cash and bank balances		**1,450**	*1,096*	**2**	*6*
		29,645	*28,560*	**28,900**	*27,686*
CREDITORS: amounts falling due within one year	11	**(24,166)**	*(22,334)*	**(23,648)**	*(21,678)*
NET CURRENT ASSETS		**5,479**	*6,226*	**5,252**	*6,008*
TOTAL ASSETS LESS CURRENT LIABILITIES		**135,107**	*127,390*	**135,103**	*127,386*
CREDITORS: amounts falling due after more than one year	12	**(37,596)**	*(39,851)*	**(37,596)**	*(39,851)*
NET ASSETS EXCLUDING PENSION FUND LIABILITY		**97,511**	*87,539*	**97,507**	*87,535*
Pension fund liability	17	**(306)**	*(552)*	**(306)**	*(552)*
NET ASSETS	13	**97,205**	*86,987*	**97,201**	*86,983*
Total Unrestricted Funds		**89,289**	*79,570*	**89,285**	*79,566*
Restricted funds		**5,584**	*5,347*	**5,584**	*5,347*
Endowed funds		**2,638**	*2,622*	**2,638**	*2,622*
Total Restricted Funds		**8,222**	*7,969*	**8,222**	*7,969*
Total Funds before pension liability		**97,511**	*87,539*	**97,507**	*87,535*
Pension scheme fund	17	**(306)**	*(552)*	**(306)**	*(552)*
Total Funds	14	**97,205**	*86,987*	**97,201**	*86,983*

The net result for the year dealt within the financial statements of the parent charity was a surplus of £10.215m (2024 surplus £7.852m).

Approved and authorised for issue by the Governing Body and signed on its behalf by

M J Bishop BA MA MBA
Chair
Dated: 28 November 2025

C W D Macey FCA
Chair of Audit, Risk and Compliance
Dated: 28 November 2025

The notes on pages 30 to 56 form part of these accounts.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2025

	Notes	2025 £'000	*2024 £'000*
Net cash flow from operations			
Net cash provided by operating activities	15	**3,228**	*11,907*
Cash flows from investing activities			
Cash from transfer of The Malden Trust		**585**	*-*
Payments to the Malden Trust		**(2,906)**	*-*
Payments for tangible fixed assets		**(7,565)**	*(10,032)*
Purchase of investments		**(292)**	*-*
Proceeds from sale of property, plant and equipment		**33**	*79*
Receipts from sale of investments		**3,523**	*282*
Investment income and interest received		**1,329**	*1,090*
Net cash (used) in investing activities		**(5,293)**	*(8,581)*
Cash flows from financing activities			
Bank loan repayments		**(360)**	*(1,392)*
Net cash provided by financing activities		**(360)**	*(1,392)*
Change in cash and cash equivalents in the reporting period	15	**(2,425)**	*1,934*
Cash and cash equivalents at the beginning of the reporting period		**24,547**	*22,613*
Cash and cash equivalents at the end of the reporting period	15	**22,122**	*24,547*

The notes on pages 30 to 56 form part of these accounts.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2025

1. ACCOUNTING POLICIES

Charity Information
The Schools is a charity registered with the Charity Commission in England and Wales (charity number 312054) and is a Public Benefit Entity operating from its registered office Charterhouse, Godalming, Surrey, GU7 2DX.

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 Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

The accounts are drawn up on the historical cost basis of accounting.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2015 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The 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 Charity on a line by line basis with its wholly owned subsidiaries Charterhouse Enterprises Limited, Charterhouse International Limited and Charterhouse Design and Build Limited. No separate SOFA has been presented for the Charity alone.

Going concern
2024/25 brought the most significant financial headwinds ever to have faced the independent schools sector, notably the introduction of VAT on school fees.The Governors formed a working group and approved a financial strategy, reviewing various financial scenarios and options to mitigate the impact of tax changes to ensure that the schools can continue to deliver excellent educational outcomes and maintain appropriate investment in infrastructure projects. Senior management and Governors continue to explore and implement solutions to the key challenges and opportunities faced.. This has included passing on some of the impact of VAT to parents, and delays to non-essential projects. The Charity holds sufficient cash balances and investments should additional liquidity be required through this continuing period of uncertainty. Given the strong number of pupils at Charterhouse in September 2025, with senior school enquiry and registration levels remaining robust, the Governors have a reasonable expectation that the Charterhouse group has adequate resources to continue its activities for the foreseeable future and have prepared the financial statements on the going concern basis.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

1. ACCOUNTING POLICIES (CONTINUED)

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

The 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, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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

Fee income
Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the Schools, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants.

Donations
Donations subject to specific wishes of the donors are carried to relevant restricted funds and are accounted for mainly on a cash received basis.

Foundation Income
Foundation Income is the Moiety received from Suttons Hospital and is recognised on a cash received basis.

Grant Income
Grant income is recognised where there is evidence of entitlement, the receipt is probable and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

Expenditure
Expenditure is accounted for on an accruals basis. Expenditure and irrecoverable VAT is allocated to expense headings on a direct cost basis except for central costs which are apportioned on the basis of an estimate of time spent on the relevant function. Support costs comprise staff and other costs incurred directly supporting the teaching function and general running of the Schools.

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.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

1. ACCOUNTING POLICIES (CONTINUED)

Pension schemes
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 Schools. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme. The Charity operates the Charterhouse Retirement Benefits Scheme for non teaching staff. This Scheme was closed to new entrants on 31 July 2002.

Finance and other costs
Other costs include amounts accrued in accordance with the terms of the Advanced Fee contracts and private placement interest.

School buildings and equipment
All School buildings and houses erected on campus since 1974 together with off campus houses are capitalised. Properties are included at cost and major upgrade and refurbishment expenditure is also capitalised. The cost of pre 1974 school properties are not included in these accounts and the historical nature of these is reported in the Finance section of the Annual Report of the Governing Body (page 14). All IT equipment and software is capitalised. Plant, vehicles and other items of equipment with an individual purchase price of £5,000 or above are also capitalised.

Depreciation
Depreciation of assets is provided at the following rates to write off the excess of cost over estimated residual amount evenly over their estimated useful economic lives.

These rates are currently as follows:

School buildings	-	50 years (full year in year of completion)
Dwelling houses	-	50 years (full year from acquisition excluding land)
Dwelling houses refurbishment	-	between 10 and 25 years
Plant and vehicles	-	4 years
IT equipment and software	-	1 to 3 years

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Investments
Investments are shown at their year end market value. Realised and unrealised gains less losses are credited to the Statement of Financial Activities.
Investments in subsidiaries are valued at cost less provision for impairment.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

1. ACCOUNTING POLICIES (CONTINUED)

Stocks
Stocks are carried at the lower of cost and estimated selling price.

Fund accounting
The endowed funds of the Charity are capital funds where normally only the income arising may be applied, in some cases on restricted purposes. Restricted funds have arisen either from restrictions applied by donors or due to the terms of the appeal by which the funds were raised. Designated funds have been set aside by the Trustees for specific purposes.

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 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, deferred income 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.

At the balance sheet date the Charity held financial assets at fair value through income or expenditure of £21.664m (2024: £25.028m).

2. FEE INCOME

	2025 **£'000**	*2024* *£'000*
Gross fees, including music fees	**52,589**	*50,679*
Less: Scholarships and bursaries:		
Schools -scholarships and awards	**(640)**	*(660)*
- bursaries	**(2,041)**	*(2,033)*
Fees receivable	**49,908**	*47,986*
Add back: Bursaries and other awards paid for by restricted funds	**254**	*330*
	50,162	*48,316*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

3. TRADING INCOME AND EXPENDITURE

a. Subsidiary companies

The Charity owns 100% of Charterhouse Enterprises Limited (CEL), whose main activities include the operation of the School shop and the letting of buildings and sports grounds, 100% of Charterhouse School Design & Build Limited, whose main activity is major building projects (CSD&BL) and 100% of Charterhouse International Limited (CIL). All companies donate under gift aid their taxable profits to the Charity. Trading results extracted from their audited accounts are shown below:

	2025 £'000 CIL	**2025 £'000 CSD&BL**	**2025 £'000 CEL**	*2024 £'000 CIL*	*2024 £'000 CSD&BL*	*2024 £'000 CEL*
Turnover	**968**	**7**	**2,293**	**497**	**42**	**1,973**
Cost of sales	**(1)**	**-**	**(790)**	**(15)**	**(36)**	**(756)**
Gross profit	**967**	**-**	**1,503**	**482**	**6**	**1,217**
Administration	**(583)**	**(7)**	**(768)**	**(447)**	**(6)**	**(691)**
Interest payable	**-**			**-**	**-**	**(1)**
Profit /(Loss) before taxation	**384**		**735**	**35**	**-**	**525**
Taxation				**-**	**-**	**(8)**
Profit/(Loss) after taxation	**384**	**-**	**735**	**35**	**-**	**517**
Gift aid to Charterhouse School	**(384)**	**-**	**(734)**	**(31)**	**-**	**(517)**
Retained loss b/fwd				**(4)**		**-**
Loss retained for the financial year	-	**-**		-	**-**	**-**

The net assets of CEL at 31 July 2025 were £2 (2024: £2) and for CSD&BL were £1 (2024: £1) and net assets for CIL were £250,001 (2024: £250,001).

Income of the trading subsidiaries, amounts to £3.37m (2024: £2.51m) which represents the turnover of CEL of £2.293m (2024: £1.973m), the turnover of CSD&BL of £7k (2024: £42k) and the turnover of CIL of £968k (2024: £497k).

During the year, CEL paid the Charity £785k which included Staff Costs £613k, Rent £40k and Event expenditure £108k (2024: £741k). The Charity paid CEL £271k which included Pupils Retail invoices £156k and Miscellaneous £108k (2024: £272k). At the year end £Nil was owed by the Charity to CEL (2024: £6.5k) and CEL owed the Charity £887k which included the gift aid due for the year of £735k
The Charity paid CSD&BL £33k (2024: £298k) for New Building work of which £Nil was outstanding at the year end (2024 £Nil) . CSD&BL paid the Charity £33k (2024: £13). At the year end £Nil was owed by the Charity to CSD&BL (2024: £Nil) and CSD&BL owed the Charity £Nil (2024: Nil).

The Charity paid CIL £Nil (2024: £nil). CIL paid the School £216k (2024: £257k).

At the year end CIL owed the Charity £558k.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

4a. INVESTMENT AND INTEREST INCOME

	2025	2024
	£'000	£'000
Dividends receivable	246	250
Interest receivable	1,083	1,146
	1,329	1,396

4b. OTHER INCOME

Registration fees	376	393
Surcharge for late payment of school fees	17	70
Rental income – staff housing	490	476
Other	741	896
	1,624	1,835

5. EXPENDITURE

Expenditure includes:

Auditor's remuneration:		
For audit	67	71
For non-audit	16	41
Depreciation and amortisation - Schools	4,696	3,999
- Charterhouse Enterprises Limited	27	3
Discounts given on Advanced Fees	33	14
Operating lease expenditure – hire of vehicles and equipment	156	181
Total staff costs:		
Salaries and wages	24,112	22,221
Social security costs	2,658	2,301
Pension contributions	4,474	3,861
	31,244	28,383

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

5. EXPENDITURE (CONTINUED)

The average number of full time employees in the year was 290 (2024: 282) and 174 (2024: 166) full time equivalents. Of these:

		2025 No.	*2024 No.*
Teaching staff	- Full time	**162**	*156*
	- Part time /(full time) equivalent	**43**	*44*
Grounds staff	- Full time	**14**	*14*
	- Part time /(full time) equivalent	**1**	*1*
Maintenance staff	- Full time	**26**	*26*
	- Part time /(full time) equivalent	**2**	*1*
Pastoral & Domestic staff	- Full time	**21**	*22*
	- Part time /(full time) equivalent	**86**	*81*
Administration & Other	- Full time	**67**	*64*
	- Part time /(full time) equivalent	**42**	*39*

The average number of the Charity's employees during the year calculated on an actual head count basis was 707 (2024: 678).

The number of employees whose emoluments exceeded £60,000 were:

	2025 No.	*2024 No.*
£60,001 - £70,000	**28**	*24*
£70,001 - £80,000	**38**	*36*
£80,001 - £90,000	**21**	*25*
£90,001 - £100,000	**19**	*14*
£100,001 - £110,000	**9**	*10*
£110,001 - £120,000	**5**	*1*
£130,001 - £140,000		*1*
£140,001 - £150,000	**1**	*1*
£150,001 - £160,000	**2**	*1*
£180,001 - £190,000	**1**	*-*
£220,001 - £230,000		*-*
£270,001 - £280,000		
£370,001 - £380,000	**1**	*1*

Of those in the bandings shown above, 93 (2024: 94) were members of the Teachers' Pension Scheme, a defined benefits pension scheme, 30 (2024: 17) were members of Charterhouse DC Pension Plans, "Defined contribution schemes" and there were 2 (2024:3) opt-outs from TPS. Employer's contributions to the Charterhouse DC Plans were £1,040,300 (2024: £669,970).

Neither the Governors nor persons connected with them received any remuneration or other benefits. There were 5 (2024: 5) Governors who were reimbursed travelling expenses of £2,117 (2024: £2,295) incurred in attending meetings.

Aggregate employee-benefits of key management personnel was £2,460,631 (2024: £2,940,505). Key management personnel are defined as the School's Senior Leadership Team (SLT). Six (Four) of the School's SLT have a spouse or child employed at the School at a total cost of £192k (2024: £126k)

Termination payments were £504,249 (2024: £154,076) and £153,521 (2024: £94,000) were outstanding at year end.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs £'000	Other £'000	Depreciation £'000	**Total 2025 £'000**	*Total 2024 £'000*
Raising funds					
Trading subsidiaries	-	2,047	-	**2,047**	*1,876*
Financing costs	-	1,188	-	**1,188**	*1,262*
Investment Management	-	199	-	**199**	*182*
Fundraising	345	125	-	**470**	*416*
	345	3,559	-	**3,904**	*3,736*
Charitable activities					
Teaching costs	21,778	2,069	10	**23,857**	*22,484*
Welfare	3,184	4,485	-	**7,669**	*7,367*
Premises	2,675	5,399	3,902	**11,976**	*12,086*
Support costs	3,262	3,010	811	**7,083**	*6,564*
Grants, awards and prizes	-	22	-	**22**	*17*
Governance costs	-	8	-	**8**	*9*
Schools and grantmaking costs	30,899	14,993	4,723	**50,615**	*48,527*
Total expenditure	31,244	18,552	4,723	**54,519**	*52,263*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

7. TANGIBLE FIXED ASSETS

	Freehold Property	Leasehold Property	Plant, Vehicles and Equipment	Total
Consolidated	£'000	£'000	£'000	£'000
Cost:				
At 1 August 2024	*122,488*	*433*	*8,956*	*131,877*
Additions at cost	6,262	-	948	7,210
Transfer of assets from The Malden Trust Limited	7,880	-	1,470	9,350
Disposals at cost	-	-	(464)	(464)
At 31 July 2025	**136,630**	**433**	**10,910**	**147,973**
Depreciation:				
At 1 August 2024	*27,822*	*121*	*7,798*	*35,741*
Provision for the year	3,861	5	866	4,732
Disposals			(464)	(464)
At 31 July 2025	**31,683**	**126**	**8,200**	**40,009**
Net book value				
At 31 July 2025	**104,947**	**307**	**2,710**	**107,964**
At 31 July 2024	*94,666*	*312*	*1,158*	*96,136*
Schools				
Cost:				
At 1 August 2024	*122,488*	*433*	*8,798*	*131,719*
Additions at cost	6,262	-	948	7,210
Transfer of assets from The Malden Trust Limited	7,880	-	1,470	9,350
Disposals at cost	-	-	(464)	(464)
At 31 July 2025	**136,630**	**433**	**10,752**	**147,815**
Depreciation:				
At 1 August 2024	*27,810*	*121*	*7,688*	*35,619*
Provision for the year	3,861	5	857	4,723
Disposals			(464)	(464)
At 31 July 2025	**31,671**	**126**	**8,081**	**39,878**
Net book value				
At 31 July 2025	**104,959**	**307**	**2,671**	**107,937**
At 31 July 2024	*94,678*	*312*	*1,110*	*96,100*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

7. TANGIBLE FIXED ASSETS (Continued)

Prior to 2000 the cost of land and buildings within the curtilage of Charterhouse School had been written off and not capitalised. In 2000 the cost of buildings constructed since 1974 was reinstated at cost. In addition, Charterhouse School has over the years collected a number of historical assets the value of which cannot be easily ascertained. Included in freehold property are assets in the course of construction totalling £4.157m (2024: £8.439m) which have not been depreciated.

8. INVESTMENTS 2025

	General £'000	Endowed & Restricted Funds £'000	**Total £'000**
Consolidated			
Opening balance			
Investments	18,875	5,134	**24,009**
Cash capital	801	218	**1,019**
At 1 August 2024	19,676	5,352	**25,028**
Reinvested income	230	62	**292**
Amounts extracted	(3,517)	(6)	**(3,523)**
Investment management fees	(156)	(42)	**(198)**
Gain realised and unrealised	50	15	**65**
Carried forward at 31 July 2025	16,283	5,381	**21,664**
Closing balance			
Investments	15,570	5,145	**20,715**
Cash capital	713	236	**949**
At 31 July 2025	16,283	5,381	**21,664**

Listed Investments	
Fixed Interest	**1,575**
Equities	**18,392**
Alternative Assets	**19,966**
Bonds	**-**
Gold	**748**
Cash	**949**
	21,664
Charity Investments	
UK	**6,312**
Overseas	**15,352**
	21,664

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

8. INVESTMENTS 2024

	General £'000	Endowed & Restricted Funds £'000	**Total £'000**
Consolidated			
Opening balance			
Investments	16,967	4,833	**21,800**
Cash capital	563	160	**723**
At 1 August 2023	17,530	4,993	**22,523**
New Investment			
Reinvested income	237	67	**304**
Amounts extracted	(22)	(259)	**(281)**
Investment management fees	(142)	(40)	**(182)**
Gain realised and unrealised	2,073	591	**2,664**
Carried forward at 31 July 2024	19,676	5,352	**25,028**
Closing balance			
Investments	18,875	5,134	**24,009**
Cash capital	801	218	**1,019**
At 31 July 2024	19,676	5,352	**25,028**
Listed Investments			
Fixed Interest			**1,801**
Equities			**19,809**
Alternative Assets			**21,610**
Bonds			**1,932**
Gold			**467**
Cash			**1,019**
Charity Investments			**25,028**
UK			**4,616**
Overseas			**20,412**
			25,028

During 2021-22 the Charity invested £250k in Charterhouse International Ltd share issue

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

9. STOCKS

	Consolidated		Schools	
	2025	*2024*	**2025**	*2024*
		£'000	**£'000**	*£'000*
Catering	**42**	*44*	**42**	*38*
Retail shop	**82**	*71*	**-**	*-*
	124	*115*	**42**	*38*

10. DEBTORS AND PREPAYMENTS

Fees and other pupil expenses	**1,166**	*1,599*	**1,166**	*1,599*
Staff mortgages and loans	**13**	*13*	**13**	*13*
Trade debtors	**122**	*1,410*	**19**	*1,004*
Amounts due from subsidiary companies	**-**	*-*	**1,445**	*736*
Prepayments and accrued income	**515**	*203*	**486**	*183*
Other debtors	**5,583**	*673*	**5,055**	*656*
	7,399	*3,898*	**8,184**	*4,191*

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Bank loans	**370**	*360*	**370**	*360*
Taxation and social security	**1,421**	*730*	**1,352**	*654*
Trade creditors	**2,182**	*2,524*	**1,882**	*2,271*
Amounts owed to group and associated undertakings			**2**	*35*
Other creditors	**1,074**	*886*	**1,074**	*886*
Accruals and deferred income	**7,409**	*7,766*	**7,258**	*7,404*
	12,456	*12,266*	**11,938**	*11,610*
Deposits from parents (note 12a)	**8,286**	*6,709*	**8,286**	*6,709*
Deferred income – fees received in advance (note 12c)	**3,424**	*3,359*	**3,424**	*3,359*
	24,166	*22,334*	**23,648**	*21,678*

12. CREDITORS: amounts falling due after one year

Deposits from parents (note 12a)	**688**		**688**	
Bank loans/Private Placement (note 12b)	**33,920**	*34,290*	***33,920***	*34,290*
Advanced fees (note 12c)	**2,988**	*5,561*	***2,988***	*5,561*
	37,596	*39,851*	***37,596***	*39,851*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

12a. ACCEPTANCE AND OVERSEAS DEPOSITS

Parents are required to pay a deposit on acceptance of a place which is refundable at the end of the pupil's pupillage at the Schools.

	2025 £'000	*2024 £'000*
Consolidated		
Within 1 year	**8,286**	*6,709*

Pupil Fees Deposits – the total amount held in relation to fee deposits of £8.286m is included above. In the normal course of business the expected repayment of these amounts will be £1.404m (2024: 1.198m) within one year and £6.882m (2024: £5.511m) after more than one year.

12b. BANK AND LOAN NOTE DEBT

The Charity has a £35m partially amortising private placement with a term of 40 years at a fixed rate of 3.19%. Principal repayments beginning in 2024 and ending in 2058. The Charity also has a RCF of £4.650m with a tenor of 3 years at 1.5% over base rate, currently undrawn.

	2025 £'000	*2024 £'000*
Consolidated		
Within 1 year	**370**	*360*
	370	*360*
Within 2 to 5 years	**1,610**	*1,560*
After 5 years	**32,310**	*32,730*
	33,920	*34,290*

12c. ADVANCED FEES FUND

Parents may enter into a contract to pay to the Schools up to the equivalent of five years' School fees in advance. Any proportion of the advanced fee may be repaid to the parents at their request.

	2025 £'000	*2024 £'000*
Within 2 to 5 years	**3,424**	*5,561*
Within 1 year	**2,988**	*3,359*
	6,412	*8,920*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

12C. ADVANCED FEES FUND (CONTINUED)

The movements during the year were:	2025 £'000	2025 £'000	2024 £'000	2024 £'000
At 1 August 2024		**8,920**		*2,449*
The Malden Trust (transfer)		**187**		
New contracts		**767**		*8,194*
Repayments		**(52)**		*(436)*
		9,822		*10,207*
Amounts used to pay fees	**3,369**		*1,273*	
Amounts added to value of fees	**41**		*14*	
		(3,410)		*(1,287)*
At 31 July 2025		**6,412**		*8,920*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

13. ALLOCATION OF THE NET ASSETS BETWEEN FUNDS 2025

	Tangible fixed assets £'000	Investments £'000	Net current assets £'000	Long term liabilities £'000	Pension fund liability £'000	**Total £'000**
Consolidated:					-	**-**
General funds		16,283	2,638	(18,921)	-	**-**
Designated funds:						
Tangible fixed assets reserve	107,964	-	-	(18,675)	-	**89,289**
Endowed funds	-	2,638	-	-	-	**2,638**
Restricted funds	-	2,743	2,841	-	-	**5,584**
Pension scheme fund	-	-	-	-	(306)	**(306)**
	107,964	21,664	5,479	(37,596)	(306)	**97,205**

ALLOCATION OF THE NET ASSETS BETWEEN FUNDS 2024

	Tangible fixed assets £'000	Investments £'000	Net current assets £'000	Long term liabilities £'000	Pension fund liability £'000	**Total £'000**
Consolidated:						
General funds	-	19,676	3,609	(23,285)	-	**-**
Designated funds:						
Tangible fixed assets reserve	96,136	-	-	(16,566)	-	**79,570**
Endowed funds	-	2,622	-	-	-	**2,622**
Restricted funds	-	2,730	2,617	-	-	**5,347**
Pension scheme fund					(552)	**(552)**
	96,136	25,028	6,226	(39,851)	(552)	**86,987**

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

14. FUNDS 2025

	Balance 1 August 2024 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Investment gains / (losses) £'000	**Balance 31 July 2025 £'000**
Undesignated general reserves	-	62,388	(52,720)	(9,719)	51	**-**
Designated funds:		-	-	-	-	**-**
Tangible fixed assets reserve	*79,570*	-	-	9,719	-	**89,289**
Total unrestricted funds	*79,570*	62,388	(52,720)	-	51	**89,289**
Restricted funds:						
Prizes	*671*	7	(9)	-	2	**671**
Scholarships and bursaries	*1,938*	530	(485)	-	5	**1,988**
Other	*18*	316	(92)	-	-	**242**
Donations other	*1,383*	-	(50)	-	-	**1,333**
Donations Business Hub	-	65	-	-	-	**65**
Donations Art and Design Hub	-	3	(3)	-	-	**-**
Donations Wei Music Fund	*170*	-	(20)	-	-	**150**
Donations Drama	*1,167*	9	(1,175)	-	-	**1**
Donations Organ	-	1,248	(114)	-	-	**1,134**
Donations Music	-	219	(219)	-	-	**-**
	5,347	2,397	(2,167)	-	7	**5,584**
Endowed funds:						
Prizes	*673*	7	(6)	-	2	**676**
Scholarships and bursaries	*1,836*	23	(15)	-	5	**1,849**
Other	*113*	1	(1)	-	-	**113**
	2,622	31	(22)	-	7	**2,638**
Pension scheme fund	*(552)*	-	390	-	(144)	**(306)**
	86,987	64,816	(54,519)	-	(79)	**97,205**

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

14. FUNDS 2024

	Balance 1 August 2023 £'000	*Income £'000*	*Expenditure £'000*	*Transfers*	*Investment gains / (losses) £'000*	***Balance 31 July 2024 £'000***
Undesignated general reserves	*---*	*54,987*	*(49,851)*	*(7,209)*	*2,073*	***-***
Designated funds:						
Tangible fixed assets reserve	*72,361*	*-*	*-*	*7,209*	*-*	***79,570***
Total unrestricted funds	*72,361*	*54,987*	*(49,851)*	*-*	*2,073*	***79,570***
Restricted funds:						
Prizes	*596*	*13*	*(7)*	*-*	*69*	***671***
Scholarships and bursaries	*1,812*	*655*	*(745)*	*-*	*216*	***1,938***
Other	*4*	*1*	*(2)*	*-*	*15*	***18***
Donations other	*800*	*620*	*(37)*	*-*	*-*	***1,383***
Donations Business Hub	*692*	*49*	*(741)*	*-*	*-*	***-***
Donations Art and Design Hub	*803*	*122*	*(925)*	*-*	*-*	***-***
Donations Wei Music Fund	*180*	*-*	*(10)*	*-*	*-*	***170***
Donations Drama	*250*	*1,112*	*(195)*	*-*	*-*	***1,167***
	5,137	*2,572*	*(2,662)*	*-*	*300*	***5,347***
Endowed funds:						
Prizes	*605*	*7*	*(4)*	*-*	*65*	***673***
Scholarships and bursaries	*1,752*	*24*	*(156)*	*-*	*216*	***1,836***
Other	*102*	*2*	*(1)*	*-*	*10*	***113***
	2,459	*33*	*(161)*	*-*	*291*	***2,622***
Pension scheme fund	*(826)*	*-*	*411*	*-*	*(137)*	***(552)***
	79,131	*57,592*	*(52,263)*	*-*	*2,527*	***86,987***

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

14. FUNDS (CONTINUED)

The Tangible Fixed Asset reserve incorporates the Reinstated Property net book value of Charterhouse School buildings erected since 1974 that until 2000 were written off in the year of acquisition.

The restricted prizes, scholarships and bursaries funds are a consolidated fund of numerous individual gifts to provide prizes, scholarships and bursaries to enable pupils to attend the schools.

The donations fund includes restricted funds donated in the year for which the expenditure has not yet been incurred. The Wei Music restricted fund is for a bursary for an exceptional musician, the Business hub is for a capital conversion of an existing space at Charterhouse School, the Art and Design hub and Drama are for a capital conversions also. The Organ fund is for replacement of the Chapel organ.

The endowed funds arose from legacies received for the permanent benefit of the schools and £22k was drawn down during the year mainly for scholarships, bursaries and prizes.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

15. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £'000	*2024 £'000*
Net income from operations	**10,297**	*5,329*
Investment income and interest received	**(1,329)**	*(1,396)*
Investment manager and cash management fee		*182*
(Gain) on investments	**(65)**	
Depreciation	**4,732**	*4,002*
Gift of the Malden Trust assets	**(5,060)**	
(Gain) on sale of tangible fixed assets	**-**	*(79)*
Pension scheme net finance costs	**18**	*31*
Contributions to the Charterhouse Retirement Benefit Scheme	**(408)**	*(442)*
(Increase) / Decrease in stocks	**(9)**	*10*
(Increase) in debtors	**(2,797)**	*(1,610)*
(Decrease) in creditors	**357**	*(592)*
(Decrease)/ Increase in Advance Fee Scheme	**(2,508)**	*6,472*
Net cash inflow from operations	**3,228**	*11,907*

Analysis of changes in net debt	**1 August 2024 £'000**	**Cash flows £'000**	**31 July 2025 £'000**
Cash in bank	*22,260*	**(2,828)**	**19,432**
Cash in hand	*1,096*	**354**	**1,450**
Notice deposits	*1,191*	**49**	**1,240**
Cash and cash equivalents	*24,547*	**(2,425)**	**22,122**
Bank loans falling due after less than one year	*360*	**10**	**370**
Bank loans falling due after more than one year	*34,290*	**(370)**	**33,920**
Total borrowings	*34,650*	**(360)**	**34,290**
Net debt	*(10,103)*	**(2,065)**	**(12,168)**

16. COMMITMENTS

Capital Expenditure
During the year the Charity worked on various projects and £1.0m at year-end is contracted for but not accrued in respect of these; (2024: £3.6m).

Operating Lease Commitments	**Vehicles & Equipment 2025 £'000**	*2024 £'000*
The future minimum lease payments under non-cancellable operating leases which are all payable as follows:		
Within one year	**158**	*198*
Between two and five years	**289**	*466*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

17. PENSION FUNDS

All members of the teaching staff are members of the Government scheme for the teaching profession, to which the Charity is a contributor. Some of the support staff are deferred members of the Charterhouse Retirement Benefits Scheme, a defined benefits scheme that was closed to new entrants on 31 July 2002. The actuarial valuation at 31 July 2024 indicated that the assets of the fund represented 92% of its liabilities. The position will be kept under review. From 1 August 2002 new members of the support staff were able to join a defined contribution scheme.

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2.929m (*2024: £2.263m*) and at the year-end £7k (*2024 - £0*) was accrued in respect of contributions to this scheme.

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

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

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

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

The Charterhouse Retirement Benefits Scheme

The Charity operates a scheme for its non-teaching staff, The Charterhouse Retirement Benefits Scheme, which is a defined benefits scheme. The actuarial valuation does not separately identify the Charity's share of the underlying assets and liabilities of the Scheme. The Scheme was closed to new entrants on 31 July 2002. From 1 August 2002 new members of the support staff were able to join a defined contribution scheme.

The assets of the Scheme are held separately from those of the Charity. The Scheme is funded by contributions from the employees and employers.

The most recent formal actuarial valuation of the Scheme was carried out as at 31 July 2024. The following summarises the accrued funding position as at that date on the basis that the Scheme continues to operate as a going concern and is not wound up:

Value of Scheme assets	£ 8,394,000
Value of accrued liabilities	£ 9,314,000
Shortfall	£ 920,000
Funding level	90%

Principal Actuarial Assumptions (illustrative rates at 15-year duration)

- Discount rate after retirement	4.90%
- Discount rate before retirement	4.90%
- Future Retail Price Inflation	3.50%
- Future Consumer Price Inflation	3.20%
- Pension increases (RPI limited to 5%pa)	3.30%
- Pension increases (CPI limited to 3%pa)	2.40%
- Pension increases (RPI limited to 2.5%pa)	2.20%
- Deferred pension revaluation (CPI limited to 5%pa)	3.20%
- Deferred pension revaluation (CPI limited to 2.5%pa)	2.50%

The value of accrued liabilities represented the Scheme Actuary's estimate of the sum required at the date of valuation to meet all future benefit payments in respect of members' service up to 31 July 2024.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

17. PENSION FUNDS (CONTINUED)

To eliminate the funding shortfall the Trustees and the Charity have agreed that the Charity will pay contributions of £408,000 per annum into the Scheme. These contributions will be used to reduce the funding shortfall. It is expected that the deficit will be entirely cleared by 31 December 2026. The agreed contributions are set out in a Recovery Plan and Schedule of Contributions dated May 2025.

Despite these contributions it is possible that the funding position of the Scheme might not develop as well as expected if the experience of the Scheme subsequent to the valuation date, particularly the investment returns, is unfavourable compared to the actuarial assumptions used for the valuation. Contributions will therefore be subject to review at future actuarial valuations.

The Scheme Actuary certified that, in his opinion, the rates of contributions shown in the Schedule of Contributions dated May 2025 are such that the Statutory Funding Objective could have been expected on 31 July 2024 to be met by 31 July 2030.

As required by legislation, as part of the formal valuation of the Scheme, the Scheme Actuary also estimated what the funding position would have been if the Scheme had been wound up as at 31 July 2024. The following summarises that position:

Value of Scheme assets	£8,394,000
Value of winding up liabilities	£10,777,000
Shortfall	£ 2,383,000
Solvency level	78%

The shortfall is an estimate of the additional sum that the Charity would have needed to pay to an insurance company to secure all members' benefits in full had the Scheme been wound up on 31 July 2024. Providing "winding up" information is a formal legal requirement and does not imply that the Charity is considering winding up the Scheme.

There has not been any payment to the Charity out of Scheme funds.

The fair value of the assets of the Scheme was:

Asset class	**2025 £'000**	*2024 £'000*
Gilts	**2,298**	*2,605*
Diversified Credit Fund	**783**	*962*
Net Current Assets	**249**	*121*
LDI	**484**	*633*
Partners	**1,118**	*1,064*
Veritas	**3,000**	*2,963*
Total	**7,932**	*8,348*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

17. PENSION FUNDS (CONTINUED)

The allocation of fund assets is as follows:

	Allocation of fund assets				
Asset class	**31 July 2025**	*31 July 2024*	*31 July 2023*	*31 July 2022*	*31 July 2021*
Equities	**38%**	*33%*	*38%*	*50%*	*54%*
Bonds	**35%**	*39%*	*35%*	*22%*	*30%*
Semi –liquid investments	**14%**	*13%*	*13%*	*19%*	*15%*
Diversified Credit Funds	**10%**	*12%*	*8%*	*8%*	*-*
Cash and cash alternatives	**3%**	*4%*	*6%*	*1%*	*1%*

The return on assets was:

Return	**2025 £'000**	*2024 £'000*
Interest Income	**410**	*406*
Return on assets less interest income	**(712)**	*(57)*
Total return on assets	**(302)**	*349*

The assets of the Scheme have been included at market value and the liabilities under the FRS102 measure have been calculated using the following actuarial assumptions:

	2025	*2024*	*2023*	*2022*	*2021*
Expected rate of return on scheme assets	**-**	-	-	-	-
Rate of increase in salaries	**-**	-	-	-	-
Pension increases – pre 1/9/07	**2.95%**	*3.10%*	*3.10%*	*3.25%*	*3.25%*
Pension increases – post 1/9/07	**2.10%**	*2.15%*	*2.20%*	*2.30%*	*2.30%*
Rate of discount	**5.65%**	*4.95%*	*5.05%*	*3.45%*	*1.60%*
Inflation	**3.05%**	*3.20%*	*3.20%*	*3.30%*	*3.30%*

The liabilities are determined using the projected unit method as required by FRS 102, as distinct from the aggregate method used in the triennial actuarial valuation. Under the projected unit method, the current service costs will increase as the members of the Scheme approach retirement. On this basis, the balance sheet figures in respect of the Scheme at 31 July 2025 are as follows:

	2025 £'000	*2024 £'000*
Fair value of Scheme assets	**7,932**	*8,348*
Defined benefit obligation	**(8,238)**	*(8,900)*
Net liability	**(306)**	*(552)*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

17. PENSION FUNDS (CONTINUED)

Reconciliation of opening and closing Scheme liabilities

	2025 £'000	*2024 £'000*
Opening defined benefit obligation	**8,900**	*8,899*
Interest cost	**428**	*437*
Past service cost		*-*
Actuarial (gain) / loss	**(568)**	*80*
Estimated benefits paid (net of transfers in)	**(522)**	*(516)*
Closing defined benefit obligation	**8,238**	*8,900*

Reconciliation of opening and closing Scheme assets

Opening fair value of Scheme assets	**8,348**	*8,073*
Interest income	**410**	*406*
Actuarial (loss)	**(712)**	*(57)*
Contributions by employer	**408**	*442*
Estimated benefits paid (net of transfers in)	**(522)**	*(516)*
Closing fair value of Scheme assets	**7,932**	*8,348*

The charge to the Statement of Financial Activities over the financial year is as follows:

Operating charge		
Net interest expense	**18**	*31*
Total operating charge	**18**	*31*
Total other recognised gains and losses		
Actuarial (loss)	**(144)**	*(137)*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

17. PENSION FUNDS (CONTINUED)

Amounts for current and previous periods

	31 July 2025 £'000	*31 July 2024 £'000*	*3 July 2023 £'000*	*31 July 2022 £'000*	*31 July 2021 £'000*
Defined benefits obligation	**(8,238)**	*(8,900)*	*(8,899)*	*(11,202)*	*(14,303)*
Scheme assets	**7,932**	*8,348*	*8,073*	*9,246*	*10,241*
Deficit	**(306)**	*(552)*	*(826)*	*(1,956)*	*(4,062)*
Experience adjustments on Scheme liabilities	**-**	*-*	*(181)*	***375***	*(26)*
Experience adjustments on Scheme assets	**-**	*-*	*(1,272)*	*(1,080)*	*1,305*

The actuary's calculations have been carried out in line with the requirements of Section 28 of FRS102. The actuary has confirmed that the valuation made above does not indicate actuarial advice for the purposes of funding the Scheme.

The actuary has excluded from both assets and liabilities items which have neutral effect on the Scheme's financial position i.e. additional voluntary contributions, annuities secured in respect of pensions in payment and insurance contracts for death in service benefits.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

18. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £'000	Endowed Funds £'000	Restricted Funds £'000	Year ended 31 July 2024 £'000	*Year ended 31 July 2023 £'000*
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Fees receivable	**48,316**	**-**	**-**	**48,316**	*44,332*
Foundation income	**456**	**-**	**-**	**456**	*461*
Charitable trading income	**128**	**-**	**-**	**128**	
Other trading activities					
Income of trading subsidiaries	**2,470**	**-**	**-**	**2,470**	*2,148*
Donations	**374**	**-**	**2,538**	**2,912**	*3,206*
Investment and interest income	**1,329**	**33**	**34**	**1,396**	*353*
Other income	**1,835**	**-**	**-**	**1,835**	*1,455*
Gain on disposal of fixed assets	**79**	**-**	**-**	**79**	*2,147*
Total income and endowments	**54,987**	**33**	**2,572**	**57,592**	*54,102*
EXPENDITURE ON					
Raising funds					
Trading subsidiaries	**1,876**	**-**	**-**	**1,876**	*1,491*
Financing costs	**1,262**	**-**	**-**	**1,262**	*1,270*
Investment management	**142**	**20**	**20**	**182**	*161*
Fundraising	**416**	**-**	**-**	**416**	*380*
Total deductible costs	**3,696**	**20**	**20**	**3,736**	*3,302*
Charitable activities					
Schools and grant making	**45,744**	**141**	**2,642**	**48,527**	*44,448*
Total expenditure	**49,440**	**161**	**2,662**	**52,263**	*47,750*
Net income/ (expenditure) from operations	**5,547**	**(128)**	**(90)**	**5,329**	*6,352*
Net gain on investment assets	**2,073**	**291**	**300**	**2,664**	*321*
NET INCOME for the year	**7,620**	**163**	**210**	**7,993**	*6,673*
Actuarial (Loss)/Gain	**(137)**	**-**	**-**	**(137)**	*783*
Net movement in funds for the year	**7,483**	**163**	**210**	**7,856**	*7,456*
Balances brought forward at 1 August 2023	71,535	2,459	5,137	**79,131**	*71,675*
BALANCES CARRIED FORWARD AT 31 JULY 2024	**79,018**	**2,622**	**5,347**	**86,987**	*79,131*

19. RELATED PARTY TRANSACTIONS

There were no related party transactions during the current or prior year other than those stated in note 3 in relation to the trading subsidiaries.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

20. TRANSFER OF ASSETS AND LIABILITIES

The Malden Trust Limited

On 31 July 2025 the Malden Trust Ltd. (Windlesham House School) gifted its net assets and operations to Charterhouse. Windlesham is a co-educational preparatory school for children set in 70 acres of beautiful countryside inside the South Downs National Park. The school has around 270 pupils and a gross fee income in the region of £8m per annum. The enlarged family of schools share a similar educational philosophy and will benefit from Windlesham House School's combination of outstanding staff and facilities.

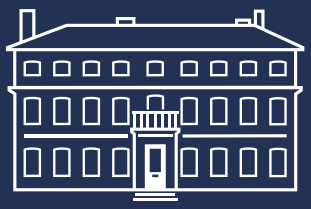
The main assets of Windlesham House School (the buildings and land) were valued by Savills in June 2025. Other assets have been valued at fair value. The details of the assets and liabilities transferred to Charterhouse are as follows:

	Note	Book value £'000	Adjustments £'000	Fair Value £'000
Tangible fixed Assets	7	**9,350**	**-**	9,350
Debtors		**704**	**-**	704
Cash at bank and in hand		**585**	**-**	585
Creditors		**(5,579)**	**-**	(5,579)
Total net assets		**5,060**	**-**	5,060

Fixed Assets have been reviewed on a line by line basis at fair value. Land, buildings and building improvements are valued using a red book valuation of £7.88m. Stock has been reviewed on a line by line basis and is considered resaleable at cost. Debtors are considered to be collectible.

CHARTERHOUSE

Edgeborough



Windlesham
House School

– Est. 1837 –

Charterhouse Godalming Surrey GU7 2DX
charterhouse.org.uk

Edgeborough School Farnham Surrey GU10 3AH
edgeborough.co.uk

CHARTERHOUSE SCHOOL

England & Wales - Charity number 312054

Accounts

CHARTERHOUSE

Governing Body of Charterhouse School

Annual Report of Governors and Financial Statements

31 July 2024

Charity Number: 312054

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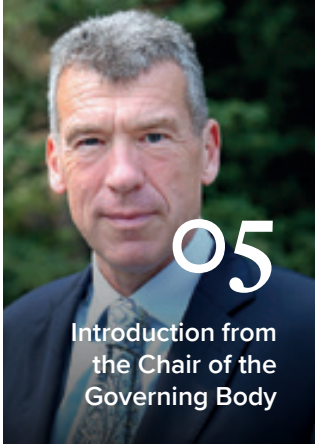
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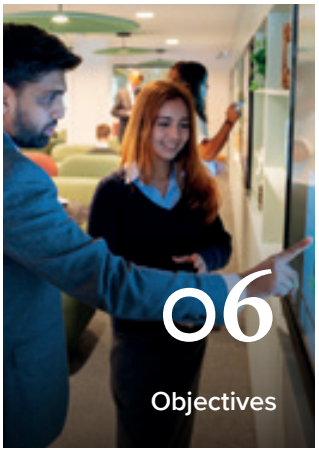
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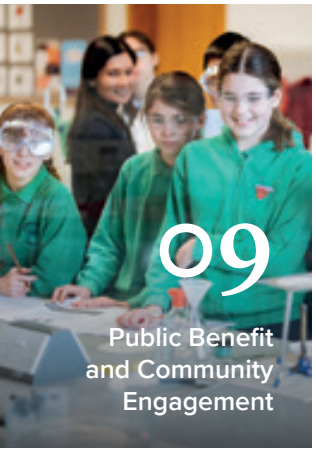
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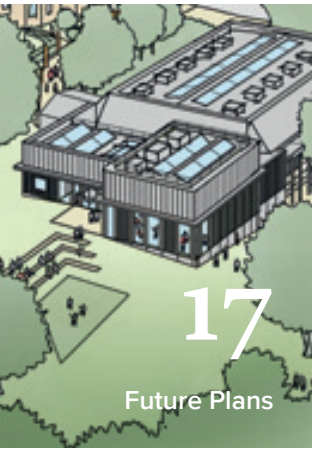
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Charity Reference and Background Information

Charterhouse School and Edgeborough School are registered with the Charity Commission under the name the Governing Body of Charterhouse School and charity number 312054. The financial statements comply with current statutory requirements and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP and FRS 102).

Charterhouse School and Edgeborough School are registered with the Charity Commission under the name the Governing Body of Charterhouse School and charity number 312054. The financial statements comply with current statutory requirements and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP and FRS 102).

Particulars of the Charity's main professional advisors are given at page 19.

The Charity comprises Charterhouse School, a senior coeducational school for children aged 13 to 18 and Edgeborough School, a coeducational preparatory school for children aged 2 to 13.

Charterhouse was founded in 1611 under the terms of the will of Thomas Sutton who died on 12 December 1611. His bequest provided for the establishment of a school for poor boys and also an alms house for 80 elderly gentlemen, known today as "Sutton's Hospital", on the site of an ancient Carthusian monastery in London. In 1872 this Foundation was divided in two with Sutton's Hospital remaining in London and the School moving to its present site in Godalming. From that date Charterhouse was administered by its own Governing Body which is separate from the Governors of Sutton's Hospital. Following the report of the Clarendon Commission, Charterhouse was one of seven schools to have its constitution regulated by an Act of Parliament, namely The Public Schools Act 1868.

On 31 July 2021 the Charity merged with Edgeborough Educational Trust Ltd (charity number 312051). Edgeborough School was founded in 1906 as a preparatory school for boys and moved to its current location in Frensham Place in 1939.

Edgeborough School has been coeducational since 1992, while Charterhouse became fully coeducational in 2021.

Introduction from the Chair of the Governing Body

I am delighted to introduce this year's Annual Report, my first as Chair of the Governing Body.

The following pages showcase the Charity's progression and accomplishments during the last 12 months, for which there is much to celebrate and be proud of; both Charterhouse and Edgeborough have enjoyed an excellent year.

I take this opportunity to express my sincere gratitude to all our stakeholders: pupils, staff, parents, alumni, community partners and fellow Governors, whose collective and unwavering dedication, hard work and commitment has been so central to all that has been achieved. Your support of our vision and values enables us to create an environment where our young people can thrive academically, socially, and personally.

There is no question that we have entered a challenging period for the independent school sector. The last year has seen our Governors and Executive team undertake a significant amount of detailed planning to actively prepare for the Government's introduction of VAT on school fees and planned removal of charitable business rates relief. In addition, the other recent changes announced in the October 2024 budget means that this work to identify both revenue opportunities and cost efficiencies remains on-going. Nevertheless, we remain wholeheartedly focused on maintaining the quality and breadth of education that make Charterhouse and Edgeborough so special.

As Chair, it is a huge personal pleasure and privilege for me to be able to work with my fellow Governors and the Executive team to guide both Charterhouse and Edgeborough at this time, and I look forward to sharing further progress with our community in the months and years ahead.

Objects, Aims, Objectives and Activities

Charitable Object

The charitable object of the schools is to advance education by the provision of a boarding and day school for boys and girls. The Governors ensure that this charitable purpose is carried out for public benefit by making education available to all who are sufficiently talented and, where possible, irrespective of financial circumstances.

The Governors confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the general guidance issued by the Charity Commission on public benefit.

The charitable purpose for the schools within the meaning of the Act is enshrined within the objects, as noted above.

Aims and Intended Impact

The aim of the Charity is to equip pupils to lead fulfilled and purposeful lives by providing an all-round education based on the Charterhouse and Edgeborough values. Teaching and learning are at the heart of what the schools do, although this does not mean achieving only qualifications and passing examinations. A Charterhouse and Edgeborough education should endure long after examinations are passed. Each of our pupils will become future-ready during their time at the School, in preparation for the challenges and opportunities that they will face within our rapidly evolving society. The centrepiece of our future-ready education is Charterhouse's FutureU programme. Delivered as a structured programme across all year groups, sitting alongside academic courses, it aims to ensure that pupils develop the transferable skills, professional knowledge, experiences and mindset required to thrive throughout their later lives. Our Sixth Form professional qualification in Applied Entrepreneurship is the first of its type anywhere in the world.

The schools value all pupils as individuals with unique talents and interests, and seek to instil intellectual curiosity and the ability to learn independently; the skills and attitudes to succeed in a fast-changing, multi-cultural society; a sense of personal values based on compassion, integrity and sound judgement; a commitment of service to others and to society; and spiritual, moral, cultural and aesthetic awareness, all of which contribute to a balanced and well-informed approach to life.

Objectives for the year

The Charity's current strategy was endorsed in 2017 and covers the period to 2031, with the objectives of introducing full coeducation at Charterhouse in September 2021, while developing all aspects of its education provision and improving its non-fees income to assist in supporting public benefit. The strategy is regularly reviewed, most recently in September 2024. An annual management plan is produced for each school, setting out specific tasks in support of the strategy.

Specifically, the objectives for 2023-2024 were:

To continue to provide the highest quality coeducation possible. A review of the Under School curriculum (Years 9-11) was carried out during 2023-24 for implementation in September 2024. This provides greater flexibility and choice for Fourth Form pupils (Year 9), particularly with reference to their study of creative subjects and modern languages. At GCSE, a nine-subject pathway has been created alongside the traditional ten-subject curriculum to reflect the range of pupil abilities at the School. A new 'Future U' programme has been established in Years 9 and 10 to ensure that pupils are well prepared for the rapidly changing nature of modern life. This includes courses on developing independent study skills and learning prompt engineering for AI.

To construct the new Creative Arts extension and complete the Business, Leadership and Entrepreneurship Centre projects at Charterhouse. The Business, Leadership and Entrepreneurship Centre opened in October for the start of the second half of the Autumn term. The facility provides a modern learning space that has enabled Charterhouse to be the first school to offer an externally accredited Entrepreneurship Diploma. The exciting and flexible new space has been well received by pupils, staff and visitors alike, and was officially opened in May 2024 with a ceremony to thank the generous donors who enabled the project to go ahead.

The construction of the new Creative Arts extension started in July 2023 and was completed on time in May 2024. Art teaching migrated to the new extension while the original art facility was refurbished, with this second phase completed in September 2024.

To complete a new reception and start the pedestrianisation projects at Edgeborough.
The vibrant new reception and office area opened in September 2023, transforming the welcome experience and making wonderful use of the original character features of the main building.
To enable pedestrianisation of the main part of the school, a car park extension is required and construction began in May 2024, for completion in October 2024. Edgeborough will also soon benefit from new changing room facilities with construction beginning in the Summer of 2024.

To start the conversion of Girdlestoneites from a boys' House to a girls' House.
To enable meeting Charterhouse's objective of achieving close to a 50:50 girl/boy pupil mix and to meet the strong demand for girls' places, conversion work on Girdlestoneites started in July 2023, following Weekites in 2022. The conversions have been well received by pupils, staff and parents. Weekites will be fully girls from September 2025 and Girdlestonites by September 2026. In May 2024, the conversion of Lockites to a girls' House was announced. Work will commence from the Summer of 2025.

To continue to grow non-fee income in order to increase funding for bursaries and public benefit. Charterhouse has worked hard to diversify its income in recent years, through lettings of facilities for summer schools, sports camps and other various events, public memberships for the Queen's Sports Centre, and from its International schools subsidiary which plays an important role in raising revenues which are gift aided to the School. During the year, a partnership agreement was signed for a school in Almaty, Kazakhstan, adding to the portfolio of schools in Malaysia and Nigeria (opening September 2024). Opportunities to further increase non-fee income continued to be actively explored during the year as part of the Schools' plans to mitigate the adverse financial impact of VAT on fees.

To review opportunities to continue to develop the Charterhouse brand.
Charterhouse has completed an extensive piece of work to re-articulate its key messages, each of which aim to provide clarity, authenticity and excitement to its external audiences.
Record levels of online interaction with applicant families, coupled with record volumes at recruitment events throughout the year have contributed to the School's largest ever pupil roll for the start of 2024/25, demonstrating the growing regard with which the Charity is perceived.

The Charity was shortlisted for Coeducational Independent School of the Year at the Independent School of the Year Awards 2023. The Good School's Guide renewed its written review of Charterhouse in very positive terms, following a visit to School, providing the Charity with the opportunity to showcase successful coeducation in practice.

Commercially, the brand has seen further enhancement through the expanding portfolio of clients accessing the Godalming site during vacations, alongside significant additional growth through international partnerships.

To review the Charity's structure and prepare for any future government tax changes.
Early in the year an externally facilitated assessment was made of the adverse financial impact of VAT and loss of charitable business rates relief being proposed by the then Government opposition. The analysis included a review of potential changes to the Charity's structure, with independent tax advice obtained. Options were considered by a strategic working group comprising the Governing Body and senior management, though no changes to structure are currently planned.

Management and the Governing Body have continued to prepare financial plans for the introduction of VAT on fees and loss of charitable rates relief despite a lack of detail over some elements of legislation. The schools have communicated openly with parents and fee payers based on the information we have to try and alleviate the many uncertainties they face.

Charterhouse Lagos

Charterhouse Young Learners Summer Course

Principal Activities During the Year

During the year the Charity provided education as follows:

	Age Group	Average Pupils for the Year 2023/24	2022/2023	Remarks
Charterhouse	13-18	951	930	603 boys; 347 girls. 859 boarders
Edgeborough	2-13	382	367	208 boys; 174 girls. 16 boarded per night on average

Despite the continued economic and political uncertainty, pupil numbers have continued to grow and trading activities have been very positive. While the Governors and the Executive have spent significant time this year planning for possible future financial tax changes, they are confident about the continued success of both schools.

September 2022 was the first time there were girls in each year group at Charterhouse and the girls' Houses are now well established with coeducation thriving. The conversion of Weekites from a boys' to a girls' House is almost complete and in May 2024 the School announced the conversion of Lockites to a girls' House commencing in 2025. Demand for both girls' and boys' places continues to be very strong as we move closer to our goal of achieving a 50:50 girl/boy balance by 2027/28.

Edgeborough has undergone a major transformation under its Head, Daniel Cox. All areas of the curriculum have been developed while improving facilities to ensure the best prep school education possible. An infrastructure masterplan was finalised in 2022 with two of the identified projects completed since, a refurbishment of the reception area and of the Senior Prep classroom. Work has begun on new changing rooms and the first phase of a pedestrianisation project which is planned for completion during the 2024/25 academic year.

Trading activities are strong with a robust membership of the Charterhouse Sports Club and a full summer letting programme in 2024. In addition Charterhouse International has announced plans for the opening of another international school in Almaty, Kazakhstan in 2026 and has just opened the doors of its newest school in Lagos, Nigeria.

Grant-Making Policy

The Charity sets aside funds to support means-tested bursaries and scholarships. In particular the Charity aims to build a bursary fund from various income sources to support future requirements. Bursaries, which range from 10% to 100% of the tuition fees, are offered to parents/guardians of pupils who could not otherwise afford to send their children to Charterhouse or Edgeborough, based on a comprehensive assessment of financial need, largely at entry, though some funds are available for parents who suffer financial hardship during the year. These bursaries are re-assessed annually and may change during a pupil's time at the schools depending on changes to their financial situation. Scholarships and awards are based on educational ability, the maximum scholarship value being 10% of the fee. Scholarships may be supplemented by bursary support up to the full value of fees in cases of proven financial need.

During the year some 272 (2023: 274) bursaries, scholarships and other awards were made at a total cost of £2.693m (2023: £2.45m); £2.34m (2023: £2.10m) from Charity funds, £21k (2023: £12k) from restricted funds and £330k (2023: £342k) from third party funds. Additional support was given to existing Ukrainian pupils as result of the conflict in their country.

Volunteers

Alumni, parents and members of the local community assisted and supported the Charity's educational and cultural activities throughout the year. The Governing Body would like to record its appreciation for this continuing support.

Public Benefit and Community Engagement

The Charity remains committed to the aim of providing public benefit in accordance with its founding principles. The Charity provided education to 1,297 pupils who might otherwise have been educated in maintained schools at public expense. However, the Charity recognises that it has wider responsibilities to the community and to assist in making the education offered at Charterhouse and Edgeborough more accessible. This year has seen continued development of the Charity's public benefit activities to ensure maximum impact. There are five core elements to the public benefit it provides.

Widening Access and Bursaries

In 2023/2024, a total of 243 pupils across both schools benefited from bursaries and/or scholarships. Bursary spending totalled £2.033m (2023: £1,919m). In total 72 pupils benefited from bursaries of which 11 pupils were on 100% bursaries. This year saw continued support to two Ukrainian pupils who suffered as a result of the Ukrainian crisis. The Charity also continues to be part of the School Partnership Alliance as well as Royal National Children's Spingboard Foundation in support of transformational bursaries.

Working with other Educational Providers

The Governors continue to believe strongly in the many benefits of educational partnerships with maintained and Academy Trust schools. This partnership comes in various forms:

- Six members of teaching and support staff are governors of other schools, having a positive impact on over 2,500 pupils; this equates to roughly 180 hours work per year.
- 465 pupils from 21 local state schools have taken part in academic focused educational activities at Charterhouse, for example Mathematics masterclasses, Science for Schools lectures and workshops as well as Easter Revision courses.
- 2,800 staff hours, or equivalent of 311 teaching days, have supported Charitable and Volunteering work.
- At least 50 teachers from other schools have benefited from attending courses hosted and taught by Charterhouse.
- 15 trainee teachers have benefitted from our placements at Charterhouse or involvement in Charterhouse led CPD.
- 1,400 children have had enhanced opportunities and activities as a result of Charterhouse, such as residential summer schools, the Broadwater learning partnership, Chapel use, CCF partnerships and revision courses.
- The annual Shaftesbury Park Primary School summer camp took place in August 2024 providing activities and opportunities for 40 pupils and yet again was a great success.

Science for Schools

Community Access and Engagement

The Charity has continued to allow use of its facilities to external users. Charterhouse has maintained its long-standing relationship with the local community supporting a wide range of activities for children at schools including Broadwater School, Guildford Grove School, Shafestbury Park Primary School, Godalming Junior School, Amesbury and Aldro prep schools. These activities enabled children to enjoy physical activity, outdoor space and nature safely. A major event this year was the Restless Development Schools' Triathlon which involved over 1,000 children on site.
This raised over £105,000. Also, a number of local community groups and organisations used school facilities, including Guildford Hockey Club, Guildford Swimming and London Pulse.

Charitable Activity

The Charity continues to place great value on its charitable activities. Members of the School have raised over £20,000 for a range of other charities including; Cancer Research UK, The Royal Marsden and Green Hub to name but a few. This year has seen support for a variety of charities, particularly Godalming Community Store, The Meath, and Shooting Star Children's Hospices.

Volunteering

Volunteering continues to be highly valued at the Charity, reflecting as it does our values of responsibility and kindness, with at least 70 teaching and support staff involved this year in various activities. In addition, over 200 pupils have been involved in the Duke of Edinburgh Award Scheme, which includes 3-12 months of service. Overall, pupils dedicated 7,000 hours to volunteering.

Review of Achievements and Performance for the year

Legally Blonde

In addition to a busy and fulfilling academic timetable, this year saw a very full programme of activities and events at both Charterhouse and Edgeborough, with impressive achievements across a wide range of co-curricular activities and trips. We are fortunate to receive huge support from parents who want to be involved in school events and it is incredibly rewarding to see the full involvement of the Charterhouse and Edgeborough communities in school activities.

Academic Performance

The academic performance of Charterhouse pupils in Summer 2024 was very strong at GCSE, A Level and IB Diploma.

- GCSE results constituted an improvement on those of 2023, with the number of top grades increasing significantly. 32% of entries were awarded the top 9 grade (compared with 22% in 2023, and a national figure of only 5%), and 55% were at grade 8 or 9. 24 pupils achieved eight or more grade 9s, and 98 pupils in the year group (well over half) achieved at least eight grade 7s or better (previously A/A*).
- In the Sixth Form, performance in the International Baccalaureate Diploma was extremely pleasing. Pupils achieved an average Diploma score of 37.5, the highest figure achieved at Charterhouse outside of the Covid period. 65% of all subject papers were graded 6 or 7 (the equivalent of A*/A at A Level).
- A Level results were again very good, and comparable to those achieved in 2023 with 83% of grades between A*-B. This constituted excellent progress for a Covid-affected year group that had slightly under-performed at GCSE two years previously. 23 pupils achieved 2 A*s or more, and 72 (half of the cohort) achieved at least AAB.
- 96% of our leavers have taken up places at university with the remaining leavers re-applying for 2025 entry or finding employment.

Standardised academic attainment and progress data provides evidence of a promising year for Edgeborough pupils, with outcomes showcasing strong achievement in English, Maths, and Science. Once again, GL assessment results show that pupils from Year 1 to Year 8 are producing results significantly higher than the national average. Common Entrance Results were very good with 39% of grades A*-A and 68% A*- B. Year 8 pupils all move on to exceptional future destinations: Bryanston, Canford, Charterhouse, Cranleigh, Eggar's School, King Edward's School Witley, Lord Wandsworth College, Prior's Field, Royal Grammar School Guildford, Seaford, St Nicholas', The Royal School, Wellington College and Winchester College. There were a record 21 scholarships awarded to the Year 8 cohort this year, including academic scholarships, all round scholarships and scholarships for sport, music, DT, drama, dance and art.

Arts, Music, Sports and Other Achievements

Candlelit Carols

ABBA… Here We Go Again

St Ives Art Trip

Music

Music has had a very successful year. The formation of a new advanced choral group (Schola Cantorum) has given the most advanced singers and musicians further opportunities, and they have delivered a weekly choral evensong in addition to acclaimed performances at Candelit Carols and high profile Chapel events. This has led to a more inclusive Chapel Choir offering, with separate Under School (Year 9-11) and Specialist (Sixth Form) ensembles singing in the weekly Friday whole school services as well as a performance of Faure's Requiem for All Souls' Day accompanied by the Chamber Orchestra.

The orchestras have performed challenging repertoire, including six concerto performances from advanced soloists across two concerts. The Chamber Orchestra have showcased our most advanced string players and Chamber Ensembles represented Charterhouse in the national final of the Pro Corda Chamber Music Competition.

The Rock School has doubled in size and with more demand still we are delighted to have appointed a new Head of Contemporary Music and 2024/25 will see the introduction of Music Technology as a one-to-one tuition option, and be the second year of the Pop Choir and Glee Club.

House competitions saw whole House singing, part song and battle of the bands extremely well represented, and individual music competitions allowed the advanced performers to flourish as well as some previously unknown stars to shine.

Excellent work with local primary schools has continued and over 50 prep school pupils attended our Choral, Wind and String days. The Choral Society performed Hansel's Messiah and included singers from every area of the Charterhouse community, as well as guests from the local area.

2024/25 promises to be equally exciting for music, including a performance of Beethoven's 9th Symphony at London's Cadogan Hall by the Symphony Orchestra and Choral Society, also to include showcase performances from Charterhouse's most advanced ensembles.

At Edgeborough it was an exceptionally successful year for our most experienced musicians, with five out of five applicants successfully awarded music scholarships at their future schools. Some Edgeborough musicians also enjoyed a fantastic choir tour, performing at Onze Lieuwe-Vrowkerk (Church of Our Lady), De Panne, followed by a stunning performance at Ypres Cathedral.

Art

After 20 years of creative leadership, Peter Monkman retired and Helen Pinkney took over as Director of Art and Design, overseeing the final stages of the exciting new extension and refurbishment of the arts building. The sector-leading new facility provides a fantastic space to grow the reach of creative arts and extend the art studio's opportunity for collaborations with the Futures department and FutureU programme.

The House Art competition last year was judged by Alexandra Prosszer, an Old Carthusian and now successful business leader, who talked to the pupils about creativity in the business world, inspiring them to think more widely about how art, design and creativity are important across a wide range of careers.

Numerous trips through the year included a visit to St Ives to work with a professional photographer, capturing dawn light as the sun rose, trips to the Tate, the Hayward gallery and the Kurt Jackson gallery. Pupils also began to build links with the Newlands House gallery in Petworth through some online projects.

The department continues to attract pupils interested in architecture, with several pupils moving on to study at top universities. Additionally, pupils have pursued diverse courses, including game design and film studies at prestigious institutions. With new and refreshed space and energised staff, the art studio is well equipped to enable pupils to foster their creativity and influence the wider environment.

The Edgeborough art department has been a hive of activity this year and the standard of pieces produced has been phenomenal. Three Year 8 pupils applied for scholarship in their destination schools and all were successfully awarded the accolade. One pupil was also awarded a scholarship on Design Technology. The year ended with a wonderful Art and DT exhibition, which was incredibly well attended by staff, pupils and visitors.

Performing Arts

2023/24 was an extraordinarily positive year for performing arts at Charterhouse with auditions, rehearsals and performances for 'Tess of the d'Urbervilles' leading the way in the Autumn term for Fifths (Year 11) and Specialists (Sixth Form). This was followed in the busy Spring term with 'A Monster Calls', a moving piece beautifully portrayed by a very mature and dedicated Under School theatre company – many of whom were performing for the very first time. A cast of 20 strong actors and a pupil-led technical crew received huge plaudits for their astonishing efforts.

Legally Blonde took to the stage just before Easter with eight sell-out shows, nearly 2,000 audience members pouring into the Ben Travers Theatre and two casts totalling 59 pupils on stage and 35 off stage in tech crew, orchestra and front of house roles. The show received critical acclaim as 'The most successful show in Charterhouse history'. Towards the end of the year Artifex brought great joy and energy to the theatre with a pupil-led production of 'ABBA... Here We Go Again' – it was the perfect way to round off a staggeringly strong year for performing arts.

As numbers continue to rocket in academic drama and with dance growing, an exciting new extension to the theatre is under construction, due to open around Easter 2025. Things go from strength to strength and there's a determination that this is simply the beginning. Our pupils are beyond inspirational.

At Edgeborough the Dunbar Hall Theatre has been a fitting venue for several performances: the Pre-Prep Nativity, Year 5 production of Seussical and the senior production of A Midsummer Night's Dream, which was named Best Play at the National School Theatre Awards. We also enjoyed a fantastic dance show, in which pupils from Reception to Year 8 delighted audiences with their creativity and fabulous stage presence.

Sport

Sport at Charterhouse continues to flourish with football, hockey, cricket, netball, tennis, lacrosse, athletics, squash, fives, racquets, basketball, cross country, swimming, golf and water polo as the principal sports. Across 16 different sports there are 192 teams who combined played 1,226 fixtures during the year, with 773 pupils representing Charterhouse in at least one sports fixture. Sports tours have included cricket in Cape Town and football in Gothia, with further tours planned in the year ahead. Charterhouse has also hosted 10 well attended prep school tournaments, mainly in our core sports of football, hockey, netball and cricket. The School also hosted the Prep Schools Triathlon, raising over £105,000 for charity.

2023/24 was another very successful year for sport, with the following highlights showcasing achievements:

- The Boys' Under-15 Football A team reached the last 16 of the Independent Schools Football Association.
- The Under-15 Girls' Cricket team won the final of the SOCS tier 2 hardball cup.
- The Under-18 Boys' Basketball team were winners for a second year in a row in an invitational tournament involving independent schools from the South of England.
- Charterhouse girls were pre-season netball tournament winners.
- The year saw the launch of the inaugural 'Charterhouse Cup' in badminton, involving 10 of the best badminton schools in Surrey and the London area, for both boys and girls.
- In Water Polo, our Boys' Team reached the National Plate semi-final.
- Eight Under-14 Fives pairs competed at the National Schools Championships.
- One of our girls reached the final of the Under-18 National Schoolgirls' Racquets Singles.
- At county level in Surrey, Sussex and Hampshire, Charterhouse had representation from pupils in hockey and cricket.
- In shooting, two pupils were selected for the British Cadet Rifle Team, which is the highest level before selection for the under 19 Great Britain team.

Over the course of the academic year, Edgeborough has offered the major sports of football, rugby, hockey and cricket for the boys and netball, hockey and cricket for the girls. In addition the pupils are also offered cross-country, swimming, judo, clay pigeon shooting, tennis and athletics.

Eight Edgeborough pupils qualified for the IAPS National Swimming Finals culminating in two IAPS National Champions. The Boys' Under 11 Hockey team and Girls' Under 13 Netball teams both qualified for the IAPS National Finals. Ten pupils represented Edgeborough at the National Athletic Finals held at Alexandria Stadium, Birmingham. The new format for Prep School sports day was a great success, as was the new Pre-Prep sports day which involved the Year 8 pupils helping run events. The school also hosted its first annual golf competition.

Duke of Edinburgh (DofE) Award

Leadership and Outdoor Education

Duke of Edinburgh (DofE) Award

It has been another incredibly busy and successful academic year for the Award. Numbers continue to climb, clearly indicating that both our boys and girls are always up for a challenge. The recently introduced Bronze Award saw 154 pupils complete the necessary requirements during the year, and this year 178 pupils have signed up, most of whom completed their assessment expedition in March. To date we already have 44 who have fully achieved their Award, with many more now close to completion.

A new format for the Silver Award has proved to be very popular, with a record number of 137 Removes (Year 10) signing up, all of whom have fully completed their Bronze Award, and aiming to complete their Silver after their assessment in October. For the first time we welcomed three girls from a local school, Prior's Field, to join our Gold training programme. We had 38 complete their assessment expedition and training.

Pioneers

'Pioneers' is a non-uniformed outdoor education programme for Removes (Year 10) who are not members of the CCF. The programme has small groups of between eight and sixteen pupils engaged in a variety of activities, including adventurous activities such as climbing, geocaching and mountain biking, life skills such as cooking and sewing, and volunteering such as helping at a local youth centre, tidying the grounds outside Guildford Cathedral and collecting plastic for recycling at School. Trips included a 20km walk across the South Downs and three nights at a residential activity centre in Wiltshire.

Combined Cadet Force (CCF)

It was an excellent year for CCF with 105 Fourths (Year 9) electing to take part. In addition our partnership with Broadwater School has doubled in size to 30 cadets. The Contingent continues to perform well in competitions winning 'Best Contingent' in the 11 Brigade Summer Camp this year and the 'Marksmanship' competition at the Pringle Trophy. The shooting team had a successful Bisley meet, winning the Regimental Cup, being runners-up in the Devon Trophy and Babcock Trophy, coming 7th in the Ashburton Shield and one pupil winning the Imperial Cadet Aggregate.

Outdoor learning at Edgeborough has flourished with the guidance of a new lead for pre-prep years. Edgeborough is now a certified Forest School, offering children the opportunity to immerse themselves in nature and learn through outdoor play. In Years 3 and 4, The Edge lessons have provided pupils with the chance to develop essential skills in an outdoor setting, enhancing their communication, collaboration, and leadership abilities.

Fundraising

The Charity's three priorities for donations are to support bursaries, infrastructure projects, and social responsibility. Following one of the best ever years for donations, this year £2.912m was donated (2022/23: £3.206m). Similarly to last year, this has been one of our most successful years and maintains the momentum that has been building. Overall the Foundation Office raised a total of £2.581m (2022/23: £2.851m), of which £2.207m (2022/23: £2.751m) was in the form of restricted donations. The restricted gifts were mainly for the Ben Travers Theatre extension. For this year, the return on investment of the Charity's fundraising was £7.00 (2023 £7.50) for each £1 spent, based on expenditure of £416k (2023: £380k).

All fundraising activities for the Charity are carried out by our staff with assistance from parents and pupils for specific fundraising events. The Charity does not use third-party fundraisers.
All fundraising activities are managed by the Foundation Director and monitored by the Charity's Executive. No complaints relating to fundraising activities have been received by the Charity during this financial period though there are procedures in the event of a complaint. The Charity does subscribe to the Code of Fundraising Practice, as managed by the UK's Fundraising Regulator. In addition the Charity considers that it has set appropriate standards for the operations and management of its fundraising activities based on national guidelines and best practise. In particular the Charity considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion.

Review of Financial Activities

The Charity's principal financial aim remains one of generating a surplus to enhance its facilities and continue to provide an education of the highest quality, and to help enable its ambitions to widen access to its education. Financial performance in 2023/24 was pleasing as inflationary pressures have eased, with donations and investment gains leading to an out performance of the budget set for the year. With confirmation of VAT being imposed on independent school fees in 2025, and the intention to remove charitable business rates relief, the Charity has been developing plans to mitigate the adverse financial impact to come.

For 2023/2024, Charterhouse had a target surplus of 4% of fees receivable or £1.9m and achieved 11% or £5.3m (2023: 14.2% and £6.3m). The increase at Charterhouse was largely due to significant donations of £2.9m, investment income and cost efficiencies. The surplus for Edgeborough £342k (2023: £20k loss) was due to strong pupil numbers.

The Governors of Sutton's Hospital in Charterhouse manage the permanent endowment bequeathed by Thomas Sutton in 1611 and pay over to the Charity the Moiety which is applied to the provision of bursaries. For this financial year the Charity received £456k, slightly lower than the £461k received in the prior year.

Charterhouse diversifies and enhances its income through wholly owned trading subsidiaries which gift aid their profits to the Charity:

- Charterhouse Enterprises Limited, continues to manage the letting and hiring of facilities at the School, including management of the external club memberships for the Queen's Sports Centre. For the year ending 31 July 2024 the trading company made a gift-aid payment to the Charity of £517k (2023: £514k). The gift-aid has increased significantly in the last two years following the lifting of Covid-19 restrictions and a return to full letting activities in the holidays, with future demand looking promising and further opportunities being explored to help mitigate the future adverse financial impact of VAT being imposed on independent school fees.
- Charterhouse School Design & Build Limited, is responsible for some major new building projects. There was little activity through this company in the year, with the only transactions relating to the final stages of two houses for staff which were completed in July 2023. The Company gift-aid was therefore nil (2023: £30k). Following the completion of this project, no further work is planned in the near future.
- Charterhouse International Limited is a revenue-generating subsidiary that is creating traction within the international schools market. Our first two schools are open in Kuala Lumpur, Malaysia and in Lagos, Nigeria, with an agreement signed in May 2024 for a school in Almaty, Kazakhstan to open in 2026. Further opportunities are in the pipeline and our royalty-based model is intended to ensure consistent income streams for many years to come. In addition, an online one-year A-level education offer has been developed for a 2023/24 start and further online learning offers continue to be explored. This year the Company made a profit of £30k after the retained loss brought forward (2023: £71k profit).

Total Charterhouse group income grew 6.5% year on year to £57.6m (2023: £ 54.1m), largely due to increased investment income. Expenditure was £52.3m (2023: £47.8m), up 9% due to general cost inflation and some specific increases in for example utilities.

Overall this year, net income from operations was £5.3m (2023: £6.4m), gains on investments were £2.7m (2023: £321k) and the pension scheme position also improved despite an actuarial loss of £137k (2023: gain £783k). This resulted in net movement in funds for the year being £7.9m (2023: £7.5m).

Reserves

The Charity's unrestricted funds stand at £79.6m (2023: £72.4m) at the year end, and total group funds are £87.0m (2023: £79.1m). The unrestricted funds of £79.6m represent funds deployed as part of the schools' premises and equipment. Free reserves are unrestricted general funds less the fixed assets deployed for Charity use. On this basis, the Charity has no free reserves (2023: nil), due to the long-term investment in buildings (see note 14). The Governors continue to be satisfied that external financial facilities provide an acceptable level of support and the asset base includes property which can be realised to support the schools' capital programmes should it be required. The Governors believe that the conditions for preparing these financial statements on the going concern basis are met and have therefore prepared them accordingly.

Art and Design Centre

Ben Travers Theatre

The Governing Body normally considers the budget for the new financial year initially in March and finalises it in June. In addition, regular financial forecasts are produced that estimate incoming funds and expenditure, as well as capital expenditure, providing a clear understanding of the schools' short-term and medium-term financial obligations. Should additional liquidity be required beyond normal operating levels, the Charity could draw upon its revolving credit facility which it established during the year with its principal bankers, or temporarily utilise some of its investments.

Much of the Charterhouse estate is not attributed at any value in the balance sheet, particularly the Victorian buildings erected when the School moved to Godalming in 1872 and the Memorial Chapel built in 1926 to seat some 800 people (the largest war memorial in England). All these buildings are Grade II listed properties whose costs were written off at the time of building.

Investments

The Trustees' investment powers are governed by the scheme approved by the Charity Commission on 12 October 1989. The portfolios are managed by investment managers who have been given discretion to manage them, within agreed guidelines, by investing in mainly equities and fixed interest securities. The Charity's portfolio is divided with equity investment with Meridiem Investment Management LLP and medium-term investment grade bonds with Vanguard Investments. Advanced fees received are invested entirely in bank deposits. The portfolio and its performance are regularly reviewed by the Investment Sub-Committee which reports to the Finance and Business Development Committee.

Pension Scheme

The Charterhouse Retirement Benefits Scheme is administered by First Actuarial. Scheme funds are invested in accordance with its investment strategy, with funds currently invested in Meridiem Investment Management LLP, M&G Total Return Credit Investment Fund, a Partnership Group semi-liquid fund and an LDI managed by Legal & General. The triennial review of the Pension Scheme held in 2021 assessed the scheme deficit had reduced and a new recovery plan was agreed between the Charity and the Fund Trustees, which maintained Charity payments at £408k per annum with the aim of clearing the deficit in a shorter time frame. As the funding position improves the Charity and Trustees have agreed a de-risking investment strategy with a move from growth assets to matching assets; this process started this year. The next triennial review results are due at the end of 2024.

Edgeborough reception

Capital Expenditure

Charterhouse has a significant 250-acre estate to maintain, comprising heritage buildings, some with listed status, alongside modern facilities. In addition, the charity owns a number of residential properties for certain teachers and support staff. This requires the setting of appropriate priorities and financial plans. It is the policy of the Governing Body, if possible, to provide funds of at least £2.5m annually towards investment in equipment and facilities, including the refurbishment of existing buildings.

Work on the Charterhouse infrastructure master plan continues. A major new extension to the Creative Art Centre was completed in May 2024, with refurbishment of the original building completed in September 2024 to create a bright and modern space, double the size of the original facility. Construction also began on a new drama studio extension to the Ben Travers Theatre which is planned to be completed by Easter 2025. Whilst projects currently underway will continue as scheduled, the School has taken the decision to pause some non-urgent future capital investment, until the future tax regime landscape becomes more certain.

Edgeborough School is smaller at 55 acres and has its own infrastructure masterplan. Following the refurbishment of five Senior Prep classrooms in the prior year, 2022/23 saw the completion of a fully refurbished reception and office area, and the start of two significant projects; a car park extension to ease pressure at pick-up and drop-off times and to enable further pedestrianisation of the school site, and new changing room facilities. Both projects will be completed during the 2024/25 academic year.

Principal Risks

The Governing Body is responsible for overseeing the management of risks faced by the Charity. Detailed consideration of risk management policy and strategy is delegated to the Audit, Risk and Compliance Committee, which is assisted by the Director of Finance and Operations, and reports back to the Governing Body regularly. The Charterhouse and Edgeborough senior leadership teams take responsibility for identifying and managing the operational risks. The key controls in the Charity include the following:

- Formal written policies, including policies and procedures required by law to protect the vulnerable, and external reviews of policies and procedures;
- Formal agendas for all Governing Body and Committee meetings, with detailed terms of reference for all Committees;
- The creation and ongoing review of strategies;
- Comprehensive planning, budgeting and management accounting;
- Schemes of delegation, formal financial regulations, and systems of internal control;
- Regular review of activities and events with lessons learned process;
- Expert advice and support from professional support teams including Human Resources, Estates, Finance, Health and Safety Management, Catering, Operations, Domestic services, Admissions and Communications.
- Expert advice from qualified and experienced academic staff with dedicated responsibility for safeguarding and pastoral care.

The key risks identified and focused on through the year were:

1. **Imposition of VAT on independent school fees and loss of charitable business rates relief.**
   Early in the year the Charity assessed the significant adverse impact on its finances of VAT being imposed on fees and the loss of charitable business rates relief. A working group of senior management and Governing Body representatives continues to evaluate mitigating options and a revised financial strategy has been prepared, though the sector awaits further details from the Government. The Charity is committed to improving support to other schools and the wider community, and to improving accessibility to the education provided at Charterhouse and Edgeborough, despite the imposition of VAT in the year ahead.

2. **Increases to employer contributions for the Teachers' Pension Scheme (TPS).**
   The Charity remains in the TPS which it feels is important for attracting and retaining high quality teaching staff. However, it has been concerned for some time by the rising employer contribution rates which in April 2024 rose by 5% points to 28.68%. During the year the School began and successfully concluded a consultation with teaching staff at both Charterhouse and Edgeborough to offer the choice to opt-out of TPS and join a flexible defined contribution pension scheme, or remain in the TPS with the employee offsetting the additional cost of employer contributions through a lower salary increase in September 2024.

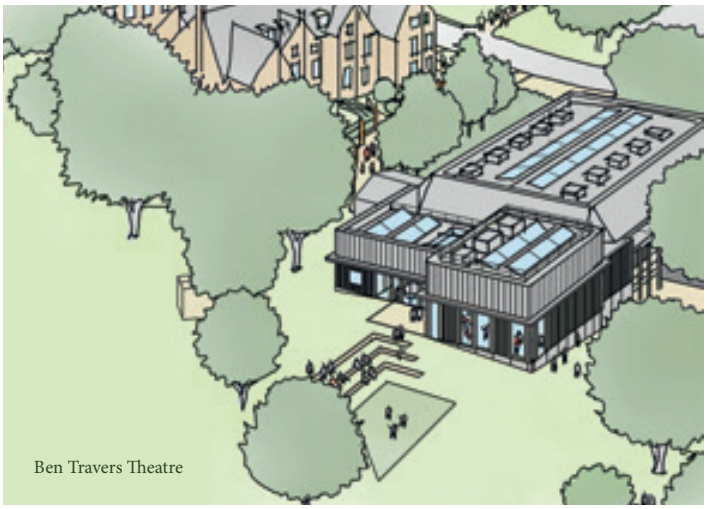
3. **The economic climate adversely affects affordability and pupil numbers.**
   Pupil numbers and demand for places remains strong at both schools, though there are signs that fee increases due to VAT may be deterring some parents from starting an independent school journey. Whilst the rate of inflation fell during the year, high prices and an uncertain economic situation remain a concern for many. Bursary support remains an option for parents, though the amount of funding is limited and under pressure. With VAT added to fees, continued low levels of economic growth, and other measures in the Government's October 2024 budget, parental affordability will continue to be a risk that requires close monitoring. As a result, the Governing Body continues to work hard with the Executive to identify areas for cost-efficiency, as well as to develop non-fee income streams, such as international schools, to contain future fee increases.

4. **Environmental issues create a financial burden.**
   Reducing carbon emissions comes at a significant cost, particularly with older and listed buildings. This year the schools have continued to evaluate opportunities to achieve their net zero long term plans and all new building projects continue to be developed with the objective of achieving net zero in operation.

Through the risk management processes established for the Charity, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Future Plans

Art and Design Centre



Ben Travers Theatre

The Charterhouse development strategy (2017 to 2031) was endorsed by Governors in December 2016 and is reviewed each year. The first phase was successfully completed with the start of full coeducation and the introduction of girls at 13+ in September 2021. The current phase sees further development of the curriculum and facilities, with the aim of achieving close to a 50:50 girl/boy balance. In the year ahead the School will complete an extension and refurbishment of its Art facilities and an extension of the Ben Travers Theatre. Beyond 2024/25 plans include an extension and refurbishment of its Music facilities, though the timing has been adjusted in light of the impact of VAT on the School.

The Edgeborough development strategy was endorsed in June 2022 and a new vision document distributed to parents. The aim is to build on the School's existing strengths and develop both academic and pastoral provision, with the appropriate infrastructure.

In both schools demand is very strong and the future looks promising, though the Governors and Executive are not complacent. The key objectives for next year in support of these strategies are:

1. To continue to provide the highest quality coeducation possible;
2. To prepare for tax changes, most notably the imposition of VAT on school fees;
3. To complete the new Creative Art extension and Ben Travers Theatre extension;
4. To complete the car park enlargement and new changing rooms facilities at Edgeborough;
5. To continue the conversion of Girdlestoneites at Charterhouse from a boys' House to a girls' House and to start the conversion of Lockites, announced in May 2024 as the final House to convert;
6. To continue to grow non-fee income in order to increase funding for bursaries and public benefit, and to mitigate the impact of VAT on fee levels;
7. To review opportunities to continue to develop the Charterhouse brand.

Governors and Charity Trustees

Members	Appointed by:
Mr M J Bishop BA MA PGCE MBA [7,10,11] (from 1 September 2023; Chair of Governors from 1 March 2024)	Governing Body
Mr K Awuku-Asabre BSC Dip LAW [3,7]	Governing Body
Mr E D A Barnes BA [4,7,9,10]	Teachers of Charterhouse
Ms C Brown MA PgDL LPC [3,6,10]	Governing Body
Mr S Browne MA, MBA, PGCE, MCSI [2,4]	Governing Body
Professor V Emery PhD FRSB FAST (End of term 14 March 2024) [1]	Governing Body
Ms H M Goatley BA LLB [4,6]	Governing Body
Mr J Goldsmith BSc MRICS [1,5,9]	Sutton's Hospital
The Very Revd. D L Gwilliams DL BA MA [4,6]	Governing Body
Ms C Ferguson MEng (from 1 December 2023) [7,11]	Governing Body
Dr N Krause MBE BSc MSc PsychD C.Psychol C.Sci AFBPsS [4]	Governing Body
Mr C W D Macey FCA [2,3,9]	Sutton's Hospital
Mr P Malcolm [1,5] (Resigned 21 June 2024)	Governing Body
Mr J McIlroy FCA ATII [1,9,10]	Governing Body
Mr J R Olsen BA [1,7,9,10] (interim Chair until 29 February 2024)	Sutton's Hospital
Mr A M Reid MA MBA FCA [1,2]	Governing Body
Mr D J G Royds BSc [1,2,5,9,11]	Governing Body
Mr M W T Walton MA MBA FRICS [3,5,8,10]	Governing Body

[1] Indicates membership of the Finance and Business Development Committee
[2] Indicates membership of the Investment Sub-Committee
[3] Indicates membership of the Audit, Risk, and Compliance Committee
[4] Indicates membership of the Education Committee
[5] Indicates membership of the Projects and Planning Committee
[6] Indicates governor with special responsibility for Safeguarding and Child Protection
[7] Indicates membership of the Nominations and Governance Committee
[8] Indicates governor with special responsibility for Health & Safety
[9] Indicates membership of the Chairs' Committee (which during the year merged into the Nominations and Governance Committee)
[10] Indicates membership of the Edgeborough School Committee
[11] Indicates membership of the Remuneration Sub-Committee

OFFICERS

Head of Charterhouse School	Dr A L R Peterken BA, MA, EdD
Director of Financial Strategy	D S Armitage MBE BSc MSc (Resigned 31 Aug. 2023)
Director of Finance and Operations	P J Grainge MA (Cantab), ACMA (Appointed 1 Sept. 2023)
Head of Edgeborough School	D R Cox BA MSc
Bursar of Edgeborough School	S H Riley BA MBA

CLERK TO THE GOVERNING BODY

Mrs A C Warburton

Advisors

AUDITOR

Crowe U.K. LLP
55 Ludgate Hill
London, EC4M 7JW

BANKERS

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49 High Street
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SOLICITORS

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INVESTMENT MANAGERS

Meridiem Investment Management LLP
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Vanguard Asset Management Ltd
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25 Walbrook
London, EC4N 8AF

INSURANCE BROKERS

Marsh Brokers Limited
Capital House
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West Sussex, RH16 3SY

PRINCIPAL ADDRESSES

Charterhouse
Godalming
Surrey
GU7 2DX

Edgeborough School
84 Frensham Road
Lower Bourne
Farnham
GU10 3AH

Structure, Governance and Management

Governing Documents

The Charity's own Statutes and Regulations are made in accordance with the provisions of the Public Schools Act 1868 and its amendments. The Statutes were last amended on 13 December 2017.

Governing Body

The Governors are the Trustees of the Charity. Up to 15 governors can be appointed by the Charity with a further three appointed by the Governors of Sutton's Hospital in Charterhouse and one appointed following a nomination by the teaching staff. Governors, except the Chair, serve a term of up to five years and may, if reappointed by the Governing Body, serve for one further term of up to five years. The Governors appointed by Suttons Hospital have a fixed ten year term. The Chair may serve the remainder of their term as a Governor and then one further term of up to five years if reappointed by the Governing Body.

Recruitment and Training of Governors

New Governors are inducted into the workings of the Charity by the Head, the Director of Finance and Operations, and the Clerk to the Governors. Governors visit the schools and observe lessons as well as attend relevant training workshops and presentations. They also attend external and internal trustee training and information courses designed to keep them informed and updated on current issues in the sector and regulatory requirements.

Organisational Management

The members of the Governing Body, as the charity trustees, are legally responsible for the overall management and control of the schools. They meet at least three times a year to review reports and discuss strategic issues.

The Committee Structure is:

- The Finance and Business Development Committee considers financial matters, admissions data, communications, and commercial opportunities;
- The Investment Sub-Committee scrutinises investments, reviews the investment and treasury policies and reports to the Finance and Business Development Committee;
- The Education Committee considers academic, co-curricular and pastoral matters;
- The Projects and Planning Committee considers infrastructure and other development projects;
- The Audit, Risk and Compliance Committee oversees the formal external audit process, reviews the internal risk management matrix, and considers compliance matters;
- The Nominations and Governance Committee reviews the effectiveness and membership of the Governing Body;
- The Edgeborough School Committee oversees the educational and pastoral aspects of the preparatory school, including safeguarding;
- The Remuneration Committee meets annually and considers targets and remuneration packages for senior members of staff (members of the Strategy and Business Committee) within an agreed annual budget;
- There are designated Governor leads for Safeguarding, Health & Safety and Boarding.

During the year the Governors have also operated three working groups to consider and advise on strategic opportunities, VAT and other anticipated tax regime changes, and teachers' pensions. The latter group had its last meeting before Easter following a successful consultation with staff to cap the schools' exposure to rising employer pension contributions.

The Governing Body appoints the Head and the Director of Finance and Operations for Charterhouse and the Head and Bursar of Edgeborough School and delegates day-to-day running of the schools to them. The Head of Edgeborough School reports to the Head of Charterhouse School and the Bursar of Edgeborough School reports to the Director of Finance and Operations of Charterhouse.

Each School has its own Senior Leadership Team which is responsible for the daily management of the School. In addition the Head and Director of Finance and Operations for Charterhouse and the Head and Bursar of Edgeborough School meet regularly. A joint Executive Strategy Committee considers longer-term issues.

Remuneration is set by the Governing Body, with a policy of providing appropriate incentives to encourage enhanced performance and to reward individual contributions to the schools' success fairly and responsibly. This also covers members of the key management personnel.

Mindful of the Charity Governance Code, the Charity continues to review its processes and procedures to ensure the best possible governance. The reorganisation of the committees has worked well as has the introduction of software system for managing board papers. This year governor skills were again reviewed and individuals allocated to the appropriate committees. In addition, the Governor Handbook has been enhanced, providing clear direction on all procedures.

Associated Charities

Sutton's Hospital in Charterhouse (Charity No: 207773) was the charity governing both Charterhouse School and Sutton's Hospital until Charterhouse moved to Godalming in 1872 and is administered by its own Governors. The Governors of Sutton's Hospital in Charterhouse manage the permanent endowment bequeathed by Thomas Sutton and pay over to the Charity the Moiety; for this last financial year the Charity received £456k (2023: £461k).

The Carthusian Trust, a Charitable Incorporated Organisation (Charity No: 1171955), providing means-tested bursaries and scholarships to pupils of Charterhouse School or donations towards capital projects that will benefit the pupils of the School. During the year the Trust provided £233,122 (2023: £205,313). The Carthusian Trust also pays for up to nine Birley scholarships amounting to £20,220 (2023: £16,365).

The Carthusian Society Charitable Fund (Charity No: 1099809) was formed in 1938 with three objects: to provide additional finance for the Old Carthusian Club; to provide amenities for Charterhouse which would help enrich experiences; and to foster relations between the School and Old Carthusians.

The Charterhouse War Memorial and Tercentenary Trust (Charity No: 268012) was established to provide grants to help pupils whose parents experience financial hardship to remain at Charterhouse until a natural breakpoint. During the year £27,315 (2023: £35,376) was provided to Charterhouse as bursaries.

Statement of Responsibilities of the Governing Body

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

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

Under charity law the Governors must prepare financial statements so that they are satisfied that they give a true and fair view of the state of affairs of the Charity and the group and of the group's net incoming / outgoing resources for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and the group, and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Governing Body

Mr M J Bishop BA, MA, PGCE, MBA Chair
Dated: 6th December 2024

Independent Auditor's Report to the Members of the Governing Body of Charterhouse School

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 31 July 2024 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity/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 charity'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 22, the trustees 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 group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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 charity 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 Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity 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 charity 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, Health and Safety regulation, Employment legislation and General Data Protection Regulation (GDPR).

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 timing of recognition of trading subsidiary income, procurement processes for significant capital projects, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit, Risk & Compliance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Independent Schools Inspectorate, 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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP, Statutory Auditor, London

17 January 2025

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Financial Statements

GOVERNING BODY OF CHARTERHOUSE SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2024

	Notes	Unrestricted Funds £'000	Endowed Funds £'000	Restricted Funds £'000	Year ended 31 July 2024 £'000	*Year ended 31 July 2023 £'000*
INCOME AND ENDOWMENTS FROM						
Charitable activities						
Fees receivable	2	**48,316**	**-**	**-**	**48,316**	*44,332*
Foundation income		**456**	**-**	**-**	**456**	*461*
Charitable trading income		**128**	**-**	**-**	**128**	
Other trading activities						
Income of trading subsidiaries	3a	**2,470**	**-**	**-**	**2,470**	*2,148*
Donations		**374**	**-**	**2,538**	**2,912**	*3,206*
Investment and interest income	4a	**1,329**	**33**	**34**	**1,396**	*353*
Other income	4b	**1,835**	**-**	**-**	**1,835**	*1,455*
Gain on disposal of fixed assets		**79**	**-**	**-**	**79**	*2,147*
Total income and endowments		**54,987**	**33**	**2,572**	**57,592**	*54,102*
EXPENDITURE ON	5, 6					
Raising funds						
Trading subsidiaries		**1,876**	**-**	**-**	**1,876**	*1,491*
Financing costs		**1,262**	**-**	**-**	**1,262**	*1,270*
Investment management		**142**	**20**	**20**	**182**	*161*
Fundraising		**416**	**-**	**-**	**416**	*380*
Total deductible costs		**3,696**	**20**	**20**	**3,736**	*3,302*
Charitable activities						
Schools and grant making		**45,744**	**141**	**2,642**	**48,527**	*44,448*
Total expenditure	6	**49,440**	**161**	**2,662**	**52,263**	47,750
Net income/ (expenditure) from operations		**5,547**	**(128)**	**(90)**	**5,329**	*6,352*
Net gain on investment assets	8	**2,073**	**291**	**300**	**2,664**	*321*
NET INCOME for the year		**7,620**	**163**	**210**	**7,993**	*6,673*
Actuarial (Loss)/Gain	17	**(137)**	**-**	**-**	**(137)**	*783*
Net movement in funds for the year		**7,483**	**163**	**210**	**7,856**	*7,456*
Balances brought forward at 1 August 2023		71,535	2,459	5,137	**79,131**	*71,675*
BALANCES CARRIED FORWARD AT 31 JULY 2024		**79,018**	**2,622**	**5,347**	**86,987**	*79,131*

The notes on pages 30 to 56 form part of these accounts.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
BALANCE SHEETS
AT 31 JULY 2024

		Consolidated		Schools	
		2024	*2023*	**2024**	*2023*
		£'000	*£'000*	**£'000**	*£'000*
FIXED ASSETS					
Tangible fixed assets	7	**96,136**	*90,106*	**96,100**	*90,106*
Investments	8	**25,028**	*22,523*	**25,278**	22,773
		121,164	*112,629*	**121,378**	112,879
CURRENT ASSETS					
Stocks	9	**115**	*125*	**38**	*37*
Debtors and prepayments	10	**3,898**	*2,288*	**4,191**	2,849
Bank and other deposits		**23,451**	*18,626*	**23,451**	*18,626*
Cash and bank balances		**1,096**	*3,987*	**6**	2,902
		28,560	*25,026*	**27,686**	*24,414*
CREDITORS: amounts falling due within one year	11	**(22,334)**	*(21,505)*	**(21,678)**	*(21,143)*
NET CURRENT ASSETS		**6,226**	*3,521*	**6,008**	*3,271*
TOTAL ASSETS LESS CURRENT LIABILITIES		**127,390**	*116,150*	**127,386**	*116,150*
CREDITORS: amounts falling due after more than one year	12	**(39,851)**	*(36,193)*	**(39,851)**	*(36,193)*
NET ASSETS EXCLUDING PENSION FUND LIABILITY		**87,539**	79,957	**87,535**	*79,957*
Pension fund liability	17	**(552)**	*(826)*	**(552)**	*(826)*
NET ASSETS	13	**86,987**	*79,131*	**86,983**	*79,131*
Total Unrestricted Funds		**79,570**	*72,361*	**79,566**	*72,361*
Restricted funds		**5,347**	*5,137*	**5,347**	*5,137*
Endowed funds		**2,622**	*2,459*	**2,622**	*2,459*
Total Restricted Funds		**7,969**	*7,596*	**7,969**	*7,596*
Total Funds before pension liability		**87,539**	*79,957*	**87,535**	*79,957*
Pension scheme fund	17	**(552)**	*(826)*	**(552)**	*(826)*
Total Funds	14	**86,987**	*79,131*	**86,983**	*79,131*

The net result for the year dealt within the financial statements of the parent charity was a surplus of £7.852m (2023 surplus £7.385m).

Approved and authorised for issue by the Governing Body and signed on its behalf by

M J Bishop BA MA PGCE MBA
Chair
Dated: 6th December 2024

C W D MACEY FCA
Chair of Audit,Risk and Compliance
Dated: 6th December 2024

The notes on pages 30 to 56 form part of these accounts.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024

	Notes	**2024 £'000**	*2023 £'000*
Net cash flow from operations			
Net cash provided by operating activities	15	**11,907**	*7,282*
Cash flows from investing activities			
Payments for tangible fixed assets		**(10,032)**	*(11,182)*
Proceeds from sale of property, plant and equipment		**79**	*2,147*
Receipts from sale of investments		**282**	356
Investment income and interest received		**1,090**	*90*
Net cash (used) in investing activities		**(8,581)**	*(8,589)*
Cash flows from financing activities			
Bank loan repayments		**(1,392)**	*(2,496)*
Net cash provided by financing activities		**(1,392)**	*(2,496)*
Change in cash and cash equivalents in the reporting period	15	**1,934**	*(3,803)*
Cash and cash equivalents at the beginning of the reporting period		**22,613**	*26,416*
Cash and cash equivalents at the end of the reporting period	15	**24,547**	*22,613*

The notes on pages 30 to 56 form part of these accounts.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2024

1. ACCOUNTING POLICIES

Charity Information
The Schools is a charity registered with the Charity Commission in England and Wales (charity number 312054) and is a Public Benefit Entity operating from its registered office Charterhouse, Godalming, Surrey, GU7 2DX.

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 Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

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

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2015 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The 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 Charity on a line by line basis with its wholly owned subsidiaries Charterhouse Enterprises Limited, Charterhouse International Limited and Charterhouse Design and Build Limited. No separate SOFA has been presented for the Charity alone.

Going concern
In light of significant changes facing the independent schools sector, notably the introduction of VAT on school fees in 2025, the Governors have reviewed various financial scenarios related to pupil numbers, fee levels, and options to mitigate the impact of VAT to ensure that both schools can continue to deliver excellent educational outcomes and the necessary master plan infrastructure projects. A working group comprised of senior management and Governors continues to explore and implement solutions to the key challenges and opportunities faced as a result of tax regime changes. In addition to these solutions, which include the passing on of some of the impact of VAT to parents, proposals to delay non-essential projects have also been implemented. The Charity holds significant cash balances and investments should additional liquidity be required through any period of uncertainty. Given the record number of pupils in September 2024 and robust registration levels, the Governors have a reasonable expectation that the schools have adequate resources to continue its activities for the foreseeable future and have prepared the financial statements on the going concern basis.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

1. ACCOUNTING POLICIES (CONTINUED)

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

The 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, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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

Fee income
Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the Schools, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants.

Donations
Donations subject to specific wishes of the donors are carried to relevant restricted funds.

Foundation Income
Foundation Income is recognised on a cash received basis.

Grant Income
Grant income is recognised where there is evidence of entitlement, the receipt is probable and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

Expenditure
Expenditure is accounted for on an accruals basis. Expenditure and irrecoverable VAT is allocated to expense headings on a direct cost basis except for central costs which are apportioned on the basis of an estimate of time spent on the relevant function. Support costs comprise staff and other costs incurred directly supporting the teaching function and general running of the Schools.

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.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

1. ACCOUNTING POLICIES (CONTINUED)

Pension schemes
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 Schools. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme. The Charity operates the Charterhouse Retirement Benefits Scheme for non teaching staff. This Scheme was closed to new entrants on 31 July 2002.

Finance and other costs
Other costs include amounts accrued in accordance with the terms of the Advanced Fee contracts and private placement interest.

School buildings and equipment
All School buildings and houses erected on campus since 1974 together with off campus houses are capitalised. Properties are included at cost and major upgrade and refurbishment expenditure is also capitalised. The cost of pre 1974 school properties are not included in these accounts and the historical nature of these is reported in the Finance section of the Annual Report of the Governing Body (page XX). All IT equipment and software is capitalised. Plant, vehicles and other items of equipment with an individual purchase price of £5,000 or above are also capitalised.

Depreciation
Depreciation of assets is provided at the following rates to write off the excess of cost over estimated residual amount evenly over their estimated useful economic lives.

These rates are currently as follows:

School buildings	-	50 years (full year in year of completion)
Dwelling houses	-	50 years (full year from acquisition excluding land)
Dwelling houses refurbishment	-	between 10 and 25 years
Plant and vehicles	-	4 years
IT equipment and software	-	1 to 3 years

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Investments
Investments are shown at their year end market value. Realised and unrealised gains less losses are credited to the Statement of Financial Activities.
Investments in subsidiaries are valued at cost less provision for impairment.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

1. ACCOUNTING POLICIES (CONTINUED)

Stocks
Stocks are carried at the lower of cost and estimated selling price.

Fund accounting
The endowed funds of the Charity are capital funds where normally only the income arising may be applied, in some cases on restricted purposes. Restricted funds have arisen either from restrictions applied by donors or due to the terms of the appeal by which the funds were raised. Designated funds have been set aside by the Trustees for specific purposes.

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 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, deferred income 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.

At the balance sheet date the Charity held financial assets at fair value through income or expenditure of £25.028m (2023: £22.523m).

2. FEE INCOME

	2024	*2023*
	£'000	*£'000*
Gross fees, including music fees	**50,679**	*46,428*
Less: Scholarships and bursaries:		
Schools -scholarships and awards	**(660)**	*(531)*
- bursaries	**(2,033)**	*(1,919)*
Fees receivable	**47,986**	*43,978*
Add back: Bursaries and other awards paid for by restricted funds	**330**	*354*
	48,316	*44,332*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

3. TRADING INCOME AND EXPENDITURE

a. Subsidiary companies

The Charity owns 100% of Charterhouse Enterprises Limited (CEL), whose main activities include the operation of the School shop and the letting of buildings and sports grounds, 100% of Charterhouse School Design & Build Limited, whose main activity is major building projects (CSD&BL) and 100% of Charterhouse International Limited (CIL). All companies donate under gift aid their taxable profits to the Charity. Trading results extracted from their audited accounts are shown below:

	2024 £'000 CIL	**2024 £'000 CSD&BL**	**2024 £'000 CEL**	*2023 £'000 CIL*	*2023 £'000 CSD&BL*	*2023 £'000 CEL*
Turnover	**497**	**42**	**1,973**	*242*	*1,157*	*1,906*
Cost of sales	**(15)**	**(36)**	**(756)**	*-*	*(1,122)*	*(799)*
Gross profit	**482**	**6**	**1,217**	*242*	*35*	*1,107*
Administration	**(447)**	**(6)**	**(691)**	*(171)*	*(5)*	*(591)*
Interest payable	**-**	**-**	**(1)**	*-*	*-*	*(2)*
Profit /(Loss) before taxation	**35**	**-**	**525**	*71*	*30*	*514*
Taxation	**-**	**-**	**(8)**			
Profit/(Loss) after taxation	**35**	**-**	**517**	*71*	*30*	*514*
Gift aid to Charterhouse School	**(31)**	**-**	**(517)**	*-*	*(30)*	*(514)*
Retained loss b/fwd	**(4)**	**-**	**-**	*(75)*	*-*	*-*
Loss retained for the financial year	-	**-**	**-**	*(4)*	*-*	

The net assets of CEL at 31 July 2024 were £2 (2023: £2) and for CSD&BL were £1 (2023: £1) and net assets for CIL were £250,001 (2023: £245,666).

Income of the trading subsidiaries, amounts to £2.51m (2023: £3.3m) which represents the turnover of CEL of £1.973m (2023: £1.906m), the turnover of CSD&BL of £42k (2023: £1.157m) and the turnover of CIL of £497k (2023: £242k).

During the year, CEL paid the Charity £741k which included Staff Costs £564k , Rent £40k and Event expenditure £111k (2023: £152k). The Charity paid CEL £272k which included Pupils Retail invoices £152k and Miscellaneous £9 (2023: £361k). At the year end £6.5k was owed by the Charity to CEL (2023: £76.2k) and CEL owed the Charity £643k which included the gift aid due for the year of £517k
The Charity paid CSD&BL £298k (2023: £1.3m) for New Building work of which £nil was outstanding at the year end (2023 £30k) . CSD&BL paid the Charity £13 (2023 £189). At the year end £nil was owed by the Charity to CSD&BL (2023 £316k) and CSD&BL owed the Charity nil (2023 £30k).

The Charity paid CIL £nil (2023 £nil). CIL paid the School £257k (2023 £83k).

At the year end CIL owed the Charity £93k.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

4a. INVESTMENT AND INTEREST INCOME

	2024	2023
	£'000	£'000
Dividends receivable	250	233
Interest receivable	1,146	120
	1,396	353

4b. OTHER INCOME

Registration fees	393	400
Surcharge for late payment of school fees	70	43
Rental income – staff housing	476	401
Other	896	611
	1,835	1,455

5. EXPENDITURE

Expenditure includes:

Auditor's remuneration:		
For audit	71	64
For non-audit	41	5
Depreciation and amortisation - Schools	3,999	3,755
- Charterhouse Enterprises Limited	3	5
Discounts given on Advanced Fees	14	16
Operating lease expenditure – hire of vehicles and equipment	181	183

Total staff costs:		
Salaries and wages	22,221	20,228
Social security costs	2,301	2,116
Pension contributions	3,861	3,277
Other including pension past service costs	-	146
	28,383	25,767

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

5. EXPENDITURE (CONTINUED)

The average number of full time employees in the year was 282 (2023: 283) and 166 (2023: 163) full time equivalents. Of these:

		2024 No.	*2023 No.*
Teaching staff	- Full time	**156**	*152*
	- Part time /(full time) equivalent	**44**	*41*
Grounds staff	- Full time	**14**	*14*
	- Part time /(full time) equivalent	**1**	*-*
Maintenance staff	- Full time	**26**	*24*
	- Part time /(full time) equivalent	**1**	*1*
Pastoral & Domestic staff	- Full time	**22**	*23*
	- Part time /(full time) equivalent	**81**	*81*
Administration & Other	- Full time	**64**	*70*
	- Part time /(full time) equivalent	**39**	*40*

The average number of the Charity's employees during the year calculated on an actual head count basis was 678 (2023: 644).

The number of employees whose emoluments exceeded £60,000 were:

	2024 No.	*2023 No.*
£60,001 - £70,000	**24**	*34*
£70,001 - £80,000	**36**	*26*
£80,001 - £90,000	**25**	*27*
£90,001 - £100,000	**14**	*8*
£100,001 - £110,000	**10**	*5*
£110,001 - £120,000	**1**	*2*
£130,001 - £140,000	**1**	*1*
£140,001 - £150,000	**1**	*-*
£180,001 - £190,000	**1**	*-*
£200,001 - £210,000	**-**	*1*
£220,001 - £230,000	**-**	*-*
£270,001 - £280,000		*1*
£370,000 - £380,000	**1**	*-*

Of those in the bandings shown above, 94 (2023: 87) were members of the Teachers' Pension Scheme, a defined benefits pension scheme, 17 (2023: 15) were members of Charterhouse DC Pension Plans, "Defined contribution schemes" and there were 3 (2023:3) opt-outs from TPS. Employer's contributions to the Charterhouse DC Plans were £669,970 (2023: £532,971).

Neither the Governors nor persons connected with them received any remuneration or other benefits. There were 5 (2023: 3) Governors who were reimbursed travelling expenses of £2,295 (2023: £1,694) incurred in attending meetings.

Aggregate employee-benefits of key management personnel was £2,940,505 (2023: £2,576,965). Key management personnel are defined as the School's Senior Leadership Team (SLT). Four of the School's SLT have a spouse or child employed at the School at a total cost of £126k (2023 £122k)

Termination payments were £154,076 (2023: £102,496) and £94,000 (2023 £nil) were outstanding at year end.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs £'000	Other £'000	Depreciation £'000	**Total 2024 £'000**	*Total 2023 £'000*
Raising funds					
Trading subsidiaries	-	1,876	-	**1,876**	*1,491*
Financing costs	-	1,262	-	**1,262**	*1,270*
Investment Management	-	182	-	**182**	*161*
Fundraising	257	159	-	**416**	*380*
	257	3,479	-	**3,736**	*3,302*
Charitable activities					
Teaching costs	20,017	2,374	93	**22,484**	*20,183*
Welfare	2,969	4,398	-	**7,367**	*6,562*
Premises	2,474	6,335	3,277	**12,086**	*11,367*
Support costs	2,666	3,269	629	**6,564**	*6,273*
Grants, awards and prizes	-	17	-	**17**	*22*
Governance costs	-	9	-	**9**	*19*
Schools and grantmaking costs	28,126	16,402	3,999	**48,527**	*44,448*
Total expenditure	28,383	19,881	3,999	**52,263**	*47,750*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

7. TANGIBLE FIXED ASSETS

	Freehold Property £'000	Leasehold Property £'000	Plant, Vehicles and Equipment £'000	Total £'000
Consolidated				
Cost:				
At 1 August 2023	*113,122*	433	*8,676*	*122,231*
Additions at cost	9,366	-	666	10,032
Disposals at cost	-	-	(386)	(386)
At 31 July 2024	**122,488**	**433**	**8,956**	**131,877**
Depreciation:				
At 1 August 2023	*24,596*	*116*	*7,413*	*32,125*
Provision for the year	3,226	5	771	4,002
Disposals	-	-	(386)	(386)
At 31 July 2024	**27,822**	**121**	**7,798**	**35,741**
Net book value				
At 31 July 2024	**94,666**	**312**	**1,158**	**96,136**
At 31 July 2023	*88,526*	*317*	*1,263*	*90,106*
Schools				
Cost:				
At 1 August 2023	*113,122*	*433*	*8,557*	*122,112*
Additions at cost	9,366	-	627	9,993
Disposals at cost	-	-	(386)	(386)
At 31 July 2024	**122,488**	**433**	**8,798**	**131,719**
Depreciation:				
At 1 August 2023	24,584	*116*	*7,306*	*32,006*
Provision for the year	3,226	5	768	3,999
Disposals	-	-	(386)	(386)
At 31 July 2024	**27,810**	**121**	**7,688**	**35,619**
Net book value				
At 31 July 2024	**94,678**	**312**	**1,110**	**96,100**
At 31 July 2023	88,538	*317*	*1,251*	*90,106*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

7. TANGIBLE FIXED ASSETS (Continued)

Prior to 2000 the cost of land and buildings within the curtilage of Charterhouse School had been written off and not capitalised. In 2000 the cost of buildings constructed since 1974 was reinstated at cost. In addition, Charterhouse School has over the years collected a number of historical assets the value of which cannot be easily ascertained. Included in freehold property are assets in the course of construction totalling £8.439m (2023: £7.170m) which have not been depreciated.

8. INVESTMENTS 2024

	General £'000	Endowed & Restricted Funds £'000	**Total £'000**
Consolidated			
Opening balance			
Investments	16,967	4,833	**21,800**
Cash capital	563	160	**723**
At 1 August 2023	17,530	4,993	**22,523**
New Investment			
Reinvested income	237	67	**304**
Amounts extracted	(22)	(259)	**(281)**
Investment management fees	(142)	(40)	**(182)**
Gain realised and unrealised	2,073	591	**2,664**
Carried forward at 31 July 2024	19,676	5,352	**25,028**
Closing balance			
Investments	18,875	5,134	**24,009**
Cash capital	801	218	**1,019**
At 31 July 2024	19,676	5,352	**25,028**

Listed Investments	
Fixed Interest	**1,801**
Equities	**19,809**
Alternative Assets	**21,610**
Bonds	**1,932**
Gold	**467**
Cash	**1,019**
Charity Investments	**25,028**
UK	**4,616**
Overseas	**20,412**
	25,028

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

8. INVESTMENTS 2023

	General £'000	*Endowed, Restricted & Designated Funds £'000*	*Total £'000*
Consolidated			
Opening balance			
Investments	16,401	4,924	21,325
Cash capital	871	261	1,132
At 1 August 2022	17,272	5,185	**22,457**
New investment	-	66	**66**
Reinvested income	203	61	**264**
Amounts extracted	(68)	(356)	**(424)**
Investment management fees	(124)	(37)	**(161)**
Gain realised and unrealised	247	74	**321**
Carried forward at 31 July 2023	17,530	4,993	**22,523**
Closing balance			
Investments	16,967	4,833	**21,800**
Cash capital	563	160	**723**
At 31 July 2023	17,530	4,993	**22,523**

Listed Investments	
Fixed Interest	**2,152**
Equities	**17,855**
Alternative Assets	
Bonds	**1,793**
Gold	**-**
Cash	**723**
Charity Investments	**22,523**
UK	**3,302**
Overseas	**19,221**
	22,523

During 2021-22 the Charity invested £250k in Charterhouse International Ltd share issue

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

9. STOCKS

	Consolidated		Schools	
	2024	*2023*	**2024**	*2023*
		£'000	**£'000**	*£'000*
Catering	**44**	*38*	**38**	*37*
Retail shop	**71**	*84*	**-**	*-*
Merchandise	**-**	*3*	*-*	*-*
	115	*125*	**38**	*37*

10. DEBTORS AND PREPAYMENTS

Fees and other pupil expenses	**1,599**	*1,259*	**1,599**	*1,259*
Staff mortgages and loans	**13**	*5*	**13**	*5*
Loans to subsidiary undertaking *	**-**	*-*	**-**	*20*
Trade debtors	**1,410**	*151*	**1,004**	*8*
Amounts due from subsidiary companies	**-**	*-*	**736**	*722*
Prepayments and accrued income	**203**	*275*	**183**	*259*
Other debtors	**673**	*598*	**656**	*576*
	3,898	2,288	**4,191**	*2,849*

* Interest is charged at 2% above Lloyds base rate and is repayable on reasonable notice. No security is given.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Bank loans	**360**	*1,392*	**360**	*1,392*
Taxation and social security	**730**	1,092	**654**	*1,026*
Trade creditors	**2,524**	*3,421*	**2,271**	2,976
Amounts owed to group and associated undertakings			**35**	392
Other creditors	**886**	*706*	**886**	*708*
Accruals and deferred income	**7,766**	*6,403*	**7,404**	*6,158*
	12,266	*13,014*	**11,610**	*12,652*
Deposits from parents (note 12a)	**6,709**	*7,585*	**6,709**	*7,585*
Deferred income – fees received in advance (note 12c)	**3,359**	*906*	**3,359**	*906*
	22,334	*21,505*	**21,678**	*21,143*

12. CREDITORS: amounts falling due after one year

Bank loans/Private Placement (note 12b)	**34,290**	*34,650*	***34,290***	*34,650*
Advanced fees (note 12c)	**5,561**	*1,543*	***5,561***	*1,543*
	39,851	*36,193*	***39,851***	*36,193*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

12a. ACCEPTANCE AND OVERSEAS DEPOSITS

Parents are required to pay a deposit on acceptance of a place which is refundable at the end of the pupil's pupillage at the Schools.

	2024 £'000	*2023 £'000*
Consolidated		
Within 1 year	**6,709**	*7,585*

Pupil Fees Deposits – the total amount held in relation to fee deposits of £6.709m is included above. In the normal course of business the expected repayment of these amounts will be £1.198m (2023: 1.111m) within one year and £5.511m(2023: £6.474m) after more than one year.

12b. BANK AND LOAN NOTE DEBT

The Charity has a £35m partially amortising private placement with a term of 40 years at a fixed rate of 3.19%. Principal repayments beginning in 2024 and ending in 2058. The Charity also has a RCF of £4.650m with a tenor of 3 years at 1.5% over base rate, currently undrawn.

	2024 £'000	*2023 £'000*
Consolidated		
Within 1 year	**360**	*1,392*
	360	*1,392*
Within 2 to 5 years	**1,560**	*1,510*
After 5 years	**32,730**	*33,140*
	34,290	*34,650*

12c. ADVANCED FEES FUND

Parents may enter into a contract to pay to the Schools up to the equivalent of five years' School fees in advance. Any proportion of the advanced fee may be repaid to the parents at their request.

	2024 £'000	*2023 £'000*
Within 2 to 5 years	**5,561**	*1,543*
Within 1 year	**3,359**	*906*
	8,920	*2,449*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

12C. ADVANCED FEES FUND (CONTINUED)

The movements during the year were:	2024 £'000	2024 £'000	2023 £'000	2023 £'000
At 1 August 2023		**2,449**		*2,944*
New contracts		**8,194**		*876*
Repayments		**(436)**		*-*
		10,207		*3,820*
Amounts used to pay fees	**1,273**		*1,345*	
Amounts added to value of fees	**14**		*26*	
		(1,287)		*(1,371)*
At 31 July 2024		**8,920**		*2,449*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

13. ALLOCATION OF THE NET ASSETS BETWEEN FUNDS 2024

	Tangible fixed assets £'000	Investments £'000	Net current assets £'000	Long term liabilities £'000	Pension fund liability £'000	**Total £'000**
Consolidated:						
General funds	-	19,676	3,609	(23,285)	-	**-**
Designated funds:						
Tangible fixed assets reserve	96,136	-	-	(16,566)	-	**79,570**
Endowed funds	-	2,622	-	-	-	**2,622**
Restricted funds	-	2,730	2,617	-	-	**5,347**
					(552)	**(552)**
	96,136	25,028	6,226	(39,851)	(552)	**86,987**

ALLOCATION OF THE NET ASSETS BETWEEN FUNDS 2023

	Tangible fixed assets £'000	Investments £'000	Net current assets / (liabilities) £'000	Long term liabilities £'000	Pension fund liability £'000	**Total £'000**
Consolidated:						
General funds	-	*17,530*	*918*	*(18,448)*	-	-
Designated funds:						
Tangible fixed assets reserve	*90,106*	-	-	*(17,745)*	-	*72,361*
Endowed funds	-	*2,459*	-	-	-	*2,459*
Restricted funds	-	*2,534*	*2,603*	-	-	*5,137*
Pension scheme fund	-	-	-	-	*(826)*	*(826)*
	90,106	*22,523*	*3,521*	*(36,193)*	*(826)*	*79,131*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

14. FUNDS 2024

	Balance 1 August 2023 £'000	Income £'000	Expenditure £'000	Transfers	Investment gains / (losses) £'000	**Balance 31 July 2024 £'000**
Undesignated general reserves	---	54,987	(49,851)	(7,209)	2,073	**-**
Designated funds:						
Tangible fixed assets reserve	*72,361*	-	-	7,209	-	**79,570**
Total unrestricted funds	*72,361*	54,987	(49,851)	-	2,073	**79,570**
Restricted funds:						
Prizes	*596*	13	(7)	-	69	**671**
Scholarships and bursaries	*1,812*	655	(745)	-	216	**1,938**
Other	*4*	1	(2)	-	15	**18**
Donations other	*800*	620	(37)	-	-	**1,383**
Donations Business Hub	*692*	49	(741)	-	-	**-**
Donations Art and Design Hub	*803*	122	(925)	-	-	**-**
Donations Wei Music Fund	*180*	-	(10)	-	-	**170**
Donations Drama	250	1,112	(195)	-	-	**1,167**
	5,137	2,572	(2,662)	-	300	**5,347**
Endowed funds:						
Prizes	605	7	(4)	-	65	**673**
Scholarships and bursaries	*1,752*	24	(156)	-	216	**1,836**
Other	*102*	2	(1)	-	10	**113**
	2,459	33	(161)	-	291	**2,622**
Pension scheme fund	*(826)*	-	411	-	(137)	**(552)**
	79,131	57,592	(52,263)	-	2,527	**86,987**

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

14. *FUNDS 2023*

	Balance 1 August 2022 £'000	Income £'000	Expenditure £'000	Transfers	Investment gains / (losses) £'000	**Balance 31 July 2023 £'000**
Undesignated general reserves	*3,483*	50,936	(45,230)	(9,436)	247	**-**
Designated funds:						
Tangible fixed assets reserve	*62,925*	-	-	9,436	-	**72,361**
Total unrestricted funds	*66,408*	50,936	(45,230)	-	247	**72,361**
Restricted funds:						
Prizes	*585*	7	(4)	-	8	**596**
Scholarships and bursaries	*1,801*	761	(776)	-	26	**1,812**
Other	*24*	1	(23)	-	2	**4**
Donations other	*753*	297	-	-	-	**1,050**
Donations Business Hub	*1,126*	1,366	(1,800)	-	-	**692**
Donations Art and Design Hub	*100*	703	-	-	-	**803**
Donations Wei Music Fund	*190*	-	(10)	-	-	**180**
	4,579	3,135	(2,613)		36	**5,137**
Endowed funds:						
Prizes	*593*	7	(4)	-	9	**605**
Scholarships and bursaries	*1,950*	23	(249)	-	28	**1,752**
Other	*101*	1	(1)	-	1	**102**
	2,644	31	(254)	-	38	**2,459**
Pension scheme fund	*(1,956)*	-	347	-	783	**(826)**
	71,675	*54,102*	(47,750)	-	1,104	**79,131**

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

14. FUNDS (CONTINUED)

The Tangible Fixed Asset reserve incorporates the Reinstated Property net book value of Charterhouse School buildings erected since 1974 that until 2000 were written off in the year of acquisition.

The restricted prizes, scholarships and bursaries funds are a consolidated fund of numerous individual gifts to provide prizes, scholarships and bursaries to enable pupils to attend the schools.

The donations fund includes restricted funds donated in the year for which the expenditure has not yet been incurred. The Wei Music restricted fund is for a bursary for an exceptional musician, the Business hub is for a capital conversion of an existing space at Charterhouse School, the Art and Design hub and Drama are for a capital conversions also.

The endowed funds arose from legacies received for the permanent benefit of the schools and £23k was drawn down during the year mainly for scholarships, bursaries and prizes.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

15. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £'000	*2023 £'000*
Net income from operations	**5,329**	*6,352*
Investment income and interest received	**(1,396)**	*(353)*
Investment manager and cash management fee	**182**	*161*
Depreciation	**4,002**	*3,760*
(Gain) on sale of tangible fixed assets	**(79)**	*(2,147)*
Loss on disposal of tangible fixed assets	**-**	*565*
Pension scheme net finance costs	**31**	*61*
Contributions to the Charterhouse Retirement Benefit Scheme	**(442)**	*(408)*
Decrease /(Increase) in stocks	**10**	*(27)*
(Increase)/ Decrease in debtors	**(1,610)**	*147*
(Decrease) in creditors	**(592)**	*(334)*
Increase/ (Decrease) in Advance Fee Scheme	**6,472**	*(495)*
Net cash inflow from operations	**11,907**	*7,282*

Analysis of changes in net debt	**1 August 2023 £'000**	**Cash flows £'000**	**31 July 2024 £'000**
Cash in bank	*13,973*	**8,287**	**22,260**
Cash in hand	*3,987*	**(2,891)**	**1,096**
Notice deposits	*4,653*	**(3,462)**	**1,191**
Cash and cash equivalents	*22,613*	**1,934**	**24,547**
Bank loans falling due after less than one year	*1,392*	**(1,032)**	**360**
Bank loans falling due after more than one year	*34,650*	**(360)**	**34,290**
Total borrowings	*36,042*	**(1,392)**	**34,650**
Net debt	**(13,429)**	**3,326**	**(10,103)**

16. COMMITMENTS

Capital Expenditure
During the year the Charity worked on various projects and £3.6m at year-end is contracted for but not accrued in respect of these; (2023: £5.243m).

Operating Lease Commitments	**Vehicles & Equipment 2024 £'000**	*2023 £'000*
The future minimum lease payments under non-cancellable operating leases which are all payable as follows:		
Within one year	**198**	*183*
Between two and five years	**466**	*488*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

17. PENSION FUNDS

All members of the teaching staff are members of the Government scheme for the teaching profession, to which the Charity is a contributor. Some of the support staff are deferred members of the Charterhouse Retirement Benefits Scheme, a defined benefits scheme that was closed to new entrants on 31 July 2002. The actuarial valuation at 31 July 2021 indicated that the assets of the fund represented 80% of its liabilities. The position will be kept under review. From 1 August 2002 new members of the support staff were able to join a defined contribution scheme.

Governments Teachers' Pension Defined Benefits Scheme
The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2.263m (2023: £2.394m) and at the year-end £0 (2023 - £7k) was accrued in respect of contributions to this scheme.

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

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

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

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

Following a consultation process with staff during 2023/24, the schools capped their future liabilities through a mechanism whereby staff electing to remain in the TPS offset future employer contribution increases by accepting a lower level of salary increase.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

The Charterhouse Retirement Benefits Scheme
The Charity operates a scheme for its non-teaching staff, The Charterhouse Retirement Benefits Scheme, which is a defined benefits scheme. The actuarial valuation does not separately identify the Charity's share of the underlying assets and liabilities of the Scheme. The Scheme was closed to new entrants on 31 July 2002. From 1 August 2002 new members of the support staff were able to join a defined contribution scheme.

The assets of the Scheme are held separately from those of the Charity. The Scheme is funded by contributions from the employees and employers.

The most recent formal actuarial valuation of the Scheme was carried out as at 31 July 2021. The following summarises the accrued funding position as at that date on the basis that the Scheme continues to operate as a going concern and is not wound up:

Value of Scheme assets	£ 10,286,000
Value of accrued liabilities	£ 12,791,000
Shortfall	£ 2,505,000
Funding level	80%

Principal Actuarial Assumptions

- Discount rate after retirement	2.92%
- Discount rate before retirement	2.92%
- Future Retail Price Inflation	3.70%
- Future Consumer Price Inflation	3.20%
- Pension increases (RPI limited to 5%pa)	3.60%
- Pension increases (CPI limited to 3%pa)	2.60%
- Pension increases (RPI limited to 2.5%pa)	2.40%
- Deferred pension revaluation (CPI limited to 5%pa)	3.00%
- Deferred pension revaluation (CPI limited to 2.5%pa)	2.50%

The value of accrued liabilities represented the Scheme Actuary's estimate of the sum required at the date of valuation to meet all future benefit payments in respect of members' service up to 31 July 2021.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

17. PENSION FUNDS (CONTINUED)

To eliminate the funding shortfall the Trustees and the Charity have agreed that the Charity will pay contributions of £408,000 per annum into the Scheme. These contributions will be used to reduce the funding shortfall. It is expected that the deficit will be entirely cleared by 30 April 2028. The agreed contributions are set out in a Recovery Plan and Schedule of Contributions dated June 2022.

Despite these contributions it is possible that the funding position of the Scheme might not develop as well as expected if the experience of the Scheme subsequent to the valuation date, particularly the investment returns, is unfavourable compared to the actuarial assumptions used for the valuation. Contributions will therefore be subject to review at future actuarial valuations.

The Scheme Actuary certified that, in his opinion, the rates of contributions shown in the Schedule of Contributions dated June 2022 are such that the Statutory Funding Objective could have been expected on 31 July 2021 to be met by 30 April 2028.

As required by legislation, as part of the formal valuation of the Scheme, the Scheme Actuary also estimated what the funding position would have been if the Scheme had been wound up as at 31 July 2021. The following summarises that position:

Value of Scheme assets	£10,286,000
Value of winding up liabilities	£18,060,000
Shortfall	£7,774,000
Solvency level	57%

The shortfall is an estimate of the additional sum that the Charity would have needed to pay to an insurance company to secure all members' benefits in full had the Scheme been wound up on 31 July 2021. Providing "winding up" information is a formal legal requirement and does not imply that the Charity is considering winding up the Scheme.

There has not been any payment to the Charity out of Scheme funds.

The fair value of the assets of the Scheme was:

Asset class	**2024 £'000**	*2023 £'000*
Gilts	**2,605**	*2,310*
Diversified Credit Fund	**962**	*684*
Net Current Assets	**121**	*475*
LDI	**633**	*533*
Partners	**1,064**	*1,020*
Veritas	**2,963**	*3,051*
Total	**8,348**	*8,073*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

17. PENSION FUNDS (CONTINUED)

The allocation of fund assets is as follows:

			Allocation of fund assets		
Asset class	**31 July 2024**	*31 July 2023*	*31 July 2022*	*31 July 2021*	*31 July 2020*
Equities	**33%**	*38%*	*50%*	*54%*	*40%*
Bonds	**39%**	*35%*	*22%*	*30%*	*44%*
Semi –liquid investments	**13%**	*13%*	*19%*	*15%*	*15%*
Diversified Credit Funds	**12%**	*8%*	*8%*	-	-
Cash and cash alternatives	**4%**	*6%*	*1%*	*1%*	*1%*

The return on assets was:

Return	**2024 £'000**	*2023 £'000*
Interest Income	**406**	*315*
Return on assets less interest income	**(57)**	*(1,272)*
Total return on assets	**349**	*(957)*

The assets of the Scheme have been included at market value and the liabilities under the FRS102 measure have been calculated using the following actuarial assumptions:

	2024	*2023*	2022	2021	*2020*
Expected rate of return on scheme assets	**-**	-	-	-	-
Rate of increase in salaries	**-**	-	-	-	-
Pension increases – pre 1/9/07	**3.10%**	*3.10%*	3.25%	3.25%	2.85%
Pension increases – post 1/9/07	**2.15%**	*2.20%*	2.30%	2.30%	2.15%
Rate of discount	**4.95%**	*5.05%*	3.45%	1.60%	1.35%
Inflation	**3.20%**	**3.20%**	3.30%	3.30%	2.90%

The liabilities are determined using the projected unit method as required by FRS 102, as distinct from the aggregate method used in the triennial actuarial valuation. Under the projected unit method, the current service costs will increase as the members of the Scheme approach retirement. On this basis, the balance sheet figures in respect of the Scheme at 31 July 2024 are as follows:

	2024 £'000	*2023 £'000*
Fair value of Scheme assets	**8,348**	*8,073*
Defined benefit obligation	**(8,900)**	*(8,899)*
Net liability	**(552)**	*(826)*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

17. PENSION FUNDS (CONTINUED)

Reconciliation of opening and closing Scheme liabilities

	2024 £'000	*2023 £'000*
Opening defined benefit obligation	**8,899**	*11,202*
Interest cost	**437**	*376*
Past service cost	**-**	*-*
Actuarial (gain) / loss	**80**	*(2,055)*
Estimated benefits paid (net of transfers in)	**(516)**	*(624)*
Closing defined benefit obligation	**8,900**	*8,899*

Reconciliation of opening and closing Scheme assets

Opening fair value of Scheme assets	**8,073**	*9,246*
Interest income	**406**	*315*
Actuarial (loss) / gain	**(57)**	*(1,272)*
Contributions by employer	**442**	*408*
Estimated benefits paid (net of transfers in)	**(516)**	*(624)*
Closing fair value of Scheme assets	**8,348**	*8,073*

The charge to the Statement of Financial Activities over the financial year is as follows:

Operating charge		
Net interest expense	**31**	*61*
Total operating charge	**31**	*61*
Total other recognised gains and losses		
Actuarial (loss)/ gain	**(137)**	*783*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

17. PENSION FUNDS (CONTINUED)

Amounts for current and previous periods

	31 July 2024 £'000	*31 July 2023 £'000*	*3 July 2022 £'000*	*31 July 2021 £'000*	*31 July 2020 £'000*
Defined benefits obligation	**(8,900)**	*(8,899)*	*(11,202)*	*(14,303)*	*(14,555)*
Scheme assets	**8,348**	*8,073*	*9,246*	*10,241*	*8,880*
Deficit	**(552)**	*(826)*	*(1,956)*	*(4,062)*	*(5,675)*
Experience adjustments on Scheme liabilities	**-**	*(181)*	*375*	*(26)*	*(1,120)*
Experience adjustments on Scheme assets	**-**	*(1,272)*	*(1,080)*	*1,305*	*390*

The actuary's calculations have been carried out in line with the requirements of Section 28 of FRS102. The actuary has confirmed that the valuation made above does not indicate actuarial advice for the purposes of funding the Scheme.

The actuary has excluded from both assets and liabilities items which have neutral effect on the Scheme's financial position i.e. additional voluntary contributions, annuities secured in respect of pensions in payment and insurance contracts for death in service benefits.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

18. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £'000	Endowed Funds £'000	Restricted Funds £'000	Year ended 31 July 2023 £'000
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Fees receivable	2	**44,332**	**-**	**-**	**44,332**
Foundation income		**461**	**-**	**-**	**461**
Other trading activities					
Income of trading subsidiaries	3a	**2,148**	**-**	**-**	**2,148**
Voluntary sources					
Donations		**101**	**-**	**3,105**	**3,206**
Investment and interest income	4a	**292**	**31**	**30**	**353**
Other income	4b	**1,455**	**-**	**-**	**1,455**
Gain on disposal of fixed assets		**2,147**	**-**	**-**	**2,147**
Total income and endowments		**50,936**	**31**	**3,135**	**54,102**
EXPENDITURE ON	5,6				
Raising funds					
Trading subsidiaries		**1,491**	**-**	**-**	**1,491**
Financing costs		**1,270**	**-**	**-**	**1,270**
Investment management		**124**	**19**	**18**	**161**
Fundraising		**380**	**-**	**-**	**380**
Total deductible costs		**3,265**	**19**	**18**	**3,302**
Charitable activities					
School and grant making		**41,618**	**235**	**2,595**	**44,448**
Total expenditure	6	**44,883**	**254**	**2,613**	**47,750**
Net income from operations		**6,053**	**(223)**	**522**	**6,352**
Net gain on investment assets	8	**247**	**38**	**36**	**321**
NET INCOME for the year		**6,300**	**(185)**	**558**	**6,673**
Transfer between funds	14	**-**	**-**	**-**	**-**
Actuarial Gain	17	**783**	**-**	**-**	**783**
Net movement in funds for the year		**7,083**	**(185)**	**558**	**7,456**
Balances brought forward at 1 August 2022		**64,452**	**2,644**	**4,579**	**71,675**
BALANCES CARRIED FORWARD AT 31 JULY 2023		**71,535**	**2,459**	**5,137**	**79,131**

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024

19. RELATED PARTY TRANSACTIONS

There were no related party transactions during the current or prior year other than those stated in note 3 in relation to the trading subsidiaries.

CHARTERHOUSE

Edgeborough

Charterhouse Godalming Surrey GU7 2DX
charterhouse.org.uk

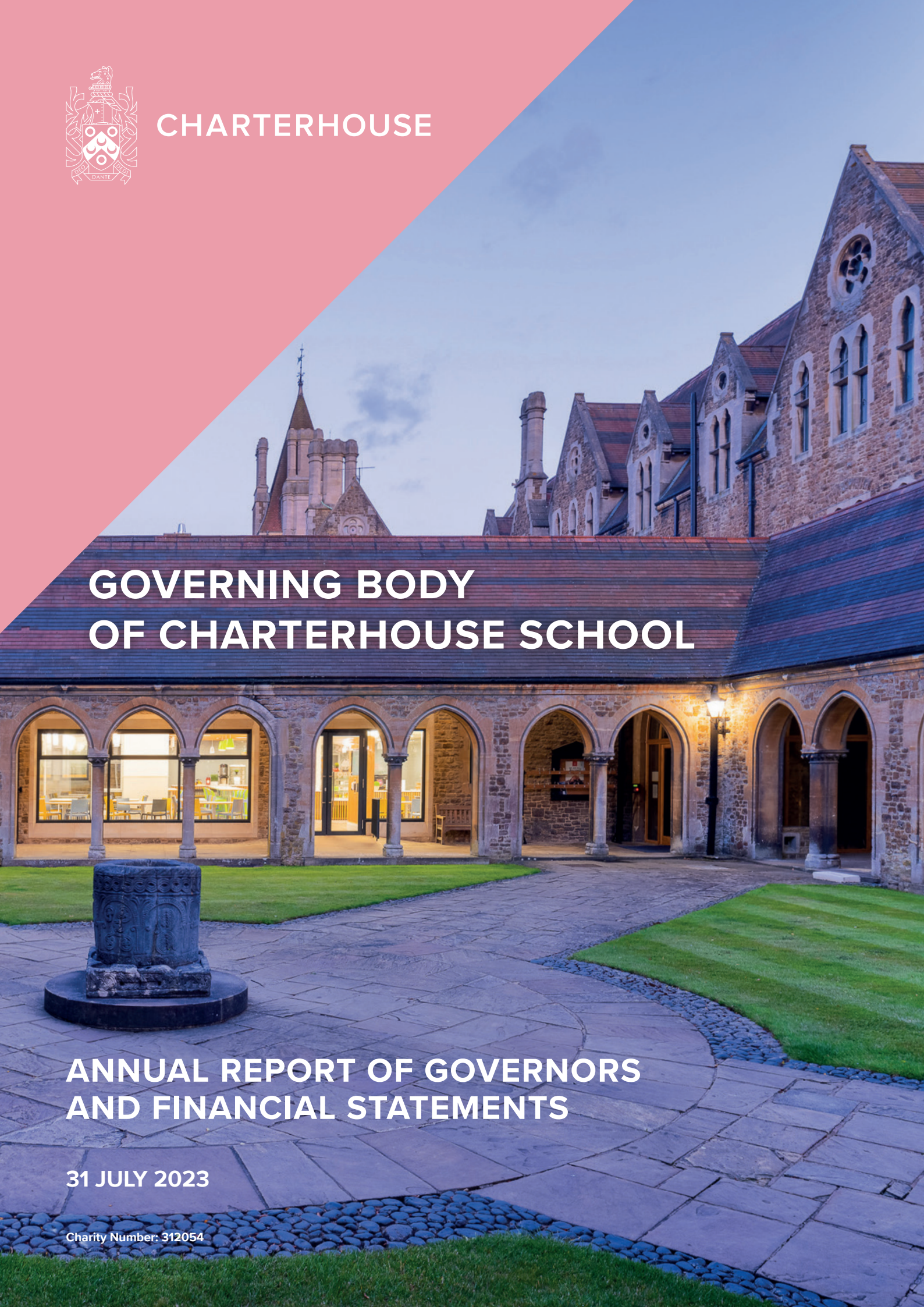
Edgeborough School Farnham Surrey GU10 3AH
edgeborough.co.uk

CHARTERHOUSE SCHOOL

England & Wales - Charity number 312054

Accounts

CHARTERHOUSE



GOVERNING BODY OF CHARTERHOUSE SCHOOL

ANNUAL REPORT OF GOVERNORS AND FINANCIAL STATEMENTS

31 JULY 2023

Charity Number: 312054

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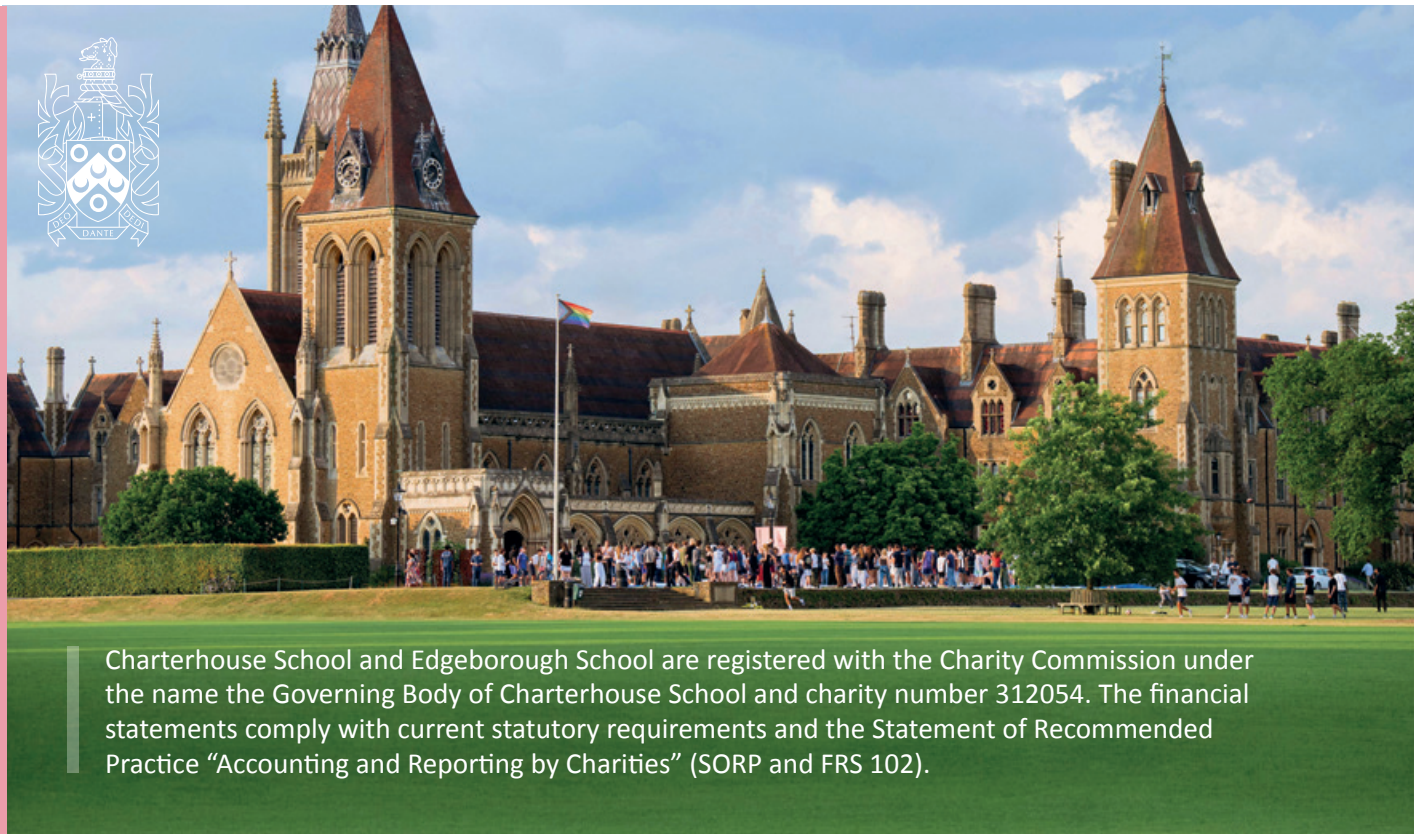
CHARITY REFERENCE AND BACKGROUND INFORMATION



Charterhouse School and Edgeborough School are registered with the Charity Commission under the name the Governing Body of Charterhouse School and charity number 312054. The financial statements comply with current statutory requirements and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP and FRS 102).

Particulars of the Charity's main professional advisors are given at page 16.

The Charity comprises Charterhouse School, a senior school for boys and girls aged 13 to 18 and Edgeborough School, a preparatory school for boys and girls aged 2 to 13.

Charterhouse was founded in 1611 under the terms of the will of Thomas Sutton who died on 12 December 1611. His bequest provided for the establishment of a school for poor boys and also an alms house for 80 elderly gentlemen, known today as "Sutton's Hospital", on the site of an ancient Carthusian monastery in London. In 1872 this Foundation was divided in two with Sutton's Hospital remaining in London and the School moving to its present site in Godalming. From that date Charterhouse was administered by its own Governing Body which is separate from the Governors of Sutton's Hospital. Following the report of the Clarendon Commission, Charterhouse was one of seven schools to have its constitution regulated by an Act of Parliament, namely The Public Schools Act 1868. Charterhouse became fully co-educational in September 2021.

On 31 July 2021 the Charity merged with Edgeborough Educational Trust Ltd (charity number 312051). Edgeborough School was founded in 1906 as a preparatory school for boys and moved to its current location in Frensham Place in 1939. It became co-educational in 1992.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Object

The charitable object of the schools is to advance education by the provision of a boarding and day school for boys and girls. The Governors ensure that this charitable purpose is carried out for public benefit by making education available to all who are sufficiently talented and, where possible, irrespective of financial circumstances.

The Governors confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the general guidance issued by the Charity Commission on public benefit.

The charitable purpose for the schools within the meaning of the Act is enshrined within the objects, as noted above.

Aims and Intended Impact

The aim of the Charity is to equip pupils to lead fulfilled and purposeful lives by providing an all-round education based on the Charterhouse and Edgeborough values. Teaching and learning are at the heart of what the schools do, although this does not mean achieving only qualifications and passing examinations. A Charterhouse and Edgeborough education should endure long after examinations are passed. Each of our pupils will become future-ready during their time at the School, in preparation for the challenges and opportunities that they will face within our rapidly evolving society.

The schools value all pupils as individuals with unique talents and interests, and seek to instil intellectual curiosity and the ability to learn independently; the skills and attitudes to succeed in a fast-changing, multi-cultural society; a sense of personal values based on compassion, integrity and sound judgement; a commitment to service of others and to society; and spiritual, moral, cultural and aesthetic awareness, all of which contribute to a balanced and well-informed approach to life.

Objectives for the Year

The Charity's current strategy was endorsed in 2017 with the objectives of introducing full co-education at Charterhouse in September 2021, while developing all aspects of its education provision and improving its non-fees income to assist in supporting public benefit. The strategy is regularly reviewed, most recently in September 2023. An annual management plan is produced which sets out specific tasks in support of the Strategy.

Specifically, the objectives for 2022-2023 were:

To continue to provide the highest quality co-education possible. This year has seen major reviews of curriculum and co-curricular activities at both schools. Charterhouse has updated its IB (International Baccalaureate) offer, introduced a new SMSC/PSHE (Spiritual, Moral, Social and Cultural / Personal, Social, Health and Economic) curriculum, and a new Outdoor activities programme. The focus has been on improved tracking of pupils' progress and aligning this with individual pupil pastoral needs to ensure the best outcomes possible. Edgeborough has seen major reviews in all academic and co-curricular areas, resulting in a number of changes. The development of the new Enquiry-Based learning model in Years 1 and 2 has been well received by all and will continue in future years. In addition a new Leadership, Enquiry, Aspiration and Perseverance (LEAP) learning strategy has been produced.

To progress the new Creative Art extension and the Business, Leadership and Entrepreneurship Centre projects at Charterhouse and to start the reception and pedestrianisation projects at Edgeborough. It has been another busy year for projects with the completion of the new Lecture Theatre in October 2022. This is part of the Business, Leadership and Entrepreneurship Centre which will be completed by October 2023. This exciting new facility will mean Charterhouse will be the first school to offer an externally accredited Entrepreneurship Diploma. The refurbishment of the Design & Technology building was completed at the end of August 2022 and the construction of the new Creative Arts extension started in July 2023 for completion in September 2024. At Edgeborough the new Reception and Office project started in June 2023 and completed in September 2023. Progress on the Pedestrianisation project has been slowed by planning requirements but initial works will be completed by September 2023 with the full project due for completion in 2024.

To start the conversion of Weekites from a boys' house to a girls' house. Due to strong demand for girls' places Charterhouse started the conversion of Weekites in September 2023 with girls in the Fourths, Removes and First Year Specialist year groups. The conversion has been well received by pupils, staff and parents. This transition will continue in 2024 with Weekites being fully girls in September 2025. Similar systems will be used when Girdlestoneites starts its conversion in September 2023.

To develop an online education offer for launch in September 2023. Organised through Charterhouse International Limited, a new and exciting range of online learning programmes has been developed. These include a one year accelerated learning A-level programme with two on-site modules, as well as re-take and revision modules. Marketing started in early 2023 with the first students enrolled in September 2023.

Completed Lecture Theatre

Creative Arts extension

Principal Activities During the Year

During the year the Charity provided education as follows:

	Age Group	Average Pupils for the Year 2022/23	2021/2022	Remarks
Charterhouse	13-18	930	890	626 boys; 304 girls. 852 boarders
Edgeborough	2-13	367	377	190 boys; 177 girls. 27 boarded per night on average

This year has been the first year of full activities at both schools since the Covid-19 pandemic. In addition to busy academic and sport programmes, this has included having parents at school events, overseas trips, and partnership work with local state schools. Despite the continued economic uncertainty, pupil numbers have continued to grow and trading activities have been very positive. While the Governors and the Executive have spent significant time this year planning for possible future financial tax changes, they are confident about the continued success of both schools.

September 2022 saw girls in each year group at Charterhouse, which is one year earlier than originally planned. The girls' houses are now well established and co-education is thriving. The conversion of Weekites from a boys' to a girls' house has started well and has proved very popular with pupils. Demand for both girls' and boys' places continues to be very strong. Plans are in-hand to increase the number of girls to achieve a 50:50 girl/boy balance within 5 years.

Edgeborough has undergone a major transformation under the new Head, Dan Cox, with a new strategy approved in December 2022. The new Vision was launched in 2022 and this aims to develop all areas of the curriculum while improving facilities to ensure the best prep school education possible. Reviews of all areas are complete and have resulted in major changes to academic, pastoral and co-curricular areas. Upgrades to the Senior Prep classrooms were completed in summer 2022 with a new infrastructure master plan now in place.

Trading activities have now returned to pre-Covid levels with strong membership of the Charterhouse Sports Club and a full summer letting programme. In addition Charterhouse International has announced plans for the opening of another international school in September 2024, this time in Lagos, Nigeria.

Co-education

Edgeborough reception

Grant-Making Policy

The Charity sets aside funds to support means-tested bursaries and scholarships. In particular the Charity aims to build a bursary fund from various income sources to support future requirements. Bursaries, which range from 10% to 100% of the tuition fees, are offered to parents/guardians of pupils who could not otherwise afford to send their children to Charterhouse or Edgeborough, based on a comprehensive assessment of financial need, largely at entry, though some funds are available for parents who suffer financial hardship during the year. These bursaries are re-assessed annually and may change during a pupil's time at the schools depending on changes to their financial situation. Scholarships and awards are based on educational ability, the maximum scholarship value being 10% of the fee. Scholarships may be supplemented by bursary support up to the full value of fees in cases of proven financial need.

During the year some 274 (2022: 285) bursaries, scholarships and other awards were made at a total cost of £2.450m (2022: £1.950m); £2.096m (2022: £1.493m) from Charity funds, £12k (2022: £347k) from restricted funds and £342k (2022: £110k) from third party funds. Additional support was given to existing Ukrainian pupils as result of the conflict in their country.

Volunteers

Alumni, parents and members of the local community assisted and supported the Charity's educational and cultural activities throughout the year. The Governing Body would like to record its appreciation for this continuing support.

PUBLIC BENEFIT AND COMMUNITY ENGAGEMENT

The Charity remains committed to the aim of providing public benefit in accordance with its founding principles. The Charity provided education to 1,297 pupils who might otherwise have been educated in maintained schools at public expense. However, the Charity recognises that it has wider responsibilities to the community and to assist in making the education offered at Charterhouse and Edgeborough more accessible. This year has seen continued development of the Charity's public benefit activities to ensure maximum impact. There are five core elements to the public benefit it provides.

Widening Access and Bursaries

In 2022/2023, a total of 243 pupils across both schools benefited from bursaries and/or scholarships. Bursary spending totalled £1.919m (2022: £1.570m). In total 79 pupils benefited from bursaries of which 9 pupils were on 100% bursaries. This year saw continued support to three Ukrainian pupils who suffered as a result of the Ukrainian crisis. The Charity also continues to be part of the School Partnership Alliance in support of transformational bursaries and has linked up with the Royal National Children's Springboard Foundation which has seen our first pupil enter Charterhouse into the 6th form.

Working with other Educational Providers

The Governors continue to believe strongly in the many benefits of educational partnerships with maintained and Academy Trust schools. This partnership comes in various forms:

- Thirteen members of teaching and support staff are governors of other schools, having a positive impact on over 2,500 pupils;
- 320 pupils from local state schools have taken part in educational activities at Charterhouse, for example Mathematics masterclasses, Science in schools lectures and workshops, and sporting events;
- 30 teachers from other schools have benefited from attending courses hosted and taught by Charterhouse;
- 950 children have had enhanced opportunities and activities as a result of Charterhouse, such as residential summer schools, the Broadwater learning partnership, Chapel use, CCF partnerships and revision courses;
- The annual Shaftesbury Park Primary School summer camp took place in July 2023 providing activities and opportunities for 40 students and yet again was a great success.

Community Access and Engagement

The Charity has continued to allow use of its facilities to external users. Charterhouse has maintained its long-standing relationship with the local community supporting a wide range of activities for children at schools including Guildford Grove School, Kensington Aldridge Academy, Godalming Junior School, Amesbury and Aldro Prep Schools. These activities enabled children to enjoy physical activity, outdoor space and nature safely. A major event this year was the Restless Development Schools' triathlon which involved over 1,000 children on site. This raised over £105,000. Also, a number of local community groups and organisations used school facilities, including Guildford Hockey Club, Guildford Swimming and London Pulse.

Charitable Activity

The Charity continues to place great value on its charitable activities. This year has seen support for a variety of charities, particularly Godalming Community Store, the Meath, and Shooting Star Children's Hospices. In addition, this year both staff and pupils raised funds in support of the Ukrainian crisis sending two trucks' worth of goods to Ukraine. In total just over £15,000 has been raised for charities. For the first time in July 2023 the Charity took part in the Tall Ships Youth Trust activities sponsoring a number of pupils for local schools.

Volunteering

Volunteering continues to be highly valued at the Charity, reflecting as it does our values of responsibility and kindness, with at least 70 teaching and support staff involved this year in various activities. In addition, over 250 pupils have been involved in the Duke of Edinburgh Award Scheme, which includes 3-12 months of service. Overall, pupils dedicated 1,685 hours to volunteering.

Charterhouse Summer School

Shaftesbury Park Primary School summer camp

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Gold DofE Paddlers'Expedition – Norway

This year has seen a return to full school activities at both Charterhouse and Edgeborough with co-curricular activities, overseas trips, and visitors to the site, which has been greatly valued by pupils and parents alike. Not surprisingly there has been a greater demand from parents to be involved in school events and it has been very rewarding to see the full involvement of the Charterhouse and Edgeborough communities in school activities.

Academic Performance

The academic performance of Charterhouse pupils in Summer 2023 was extremely pleasing, notwithstanding the recalibration of examination results with standards reverting to the 'pre-Covid' period prior to 2020:

- At GCSE, pupils' achievement improved on that of 2022. The first-ever GCSE co-educational cohort achieved 72% grades 7-9 (65% in 2022), with 90 of the year group achieving at least eight grade 7s or better.
- In the Sixth Form, students sat public examinations for the first time (having been awarded GCSEs through Teacher Assessed Grades in 2021). A Level results were similar to pre-pandemic with 82% at grades A*-B. Performance in STEM subjects was very positive with 86% at A*-B. 32 pupils achieved 2A*s or more, and 81 pupils achieved at least AAB.
- International Baccalaureate Diploma grading was also revised downwards in 2023 to reflect pre-Covid standards. Nevertheless, the Charterhouse average Diploma score of 34.1 continued to compare very favourably to the international average of 30.2.
- 95% of our leavers have taken up places at university with the remaining leavers re-applying for 2024 entry or finding employment. Twenty of those going to university have chosen to study for a first degree in North America, including two at the Ivy League (Yale and Columbia), and seven will be studying at Cambridge or Oxford.

Pupils at Edgeborough have also had an impressive year, with standardised testing data providing evidence of strong attainment across English, Maths and Science. GL assessment results show that pupils from Year 1 to Year 8 are producing results significantly higher than the national average. Common Entrance Results were excellent with 45% of grades A*/A, and 66% A*-B. Year 8 pupils all move on to excellent academic establishments: Bryanston, Canford, Charterhouse, Churcher's College, Frensham Heights, Hurstpierpoint, King Edward's School Witley, Lord Wandsworth College, Milllfield, St Edmund's, Tonbridge, Wellington College and Winchester College. There were an impressive 11 scholarships awarded to the Year 8 cohort this year, including academic scholarships and scholarships for sport, music and art.

ARTS, MUSIC, SPORTS AND OTHER ACHIEVEMENTS

Former Director of Music, Mark Shepherd

Fête de Noël

XI football team winning the HUDL League

Edgeborough Hockey

Music

This has been an excellent year for music with a strong group of Music Scholars. The Ralph Vaughan Williams 150th concert series was held in the first term and was very well received. This was followed by an outstanding concert at the Holy Trinity Church in Sloane Square. Collaboration with junior schools continued with a performance of *Freedom* with Edgeborough, Godalming and St Polycarp's schools. As ever the Bank Show was excellent as were numerous concerts throughout the year, including a surprise farewell to the Director of Music, Mark Shepherd. The choirs continued to go from strength to strength with the inclusion of girls at all ages much appreciated. Rock music has now been added to the options and has quickly established itself with at least five groups.

Art

This year Charterhouse has expanded its curriculum to embrace fashion and textiles at both GCSE and A level with a larger number of pupils than usual studying Art. Of these, five students have gone on to study architecture. The curriculum has also been broadened to include more female and minority artist groups while pupils have taken part in a number of trips including to the Tate, the Victoria and Albert museum, and a field trip to New York. In addition societies have been expanded to include ceramics, film and fashion design with several shows displaying the wide ranging talent from students of all ages. The Department continues to develop links with the wider community including the Godalming Brownies, the local museum and the Watts Gallery and the Newnham gallery in Petworth.

Drama and Dance

It has been another year of outstanding performances, with increasing pupil involvement both on and off stage. In September, *Lack of Talent* raised money for one of the Charterhouse-in-Southwark charities: TheatreTroupe. This was followed by a moving and uplifting production of *Almost, Maine* which gave our senior pupils the chance to really shine. Artifex saw a Fourths and Remove production of *Alibi* in the woods, as well as an amazing pupil-led version of the musical, *Six*. The major production for the year was a musical based on *Titanic*, which brought a cast of 55 pupils from all year groups to the stage; it was an amazing achievement and enjoyed by all. With these and other events through the year, audiences have been larger than ever before and the Theatre has been a very busy and creative place for many pupils.

At Edgeborough the Dunbar Hall Theatre has been a fitting venue for some tremendous performances. The Pre-Prep *Nativity*, Year 5 production of Porridge and the senior production of *The Lion King* were three such examples where full audiences were treated to some wonderful theatre. The volume and quality of music in school is excellent. From the Carol Service to the Belgium Choir Tour, our choirs have brought joy to so many through their accomplished performances. In addition, there have been countless concerts and recitals which have seen pupils, all at different stages of their musical journey, perform with confidence and poise.

Sport

This year Charterhouse offered Football, Hockey, Golf, Cricket, Netball, Lacrosse, Athletics, Tennis, Squash, Fives, Racquets, Basketball, Cross Country, Swimming and Water Polo as the principal sports. Overall there are 16 different sports with 188 teams playing 1,213 competitive fixtures. Tours have included netball in Dubai, football in Gothia, and cricket in South Africa. In addition Charterhouse has hosted a range of sporting events with local schools, including masterclasses in hockey, netball and football.

It has been a very successful year for sport. At team level, the undoubted highlight was the boys' 1st XI football team winning the HUDL League as well as reaching the ISFA Cup final. Other team achievements include the boys' basketball team winning the U18 Public Schools Tournament, girls' Lacrosse team winning the regional tournament, the girls' Football team winning the plate at the Bradfield tournament, boys' U15A Football side reaching the Elvin League semi-finals, the boys' U14A Hockey team achieving a 90% win record, and the Fives team qualifying for the National Championships. At an individual level one girl became the U18 National Schoolgirls' Singles Racquets Champion, an amazing achievement, with a boy and girl representing Great Britain at U17 and U16 shooting respectively, a girl making the semi-finals of the Real Tennis U15 National Schoolgirls' Championships and two pupils representing Surrey in cricket and hockey.

Over the course of the academic year, Edgeborough has offered the major sports of football, rugby, hockey and cricket for the boys and netball, hockey and cricket for the girls. In addition, the introduction of girls' football has been a huge success. Pupils are also offered cross-country, swimming, tennis and athletics. Seven pupils qualified for the IAPS National Swimming Finals this year, culminating in one IAPS National Champion in the 50m breaststroke, with our U11 boys' hockey and football teams both qualifying for the IAPS National Finals. The introduction of the Year 8 Leadership Unit within the PE curriculum culminated with the Year 8 pupils planning and leading a Year 1 PE lesson, as well as helping at the Pre-Prep Sports Day.

Duke of Edinburgh's (DofE) Award

Leadership and Outdoor Education

Duke of Edinburgh's (DofE) Award

There have been record numbers of pupils participating in DofE this year. The introduction of the Bronze Award for the Fourth Form (Yr9) saw all 182 pupils complete the necessary expedition and volunteering projects. The re-designated Remove Expedition is now the DofE Silver Practice Expedition which means the Fifth Form (Yr11) can now complete Silver by Christmas. This change saw Silver numbers doubling from 74 to 154. Gold numbers at 40 remain very strong. The possibilities of combining expeditions with local state schools and Charterhouse Malaysia are being looked at for next year.

Pioneers

'Pioneers' is a non-uniformed outdoor education programme for pupils in the Removes (Yr10) who are not members of the CCF. The programme has small groups (six to eight) of pupils engaged in a 'round-robin' programme of activities, which includes map and compass skills, navigation, orienteering, team-building tasks, countryside and environmental awareness, first aid, indoor climbing and camp cooking. Trips included a 20km walk across the South Downs and a two-night expedition through challenging Hampshire countryside.

Overseas Expeditions

Ten Fourths (Yr9) and Remove (yr10) pupils spent two weeks on a World Challenge expedition in Vietnam in July accompanied by two members of staff. Activities included a community service project and a challenging trek.

Combined Cadet Force (CCF)

It has been an excellent year for CCF with 83% of the Fourths (Yr9) electing to take part. In addition the partnership with Broadwater School has doubled in size to 30 cadets. The Contingent continues to perform well in competition, as does the shooting team; two cadets have been selected to represent Great Britain and the team has achieved overall Commonwealth Champion status. As an active contingent, CCF was very busy with exercises as well as weekly training and the unit is held in high regard nationally.

Fundraising

The Charity has three priorities for donations: bursaries, infrastructure projects, and social responsibility. This year a total of £3.206m (2022: £1.816m) has been donated. This result is one of the best ever. Overall the Foundation Office raised a total of £2.851m (2022: £1.706m), of which £2.751m (2022: £1.439m) was in the form of restricted donations. The restricted gifts were mainly for the Business and Leadership hub. For this year, the return on investment of the Charity's fundraising was £7.50 (2022 £4.27) for each £1 spent, based on expenditure of £380k (2022: £400k).

All fundraising activities for the Charity are carried out by our staff with assistance from parents and pupils for specific fundraising events. The Charity does not use professional fundraisers. All fundraising activities are managed by the Foundation Director and monitored by the Charity's Executive. No complaints relating to fundraising activities have been received by the Charity during this financial period though there are procedures in the event of a complaint. The Charity does not currently subscribe to any specific fundraising standards or schemes but considers that it has set appropriate standards for the operations and management of its fundraising activities based on national guidelines. In particular the Charity considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion.

REVIEW OF FINANCIAL ACTIVITIES

While it has been a challenging year with high inflation and market uncertainty, the Charity has seen a return to full activities, particularly in terms of trading, for the first time since the Covid-19 crisis. The aim has been to generate a surplus to enhance its facilities, to offer an education of the highest quality and to help enable its ambitions to widen access to its education.

For 2022/2023, Charterhouse had a target surplus of 4.1% of fees receivable or £1.601m and achieved 14.2% or £6.280m (2022: 11.68% and £2.087m). The increase at Charterhouse was largely due to significant donations (£3.206m), some property sales, and higher than expected pupil numbers. The small loss for Edgeborough (£20k) (2022: £501k profit) was expected this year as it develops its facilities for future growth.

The Governors of Sutton's Hospital in Charterhouse manage the permanent endowment bequeathed by Thomas Sutton in 1611 and pay over to the Charity the Moiety. This forms the Foundation income and is applied to the provision of bursaries. For this financial year the Charity had expected to receive £500k, however these funds performed slightly worse than expected and as a result the Charity received £461k (2022: £523k).

The wholly owned subsidiary and trading company, Charterhouse Enterprises Limited, continues to manage the letting and hiring of facilities at the School, including the external club membership for the Queen's Sports Centre. For the year ending 31 July 2022 the trading company made a gift-aid payment to the Charity of £514k (2022: £269k). The gift-aid has increased significantly following the lifting of Covid-19 restrictions and a return to full letting activities in the holidays. The increase in demand looks promising for the future.

The wholly owned subsidiary company, Charterhouse School Design & Build Limited, is responsible for some major new building projects. This year has seen the construction of two houses for staff use which were completed in July 2023. The Company gift-aid was £30k (2022: £284k). Following the completion of this project, no further work is planned in the near future.

The wholly owned subsidiary and trading company, Charterhouse International Limited, has continued to develop our international schools business. The school in Kuala Lumpur, Malaysia continues to grow and an agreement has been signed for a second school in Lagos, Nigeria which is due to open in September 2024. Discussions are ongoing for the possible opening of two more schools. In addition, an online one-year A-level education offer has been developed for a 2023/24 start and further online learning offers continue to be explored. This year the Company made a profit of £71k which offset against the retained loss brought forward (2022:£75k loss).

Total income for the year was £54.102m (2022:£ 46.210m) up 17%. This is largely due to increased pupil numbers at Charterhouse.

Expenditure was £47.750m (2022: £42.243m) up 13% due to increased cost associated with the increase in pupil numbers and due to general cost inflation.

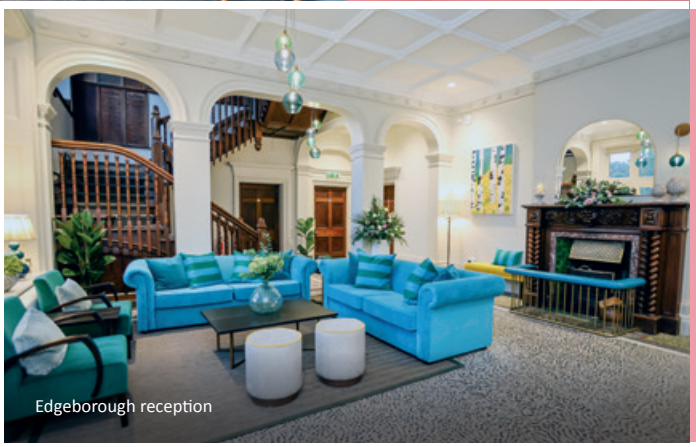
Overall this year, net income from operations was £6.352m (2022: £3.967m) which was above budget due to donations and increased pupil numbers. Despite the turbulence in markets and inflation, there were net gains on investments of £321k (2022: £1.013m) and the pension scheme position also improved with an actuarial gain of £783k (2022: £1.760m). This resulted in net movement in funds for the year being £7.456m (2022: £6.740m).

Reserves

The Charity's unrestricted funds stand at £72.361m (2022: £66.408m) at the year end, and total group funds are £79.131m (2022: £71.675m). £72.361m (2022: £62.925m) represents funds deployed as part of the schools premises and equipment. Free reserves are unrestricted general funds less the fixed assets deployed for Charity use. On this basis, the Charity has no free reserves (2022: nil), due to the long-term investment in buildings (see note 14). The Governors continue to be satisfied that external financial facilities provide an acceptable level of support and the asset base includes property which can be realised to support the schools' capital programme should it be required. The Governors believe that the conditions for preparing these financial statements on the going concern basis are met and have therefore prepared them accordingly.

The Governing Body normally considers the budget for the new financial year initially in March and finalises it in June. In addition, financial forecasts are produced that estimate incoming funds and expenditure, as well as capital expenditure, providing a clear understanding of its short-and medium-term financial obligations. The Governors' target level of operational liquidity is approximately £5m which would cover up to two months of operating costs. Currently this can be met with available funds from the private placement or through liquidation of some investments. Alternatively, the Charity would have an overdraft facility to meet this requirement.

Business, Leadership and Entrepreneurship Centre



Edgeborough reception

Much of the Charterhouse estate is not attributed at any value in the balance sheet, particularly the Victorian buildings erected when the School moved to Godalming in 1872 and the Memorial Chapel built in 1926 to seat some 800 people (the largest war memorial in England). All these buildings are Grade II listed properties whose costs were written off at time of building.

Investments

The Trustees' investment powers are governed by the scheme approved by the Charity Commission on 12 October 1989. The portfolios are managed by investment managers who have been given discretion to manage them, within agreed guidelines, by investing in mainly equities and fixed interest securities. Following the revision to the investment policy in 2019, the Charity's portfolio is now divided with equity investment with Veritas Investment Management LLP and medium-term investment grade bonds with Vanguard Investments. Advanced fees are invested entirely in bank deposits. The portfolio and its performance are regularly reviewed by the Investment Sub-Committee which reports to the Finance and Business Development Committee.

Pension Scheme

Following the review in 2018, the administration of the Charterhouse Retirement Benefits Scheme is now with First Actuarial. In 2021 the investment strategy was reviewed and as a result the scheme funds are now invested in Veritas Investment Management LLP, M&G Total Return Credit Investment Fund, a Partnership Group semi-liquid fund and an LDI managed by Legal & General. The triennial review of the Pension Scheme held in 2021 assessed the scheme deficit had reduced and a new recovery plan was agreed between the Charity and the Fund Trustees, which maintained Charity payments at £408k per annum with the aim of clearing the deficit in a shorter time frame. As the funding position improves the Charity and Trustees have agreed a de-risking investment strategy with a move from growth assets to matching assets; this process started this year. The next triennial review results are due at the end of 2024.

Capital Expenditure

Charterhouse has a significant 250-acre estate to maintain and modernise, as well as a number of residential properties for certain teachers and support staff. This requires the setting of priorities and financial plans. It is the policy of the Governing Body, if possible, to provide funds of the order of £2.5m annually towards investment in equipment and facilities, including the refurbishment of existing buildings.

Work on the Charterhouse infrastructure master plan continues. The year saw the opening of the new Lecture Theatre, completion of the refurbishment of the Design & Technology building and of Brooke Hall, and the start of the new Creative Art extension which is due to open in May 2024. Refurbishment of the existing Art studio and connection to the extension will complete the project by September 2024. Work also started on refurbishment to the Ben Travers Theatre with construction of the new Drama Studio planned to start in summer 2024.

Strong progress was also made on the Business, Leadership and Entrepreneurship Centre which has been entirely funded through donations and opened in Autumn 2023.

Edgeborough School is smaller at 55 acres and an infrastructure master plan is now in place. The initial project was the refurbishment of five Senior Prep classrooms last summer. The new reception project started in June 2023 and is due for completion in September 2023. Planning for the pedestrianisation is well advanced with enabling works taking place in summer 2023 and the main works planned for 2024.

PRINCIPAL RISKS

The Governing Body is responsible for overseeing the management of risks faced by the Charity. Detailed consideration of risk management policy and strategy is delegated to the Audit, Risk and Compliance Committee, which is assisted by the Director of Finance and Operations, and reports back to the Governing Body regularly. The Charterhouse and Edgeborough senior leadership teams take responsibility for identifying and managing the operational risks. The key controls in the Charity include the following:

- Policies and procedures required by law to protect the vulnerable;
- Detailed terms of reference for all Committees;
- Formal agendas for all Governing Body and Committee meetings;
- The creation and ongoing review of development strategies;
- Comprehensive planning, budgeting and management accounting;
- Formal written policies;
- Schemes of delegation, formal financial regulations, and systems of internal control;
- Regular review of activities with lessons learned process;
- External reviews of policies and procedures;
- Expert advice and support from professional support teams including Human Resources, Estates, Finance, Health and Safety Management, Catering and Domestic services, Admissions and Communications and from qualified and experienced academic staff with dedicated responsibility for safeguarding and pastoral care.

The key risks identified are:

1. **The economic climate adversely affects affordability and pupil numbers.** Pupil numbers continue to increase, with demand for places strong at both schools. However continued high inflation and an uncertain economic situation are a concern. In the short term any immediate parental financial difficulties can be managed with additional bursaries and expenditure contained. However in the longer term, affordability will become an even greater issue than it is currently unless inflation returns to target levels and the economy grows. As a result, the Governing Body continues to work hard with the Executive to identify areas for cost-efficiency, as well as to develop non-fee income streams, such as international schools, to try to restrict future fee increases.

2. **Increases to Employer Contributions for the Teachers' Pension Scheme (TPS) is a significant concern.** To date, the Charity has felt it appropriate to remain in the TPS during this key phase in the Charity's development strategy, notwithstanding the very significant increases to TPS contrbution rates in recent years. A further increase in employer contributions of 21% (or 5% points from 23.6% to 28.6%) was confirmed in October 2023 and the Charity is reviewing its options in light of this.

3. **Future governments change the law to remove charitable tax status or introduce VAT on independent school fees.** The Charity is committed to improving support to other schools and the wider community, and to improving accessibility to the education provided at Charterhouse and Edgeborough. While the Charity believes it is meeting its public benefit requirements with the expansion of its partnerships with state schools, access to the schools and bursaries, it is undertaking contingency planning in the case of charitable tax reliefs being removed or the imposition of VAT on fee income.

4. **Environmental issues create a financial burden.** The schools have developed their own environmental strategies and have started actions to reduce any adverse impact on the climate. This year it has undertaken two studies to understand how to achieve net zero energy at Charterhouse and Edgeborough. This will not be easy, particularly with listed buildings, and achieving it comes at a significant cost. Therefore the Charity has developed a long term plan to achieve net zero over the coming 20 years.

Through the risk management processes established for the Charity, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

FUTURE PLANS

Art and Design Centre

Conversion of Girdlestoneites

The Charterhouse development strategy was endorsed by Governors in December 2016 and reviewed during this year. The first phase was successfully completed with the start of full co-education and the introduction of girls at 13+ in September 2021. The next phase is to continue to develop the curriculum and facilities over the coming few years and to achieve close to a 50:50 girl/boy balance while delivering outstanding education.

The Edgeborough development strategy was endorsed in June 2022 and a new vision document distributed to parents. The aim is to build on the School's existing strengths and develop both academic and pastoral provision, with the appropriate infrastructure.

In both schools demand is very strong and the future looks promising, though the Governors and Executive are not complacent. The key objectives for next year in support of these strategies are:

1. To continue to provide the highest quality co-education possible;
2. To construct the new Creative Art extension and complete the Business, Leadership and Entrepreneur Centre projects at Charterhouse;
3. To complete the new reception and start the pedestrianisation projects at Edgeborough;
4. To start the conversion of Girdlestoneites at Charterhouse from a boys' house to a girls' house;
5. To continue to grow non-fee income in order to increase funding for bursaries and public benefit;
6. To review opportunities to continue to develop the Charterhouse brand;
7. To review the Charity's structure and prepare for any future government tax changes.

GOVERNORS AND CHARITY TRUSTEES

Members	Appointed by:
Ms V Tuck BA MA – Chair [9,7,10] (Resigned 31 July 2023)*	Governing Body
Mr K Awuku-Asabre BSC Dip LAW [3,7]	Governing Body
Mr E D A Barnes BA [4,7,9,10]	Teachers of the Charterhouse
Ms C Brown MA PgDL LPC [3,6,10]	Governing Body
Mr S Browne MA, MBA, PGCE, MCSI [2,4] (Elected 16 March 2023)	Governing Body
Ms G Byrom BSC MA [4] (Resigned 25 January 2023)	Governing Body
Prof V C Emery PhD FRSB FAST [1]	Governing Body
Ms H M Goatley BA LLB [3,4] (Elected 2 December 2022)	Governing Body
Mr J Goldsmith BSc MRICS [1,5,9]	Sutton's Hospital
The Very Revd. D L Gwilliams BA MA [4,6]	Governing Body
Dr N Krause MBE BSc MSc PsychD C.Psychol C.Sci AFBPsS [4]	Governing Body
Mr C W D Macey FCA [2,3,9]	Sutton's Hospital
Mr P Malcolm [1,5]	Governing Body
Mr J McIlroy FCA ATII [1,9,10]	Governing Body
Mr J R Olsen BA [1,7,9,10] (interim Chair from 1 August 2023)	Sutton's Hospital
Mr A M Reid MA MBA FCA [1,2]	Governing Body
Mr D J G Royds BSc [1,2,5,9]	Governing Body
Mr M W T Walton MA MBA FRICS [3,5,8,10]	Governing Body

* Mr M J Bishop BA, MA, PGCE, MBA was elected 23 June 2023 to be a Governor from 1 September 2023 and to become Chair of the Governing Body from 1 March 2024

[1] Indicates membership of the Finance and Business Development Committee
[2] Indicates membership of the Investment Sub-Committee
[3] Indicates membership of the Audit, Risk, and Compliance Committee
[4] Indicates membership of the Education Committee
[5] Indicates membership of the Projects and Planning Committee
[6] Indicates governor with special responsibility for Safeguarding and Child Protection
[7] Indicates membership of the Nominations and Governance Committee
[8] Indicates governor with special responsibility for Health & Safety
[9] Indicates membership of the Chairs' Committee
[10] Indicates membership of the Edgeborough School Committee

OFFICERS

Head of Charterhouse School	Dr A L R Peterken BA, MA, EdD
Director of Financial Strategy	D S Armitage MBE BSc MSc (Resigned 31 Aug. 2023)
Director of Finance and Operations	P J Grainge MA (Cantab), ACMA (Appointed 1 Sept. 2023)
Head of Edgeborough School	D R Cox BA MSc
Bursar of Edgeborough School	S H Riley BA MBA

CLERK TO THE GOVERNING BODY

Mrs A C Warburton

ADVISORS

AUDITOR

Crowe U.K. LLP
55 Ludgate Hill
London, EC4M 7JW

BANKERS

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Godalming
Surrey, GU7 1AT

SOLICITORS

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London, WC2A 3LH

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90 Long Acre
London, WC2E 9RA

Flagstone Investment Management
1st Floor, Clareville House
26-27 Oxendon Street
London, SW1Y 4EL

Vanguard Asset Management Ltd
4th Floor, The Walbrook Building
25 Walbrook
London, EC4N 8AF

INSURANCE BROKERS

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

PRINCIPAL ADDRESSES

Charterhouse
Godalming
Surrey
GU7 2DX

Edgeborough School
84 Frensham Road
Lower Bourne
Farnham
GU10 3AH

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The Charity's own Statutes and Regulations are made in accordance with the provisions of the Public Schools Act and its amendments. The Statutes were last amended on 13 December 2017.

Governing Body

The Governors are the Trustees of the Charity. Up to 15 governors can be appointed by the Charity with a further three appointed by the Governors of Sutton's Hospital in Charterhouse and one appointed following a nomination by the teaching staff. Governors, except the Chair, serve a term of up to five years and may, if reappointed by the Governing Body, serve for one further term of up to five years. The Chair may serve the remainder of their term as a governor and then one further term of up to five years if reappointed by the Governing Body.

Recruitment and Training of Governors

New Governors are inducted into the workings of the Charity by the Head, the Director of Finance and Operations, and the Clerk to the Governors. Governors visit the schools and observe lessons as well as attend relevant training workshops and presentations. They also attend external and internal trustee training and information courses designed to keep them informed and updated on current issues in the sector and regulatory requirements.

Organisational Management

The members of the Governing Body, as the charity trustees, are legally responsible for the overall management and control of the schools. They meet at least three times a year to review reports and discuss strategic issues.

The Committee Structure is:

- The Finance and Business Development Committee considers financial matters, admissions data, communications, and commercial opportunities;
- The Investment Sub-Committee scrutinises investments, reviews the investment and treasury policies and reports to the Finance and Business Development Committee;
- The Education Committee considers academic, co-curricular and pastoral matters;
- The Projects and Planning Committee considers infrastructure and other development projects;
- The Audit, Risk and Compliance Committee oversees the formal external audit process, reviews the internal risk management matrix, and considers compliance matters;
- The Nominations and Governance Committee reviews the effectiveness and membership of the Governing Body;
- The Edgeborough School Committee oversees the educational and pastoral aspects of the preparatory school, including safeguarding;
- The Chairs' Committee comprises the Chairs of all of the above committees and sits prior to the Governing Body meetings to discuss major issues and prepare the agenda for the main meetings;
- There are designated Governor leads for Safeguarding, Health & Safety and Boarding.

This year the Governors have also set up two working groups to look at teachers' pensions and future structures/tax implications.

The Governing Body appoints the Head and the Director of Finance and Operations for Charterhouse and the Head and Bursar of Edgeborough School and delegates day-to-day running of the schools to them. The Head of Edgeborough School reports to the Head of Charterhouse School and the Bursar of Edgeborough School reports to the Director of Finance and Operations of Charterhouse.

Each School has its own Senior Leadership Team which is responsible for the daily management of the school. In addition the Head and Director of Finance and Operationsfor Charterhouse and the Head and Bursar of Edgeborough School meet regularly. A joint Executive Strategy Committee considers longer-term issues.

Remuneration is set by the Governing Body, with a policy of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the schools' success. This also covers members of the key management personnel.

Mindful of the Charity Governance Code, the Charity continues to review its processes and procedures to ensure the best possible governance. The reorganisation of the committees has worked well as has the introduction of software system for managing board papers. This year governor skills were reviewed and individuals allocated to the appropriate committees. In addition, the Governor Handbook has been enhanced, providing clear direction on all procedures.

Associated Charities

Sutton's Hospital in Charterhouse (Charity No: 207773) was the charity governing both Charterhouse School and Sutton's Hospital until Charterhouse moved to Godalming in 1872 and is administered by its own Governors. The Governors of Sutton's Hospital in Charterhouse manage the permanent endowment bequeathed by Thomas Sutton and pay over to the Charity the Moiety; for this last financial year the Charity received £461,000 (2022: £523,000).

The Carthusian Trust, a Charitable Incorporated Organisation (Charity No: 1171955), providing means-tested bursaries and scholarships to pupils of Charterhouse School or donations towards capital projects that will benefit the pupils of the School. During the year the Trust provided £205,313 (2022: £79,531). The Carthusian Trust also pays for up to nine Birley scholarships amounting to £16,365 (2022: £12,070).

The Carthusian Society Charitable Fund (Charity No: 1099809) was formed in 1938 with three objects: to provide additional finance for the Old Carthusian Club; to provide amenities for Charterhouse which would help enrich experiences; and to foster relations between the School and Old Carthusians.

The Charterhouse War Memorial and Tercentenary Trust (Charity No: 268012) was established to provide grants to help pupils whose parents experience financial hardship to remain at Charterhouse until a natural breakpoint. During the year £35,376 (2022: £Nil) was provided to Charterhouse as bursaries.

STATEMENT OF RESPONSIBILITIES OF THE GOVERNING BODY

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

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

Under charity law the Governors must prepare financial statements so that they are satisfied that they give a true and fair view of the state of affairs of the charity and the group and of the group's net incoming / outgoing resources for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group, and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Governing Body

J Olsen BA Chair
Dated: 19th December, 2023

Independent Auditor's Report to the Members of the Governing Body of Charterhouse School

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity'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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity/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 charity'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees 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 group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 charity 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 Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity 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 charity 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, Health and Safety regulation, Employment legislation and General Data Protection Regulation (GDPR).

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 timing of recognition of trading subsidiary income, procurement processes for significant capital projects, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit, Risk & Compliance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Independent Schools Inspectorate, 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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Tina Allison – Senior Statutory Auditor
For and on behalf of Crowe U.K. LLP, Statutory Auditor, London
Date 29 January 2024

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

FINANCIAL STATEMENTS

GOVERNING BODY OF CHARTERHOUSE SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2023

	Notes	Unrestricted Funds £'000	Endowed Funds £'000	Restricted Funds £'000	Year ended 31 July 2023 £'000	*Year ended 31 July 2022 £'000*
INCOME AND ENDOWMENTS FROM						
Charitable activities						
Fees receivable	2	**44,332**	**-**	**-**	**44,332**	*40,485*
Foundation income		**461**	**-**	**-**	**461**	*523*
Other trading activities						
Income of trading subsidiaries	3a	**2,148**	**-**	**-**	**2,148**	*1,712*
Donations		**101**	**-**	**3,105**	**3,206**	*1,816*
Investment and interest income	4a	**292**	**31**	**30**	**353**	*222*
Other income	4b	**1,455**	**-**	**-**	**1,455**	*1,249*
Gain on disposal of fixed assets		**2,147**	**-**	**-**	**2,147**	*203*
Total income and endowments		**50,936**	**31**	**3,135**	**54,102**	*46,210*
EXPENDITURE ON	5, 6					
Raising funds						
Trading subsidiaries		**1,491**	**-**	**-**	**1,491**	*1,192*
Financing costs		**1,270**	**-**	**-**	**1,270**	*1,275*
Investment management		**124**	**19**	**18**	**161**	*172*
Fundraising		**380**	**-**	**-**	**380**	*400*
Total deductible costs		**3,265**	**19**	**18**	**3,302**	*3,039*
Charitable activities						
Schools and grant making		**41,618**	**235**	**2,595**	**44,448**	*39,204*
Total expenditure	6	**44,883**	**254**	**2,613**	**47,750**	*42,243*
Net income/ (expenditure) from operations		**6,053**	**(223)**	**522**	**6,352**	*3,967*
Net gain on investment assets	8	**247**	**38**	**36**	**321**	*1,013*
NET INCOME for the year		**6,300**	**(185)**	**558**	**6,673**	*4,980*
Actuarial Gain	17	**783**	**-**	**-**	**783**	*1,760*
Net movement in funds for the year		**7,083**	**(185)**	**558**	**7,456**	*6,740*
Balances brought forward at 1 August 2022		64,452	2,644	4,579	**71,675**	*64,935*
BALANCES CARRIED FORWARD AT 31 JULY 2023		**71,535**	**2,459**	**5,137**	**79,131**	*71,675*

The notes on pages 25 to 50 form part of these accounts.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
BALANCE SHEETS
AT 31 JULY 2023

		Consolidated		Schools	
		2023	*2022*	**2023**	*2022*
		£'000	*£'000*	**£'000**	*£'000*
FIXED ASSETS					
Tangible fixed assets	7	**90,106**	*83,325*	**90,106**	*83,244*
Investments	8	**22,523**	22,457	**22,773**	*22,707*
		112,629	105,782	**112,879**	105,951
CURRENT ASSETS					
Stocks	9	**125**	*98*	**37**	27
Debtors and prepayments	10	**2,288**	2,435	**2,849**	*2,848*
Bank and other deposits		**18,626**	24,078	**18,626**	24,078
Cash and bank balances		**3,987**	2,338	**2,902**	*1,709*
		25,026	28,949	**24,414**	28,662
CREDITORS: amounts falling due within one year	11	**(21,505)**	(23,205)	**(21,143)**	(23,016)
NET CURRENT ASSETS		**3,521**	*5,744*	**3,271**	5,646
TOTAL ASSETS LESS CURRENT LIABILITIES		**116,150**	111,526	**116,150**	111,597
CREDITORS: amounts falling due after more than one year	12	**(36,193)**	(37,895)	**(36,193)**	(37,895)
NET ASSETS EXCLUDING PENSION FUND LIABILITY		**79,957**	73,631	**79,957**	73,702
Pension fund liability	17	**(826)**	(1,956)	**(826)**	(1,956)
NET ASSETS	13	**79,131**	71,675	**79,131**	71,746
Total Unrestricted Funds		**72,361**	66,408	**72,361**	66,479
Restricted funds		**5,137**	4,579	**5,137**	4,579
Endowed funds		**2,459**	2,644	**2,459**	2,644
Total Restricted Funds		**7,596**	7,223	**7,596**	7,223
Total Funds before pension liability		**79,957**	73,631	**79,957**	73,702
Pension scheme fund	17	**(826)**	(1,956)	**(826)**	(1,956)
Total Funds	14	**79,131**	71,675	**79,131**	71,746

The net result for the year dealt within the financial statements of the parent charity was a surplus of £7.385m (2022 surplus £6.815 m).
Approved and authorised for issue by the Governing Body and signed on its behalf by

J OLSEN BA
Chair
Dated: 19th December, 2023

CWD MACEY FCA
Chair of Audit, Risk and Compliance
Dated: 19th December, 2023

The notes on pages 25 to 50 form part of these accounts.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2023

	Notes	**2023** **£'000**	*2022* *£'000*
Net cash flow from operations			
Net cash provided by operating activities	15	**7,282**	*10,644*
Cash flows from investing activities			
Payments for tangible fixed assets		**(11,182)**	*(9,615)*
Proceeds from sale of property, plant and equipment		**2,147**	*274*
Receipts from sale of investments		**356**	*3,000*
Investment income and interest received		**90**	*9*
Net cash (used) in investing activities		**(8,589)**	*(6,332)*
Cash flows from financing activities			
Bank loan repayments		**(2,496)**	*(1,458)*
Net cash provided by financing activities		**(2,496)**	*(1,458)*
Change in cash and cash equivalents in the reporting period	15	*(3,803)*	*2,854*
Cash and cash equivalents at the beginning of the reporting period		**26,416**	*23,562*
Cash and cash equivalents at the end of the reporting period	15	**22,613**	*26,416*

The notes on pages 25 to 50 form part of these accounts.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2023

1. ACCOUNTING POLICIES

Charity Information
The Schools is a charity registered with the Charity Commission in England and Wales (charity number 312054) and is a Public Benefit Entity operating from its registered office Charterhouse, Godalming, Surrey, GU7 2DX.

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 Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

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

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2015 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The 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 Charity on a line by line basis with its wholly owned subsidiaries Charterhouse Enterprises Limited, Charterhouse International Limited and Charterhouse Design and Build Limited. No separate SOFA has been presented for the Charity alone.

Going concern

In light of the continued high inflation and market uncertainty, the Governors have reviewed various financial scenarios related to pupil numbers, inflation, non-fee income and tax, to ensure that both schools can deliver excellent educational outcomes and the necessary master plan infrastructure projects. In addition, Governors have set up two working groups to explore solutions to key challenges and opportunities facing the schools. Therefore contingency plans are in place to deal with future adverse situations, which included proposals such as delaying non-essential projects. The Charity also hold significant cash balances and investments should additional liquidity be required through any period of uncertainty. Given the record number of pupils in September 2023 and the increase in registrations for future years, the Governors have a reasonable expectation that the schools have adequate resources to continue its activities for the foreseeable future and have prepared the financial statements on the going concern basis.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

1. ACCOUNTING POLICIES (CONTINUED)

Critical accounting judgements and key sources of estimation uncertainty

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

The 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, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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

Fee income
Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the Schools, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants.

Donations
Donations subject to specific wishes of the donors are carried to relevant restricted funds.

Foundation Income
Foundation Income is recognised on a cash received basis.

Grant Income
Grant income is recognised where there is evidence of entitlement, the receipt is probable and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

Expenditure
Expenditure is accounted for on an accruals basis. Expenditure and irrecoverable VAT is allocated to expense headings on a direct cost basis except for central costs which are apportioned on the basis of an estimate of time spent on the relevant function. Support costs comprise staff and other costs incurred directly supporting the teaching function and general running of the Schools.

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.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

1. ACCOUNTING POLICIES (CONTINUED)

Pension schemes
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 Schools. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme. The Charity operates the Charterhouse Retirement Benefits Scheme for non teaching staff. This Scheme was closed to new entrants on 31 July 2002.

Finance and other costs
Other costs include amounts accrued in accordance with the terms of the Advanced Fee contracts and private placement interest.

School buildings and equipment
All School buildings and houses erected on campus since 1974 together with off campus houses are capitalised. Properties are included at cost and major upgrade and refurbishment expenditure is also capitalised. The cost of pre 1974 school properties are not included in these accounts and the historical nature of these is reported in the Finance section of the Annual Report of the Governing Body (page 34). All IT equipment and software is capitalised. Plant, vehicles and other items of equipment with an individual purchase price of £5,000 or above are also capitalised.

Depreciation
Depreciation of assets is provided at the following rates to write off the excess of cost over estimated residual amount evenly over their estimated useful economic lives.

These rates are currently as follows:

School buildings	-	50 years (full year in year of completion)
Dwelling houses	-	50 years (full year from acquisition excluding land)
Dwelling houses refurbishment	-	between 10 and 25 years
Plant and vehicles	-	4 years
IT equipment and software	-	1 to 3 years
Shop fittings and furniture	-	3 to 10 years

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Investments
Investments are shown at their year end market value. Realised and unrealised gains less losses are credited to the Statement of Financial Activities.
Investments in subsidiaries are valued at cost less provision for impairment.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

1. ACCOUNTING POLICIES (CONTINUED)

Stocks
Stocks are carried at the lower of cost and estimated selling price.

Fund accounting
The endowed funds of the Charity are capital funds where normally only the income arising may be applied, in some cases on restricted purposes. Restricted funds have arisen either from restrictions applied by donors or due to the terms of the appeal by which the funds were raised. Designated funds have been set aside by the Trustees for specific purposes.

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 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, deferred income 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.

At the balance sheet date the Charity held financial assets at fair value through income or expenditure of £22.523m (2022: £22.457m).

2. FEE INCOME

	2023	*2022*
	£'000	*£'000*
Gross fees, including music fees	**46,428**	*41,978*
Less: Scholarships and bursaries:		
Schools -scholarships and awards	**(531)**	*(380)*
- bursaries	**(1,919)**	*(1,570)*
Fees receivable	**43,978**	*40,028*
Add back: Bursaries and other awards paid for by restricted funds	**354**	*457*
	44,332	*40,485*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

3. TRADING INCOME AND EXPENDITURE

a. Subsidiary companies

The Charity owns 100% of Charterhouse Enterprises Limited (CEL), whose main activities include the operation of the School shop and the letting of buildings and sports grounds, 100% of Charterhouse School Design & Build Limited, whose main activity is major building projects (CSD&BL) and 100% of Charterhouse International Limited (CIL). All companies donate under gift aid their taxable profits to the Charity. Trading results extracted from their audited accounts are shown below:

	2023 £'000 CIL	**2023 £'000 CSD&BL**	**2023 £'000 CEL**	*2022 £'000 CIL*	*2022 £'000 CSD&BL*	*2022 £'000 CEL*
Turnover	**242**	**1,157**	**1,906**	*127*	*1,893*	*1,584*
Cost of sales		**(1,122)**	**(799)**	-	(1,605)	(754)
Gross profit	**242**	**35**	**1,107**	*127*	*288*	*830*
Administration	**(171)**	**(5)**	**(591)**	(202)	(4)	(559)
Interest payable	**-**	**-**	**(2)**	-	-	(2)
Profit /(Loss) before taxation	71	30	514	(75)	284	269
Taxation						
Profit/(Loss) after taxation	71	30	514	(75)	284	269
Gift aid to Charterhouse School	**-**	**(30)**	(514)	-	(284)	(269)
Retained loss b/fwd	**(75)**	**-**	-	-	-	-
Loss retained for the financial year	*(4))*	**-**	**-**	*(75)*	-	-

The net assets of CEL at 31 July 2023 were £2 (2022: £2) and for CSD&BL were £1 (2022: £1) and net assets for CIL were £245,666 (2022: (net liabilities £174,788).

Income of the trading subsidiaries, amounts to £3.3m (2022: £3.6m) which represents the turnover of CEL of £1.906m (2022: £1.584m), the turnover of CSD&BL of £1.157m (2022: £1.892m) and the turnover of CIL of £242k (2022: £127k).

During the year, CEL paid the Charity £675k which included Staff Costs £476k , Rent £40k and Event expenditure £152k (2022:£ 541k) . The Charity paid CEL £361k which included Pupils Retail invoices £159k and Miscellaneous £2,863 (2022: £288k). At the year end £76.2k was owed by the Charity to CEL (2022 £3k) and CEL owed the Charity £701k which included the gift aid due for the year of £514k.

The Charity paid CSD&BL £1.3m (2022: £1.34m) for New Building work of which £30k was outstanding at the year end (2022 £706k) . CSD&BL paid the Charity £189 (2022 £nil). At the year end £316k was owed by the Charity to CSD&BL (2022 £706k) and CSD&BL owed the Charity £30k (2022 £283k) which was the gift aid.

The Charity paid CIL £nil (2022 £nil). CIL paid the School £83k (2022 £122k).

At the year end CIL owed the Charity £11k.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

4a. INVESTMENT AND INTEREST INCOME

	2023	2022
	£'000	£'000
Dividends receivable	233	201
Interest receivable	120	21
	353	222

4b. OTHER INCOME

Registration fees	400	444
Surcharge for late payment of school fees	43	48
Rental income – staff housing	401	413
Other	611	344
	1,455	1,249

5. EXPENDITURE

Expenditure includes:

Auditor's remuneration:		
For audit	64	55
For non-audit	5	5
Depreciation and amortisation - Schools	3,755	3,445
- Charterhouse Enterprises Limited	5	14
Discounts given on Advanced Fees	16	14
Operating lease expenditure – hire of vehicles and equipment	183	160
Total staff costs:		
Salaries and wages	20,228	18,409
Social security costs	2,116	2,020
Pension contributions	3,277	3,012
Other including pension past service costs	146	121
	25,767	23,562

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

5. EXPENDITURE (CONTINUED)

The average number of full time employees in the year was 283 (2022: 279) and 163 (2022: 147) full time equivalents. Of these:

		2023 No.	*2022 No.*
Teaching staff	- Full time	**152**	*146*
	- Part time /(full time) equivalent	**41**	*32*
Grounds staff	- Full time	**14**	*14*
	- Part time /(full time) equivalent	**-**	*1*
Maintenance staff	- Full time	**24**	*23*
	- Part time /(full time) equivalent	**1**	*-*
Pastoral & Domestic staff	- Full time	**23**	*25*
	- Part time /(full time) equivalent	**81**	*80*
Administration & Other	- Full time	**70**	*71*
	- Part time /(full time) equivalent	**40**	*34*

The average number of the Charity's employees during the year calculated on an actual head count basis was 644 (2022: 653).

The number of employees whose emoluments exceeded £60,000 were:

	2023 No.	*2022 No.*
£60,001 - £70,000	**34**	*37*
£70,001 - £80,000	**26**	*25*
£80,001 - £90,000	**27**	*14*
£90,001 - £100,000	**8**	*13*
£100,001 - £110,000	**5**	*-*
£110,001 - £120,000	**2**	*-*
£130,001 - £140,000	**1**	*1*
£140,001 - £150,000	**-**	*1*
£180,001 - £190,000	**-**	*1*
£200,001 - £210,000	**1**	*-*
£220,001 - £230,000	**-**	*1*
£270,001 - £280,000	**1**	*-*

Of those in the bandings shown above, 87 (2022: 78) were members of the Teachers' Pension Scheme, a defined benefits pension scheme, 15 (2022: 12) were members of Charterhouse DC Pension Plans, "Defined contribution schemes", and there were 3 (2022:3) opt-outs from TPS. Employer's contributions to the Charterhouse DC Plans were £532,971 (2022: £523,369).

Neither the Governors nor persons connected with them received any remuneration or other benefits. There were 3 (2022: 6) Governors who were reimbursed travelling expenses of £1,694 (2022: £1,947) incurred in attending meetings.

Aggregate employee-benefits of key management personnel was £2,576,965 (2022: £2,225,926). Key management personnel are defined as the School's Senior Leadership Team (SLT). Eight of the School's SLT have a spouse or child employed at the School at a total cost of £122k (2022 £76k)

Termination payments were £102,496 (2022: £39,124) and £nil (2022 £23,130) were outstanding at year end.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs £'000	Other £'000	Depreciation £'000	**Total 2023 £'000**	*Total 2022 £'000*
Raising funds					
Trading subsidiaries	-	1,491	-	**1,491**	*1,192*
Financing costs	-	1,270	-	**1,270**	*1,275*
Investment Management	-	161	-	**161**	*172*
Fundraising	220	160	-	**380**	*400*
	220	3,082	-	**3,302**	*3,039*
Charitable activities					
Teaching costs	18,028	2,023	132	**20,183**	*18,348*
Welfare	2,584	3,978	-	**6,562**	*5,911*
Premises	2,378	5,933	3,056	**11,367**	*9,645*
Support costs	2,557	3,166	572	**6,273**	*5,172*
Grants, awards and prizes	-	22	-	**22**	*108*
Governance costs	-	19	-	**19**	*20*
Schools and grantmaking costs	25,547	15,141	3,760	**44,448**	*39,204*
Total expenditure	25,767	18,223	3,760	**47,750**	*42,243*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

7. TANGIBLE FIXED ASSETS

	Freehold Property £'000	Leasehold Property £'000	Plant, Vehicles and Equipment £'000	Total £'000
Consolidated				
Cost:				
At 1 August 2022	*103,799*	*433*	*7,921*	*112,153*
Additions at cost	10,108	-	1,074	11,182
Disposals at cost	(785)	-	(319)	(1,104)
At 31 July 2023	**113,122**	**433**	**8,676**	**122,231**
Depreciation:				
At 1 August 2022	*21,814*	*111*	*6,903*	*28,828*
Provision for the year	3,002	5	753	3,760
Disposals	(220)	-	(243)	(463)
At 31 July 2023	**24,596**	**116**	**7,413**	**32,125**
Net book value				
At 31 July 2023	**88,526**	**317**	**1,263**	**90,106**
At 31 July 2022	*81,985*	*322*	*1,018*	*83,325*
Schools				
Cost:				
At 1 August 2022	*103,799*	*433*	*7,570*	111,802
Additions at cost	10,108	-	1,074	11,182
Disposals at cost	(785)	-	(87)	(872)
At 31 July 2023	**113,122**	**433**	**8,557**	**122,112**
Depreciation:				
At 1 August 2022	21,802	111	6,645	28,558
Provision for the year	3,002	5	748	3,755
Disposals	(220)	-	(87)	(307)
At 31 July 2023	**24,584**	**116**	**7,306**	**32,006**
Net book value				
At 31 July 2023	**88,538**	**317**	**1,251**	**90,106**
At 31 July 2022	81,997	*322*	*925*	*83,244*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

7. TANGIBLE FIXED ASSETS (Continued)

Prior to 2000 the cost of land and buildings within the curtilage of Charterhouse School had been written off and not capitalised. In 2000 the cost of buildings constructed since 1974 was reinstated at cost. In addition, Charterhouse School has over the years collected a number of historical assets the value of which cannot be easily ascertained. Included in freehold property are assets in the course of construction totalling £7.170m (2022: £5.501m) which have not been depreciated.

8. INVESTMENTS 2023

	General £'000	Endowed & Restricted Funds £'000	**Total £'000**
Consolidated			
Opening balance			
Investments	16,401	4,924	**21,325**
Cash capital	871	261	**1,132**
At 1 August 2022	17,272	5,185	**22,457**
New Investment	-	66	**66**
Reinvested income	203	61	**264**
Amounts extracted	(68)	(356)	**(424)**
Investment management fees	(124)	(37)	**(161)**
Gain realised and unrealised	247	74	**321**
Carried forward at 31 July 2023	17,530	4,993	**22,523**
Closing balance			
Investments	16,967	4,833	**21,800**
Cash capital	563	160	**723**
At 31 July 2023	17,530	4,993	**22,523**
Listed Investments			
Fixed Interest			**2,152**
Equities			**17,855**
Alternative Assets			
Bonds			**1,793**
Gold			**-**
Cash			**723**
Charity Investments			**22,523**
UK			**3,302**
Overseas			**19,221**
			22,523

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

8. INVESTMENTS 2022

	General £'000	*Endowed, Restricted & Designated Funds £'000*	*Total £'000*
Consolidated			
Opening balance			
Investments	18,558	4,657	23,215
Cash capital	949	238	**1,187**
At 1 August 2021	19,507	4,895	**24,402**
New investment	-	100	**100**
Reinvested income	171	43	**214**
Amounts extracted	(3,079)	(21)	**(3,100)**
Investment management fees	(137)	(35)	**(172)**
Gain realised and unrealised	810	203	**1,013**
Carried forward at 31 July 2022	17,272	5,185	**22,457**
Closing balance			
Investments	*16,401*	*4,924*	***21,325***
Cash capital	871	*261*	**1,132**
At 31 July 2022	*17,272*	*5,185*	***22,457***

Listed Investments	
Fixed Interest	**1,682**
Equities	**16,539**
Alternative Assets	
Bonds	**2,853**
Gold	**251**
Cash	**1,132**
Charity Investments	**22,457**
UK	**4,227**
Overseas	**18,230**
	22,457

During 2021-22 the Charity invested £250k in Charterhouse International Ltd share issue.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

9. STOCKS

	Consolidated		Schools	
	2023	*2022*	**2023**	*2022*
		£'000	**£'000**	*£'000*
Catering	**38**	*27*	**37**	*27*
Retail shop	**84**	*68*	**-**	*-*
Merchandise	**3**	*3*	-	-
	125	*98*	**37**	*27*

10. DEBTORS AND PREPAYMENTS

Fees and other pupil expenses	**1,259**	*1,036*	**1,259**	*1,036*
Staff mortgages and loans	**5**	*6*	**5**	*6*
Loans to subsidiary undertaking *	**-**	*-*	**20**	*40*
Trade debtors	**151**	*376*	**8**	*117*
Amounts due from subsidiary companies	**-**	*-*	**722**	*742*
Prepayments and accrued income	**275**	*135*	**259**	*130*
Other debtors	**598**	*882*	**576**	*777*
	2,288	*2,435*	**2,849**	*2,848*

* Interest is charged at 2% above Lloyds base rate and is repayable on reasonable notice. No security is given.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Bank loans	**1,392**	*2,500*	**1,392**	*2,500*
Taxation and social security	**1,092**	*1,019*	**1,026**	*949*
Trade creditors	**3,421**	*4,922*	**2,976**	*4,486*
Amounts owed to group and associated undertakings		*-*	**392**	*709*
Other creditors	**706**	*743*	**708**	*743*
Accruals and deferred income	**6,403**	*5,749*	**6,158**	*5,357*
	13,014	*14,933*	**12,652**	*14,744*
Deposits from parents (note 12a)	**7,585**	*7,181*	**7,585**	*7,181*
Deferred income – fees received in advance (note 12c)	**906**	*1,091*	**906**	*1,091*
	21,505	*23,205*	**21,143**	*23,016*

12. CREDITORS: amounts falling due after one year

Bank loans/Private Placement (note 12b)	**34,650**	*36,042*	**34,650**	*36,042*
Advanced fees (note 12c)	**1,543**	*1,853*	**1,543**	*1,853*
	36,193	*37,895*	**36,193**	*37,895*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

12a. ACCEPTANCE AND OVERSEAS DEPOSITS

Parents are required to pay a deposit on acceptance of a place which is refundable at the end of the pupil's pupillage at the Schools.

	2023	*2022*
	£'000	*£'000*
Consolidated		
Within 1 year	*7,585*	*7,181*

Pupil Fees Deposits – the total amount held in relation to fee deposits of £7.585m is included above. In the normal course of business the expected repayment of these amounts will be £1.111m (2022: 1.923m) within one year and £6.474m (2022: £5.258m) after more than one year.

12b. BANK AND LOAN NOTE DEBT

The Charity has a £35m partially amortising private placement with a term of 40 years at a fixed rate of 3.19%. Principal repayments beginning in 2024 and ending in 2058. The Charity also has a CBILS loan of £5m with a tenor of 3 years at 2.25% over base rate, repayments beginning in January 2022.

	2023	*2022*
	£'000	*£'000*
Consolidated		
Within 1 year	1,392	*2,500*
	1,392	*2,500*
Within 2 to 5 years	**1,510**	*2,902*
After 5 years	**33,140**	*33,140*
	34,650	*36,042*

12c. ADVANCED FEES FUND

Parents may enter into a contract to pay to the Schools up to the equivalent of five years' School fees in advance. Any proportion of the advanced fee may be repaid to the parents at their request.

	2023	*2022*
	£'000	*£'000*
Within 2 to 5 years	**1,543**	*1,853*
Within 1 year	**906**	*1,091*
	2,449	*2,944*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

12C. ADVANCED FEES FUND (CONTINUED)

The movements during the year were:	2023 £'000	2023 £'000	2022 £'000	2022 £'000
At 1 August 2022		**2,944**		*2,061*
New contracts		**876**		*2,155*
Repayments		**-**		*(90)*
		3,820		*4,126*
Amounts used to pay fees	**1,345**		*1,153*	
Amounts added to value of fees	**26**		*29*	
		(1,429)		*(1,182)*
At 31 July 2023		**2,449**		*2,944*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

13. ALLOCATION OF THE NET ASSETS BETWEEN FUNDS 2023

	Tangible fixed assets £'000	Investments £'000	Net current assets £'000	Long term liabilities £'000	Pension fund liability £'000	**Total £'000**
Consolidated:						
General funds	-	17,530	918	(18,448)	-	**-**
Designated funds:						
Tangible fixed assets reserve	90,106	-	-	(17,745)	-	**72,361**
Endowed funds	-	2,459	-	-	-	**2,459**
Restricted funds	-	2,534	2,603	-	-	**5,137**
Pension scheme fund	-	-	-	-	(826)	**(826)**
	90,106	22,523	3,521	(36,193)	(826)	**79,131**

ALLOCATION OF THE NET ASSETS BETWEEN FUNDS 2022

	Tangible fixed assets £'000	Investments £'000	Net current assets / (liabilities) £'000	Long term liabilities £'000	Pension fund liability £'000	**Total £'000**
Consolidated:						
General funds	-	17,272	3,706	(20,978)	-	**-**
Designated funds:						
Tangible fixed assets reserve	83,325	-	-	(16,917)	-	**66,408**
Endowed funds	-	2,644	-	-	-	**2,644**
Restricted funds	-	2,541	2,038	-	-	**4,579**
Pension scheme fund	-	-	-	-	(1,956)	**(1,956)**
	83,325	22,457	5,744	(37,895)	(1,956)	**71,675**

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

14. FUNDS 2023

	Balance 31 July 2022 £'000	Income £'000	Expenditure £'000	Transfers	Investment gains / (losses) £'000	**Balance 31 July 2023 £'000**
Undesignated general reserves	*3,483*	50,936	(45,230)	(9,436)	247	**-**
Designated funds:						
Tangible fixed assets reserve	*62,925*	-	-	9,436	-	**72,361**
Total unrestricted funds	*66,408*	50,936	(45,230)	-	247	**72,361**
Restricted funds:						
Prizes	*585*	7	(4)	-	8	**596**
Scholarships and bursaries	*1,801*	761	(776)	-	26	**1,812**
Other	*24*	1	(23)	-	2	**4**
Donations other	*753*	297	-	-	-	**1,050**
Donations Business Hub	*1,126*	1,366	(1,800)	-	-	**692**
Donations Art and Design Hub	*100*	703	-	-	-	**803**
Donations Wei Music Fund	*190*	-	(10)	-	-	**180**
	4,579	3,135	(2,613)	-	36	**5,137**
Endowed funds:						
Prizes	*593*	7	(4)	-	9	**605**
Scholarships and bursaries	*1,950*	23	(249)	-	28	**1,752**
Other	*101*	1	(1)	-	1	**102**
	2,644	31	(254)	-	38	**2,459**
Pension scheme fund	*(1,956)*	-	347	-	783	**(826)**
	71,675	54,102	(47,750)	-	1,104	**79,131**

14. *FUNDS 2022*

	Balance 31 July 2021 £'000	Income £'000	Expenditure £'000	Investment gains / (losses) £'000	**Balance 31 July 2022 £'000**
Undesignated general reserves	-	44,618	(41,945)	810	**3,483**
Designated funds:					
Tangible fixed assets reserve	*62,925*	-	-	-	**62,925**
Total unrestricted funds	62,925	44,618	(41,945)	810	**66,408**
Restricted funds:					
Prizes	*562*	5	(5)	23	**585**
Scholarships and bursaries	1,680	525	(474)	70	**1,801**
Other	120	-	(1)	5	**124**
Donations other	545	208	-	-	**753**
Donations Business Hub	426	831	(131)	-	**1,126**
Donations Wei Music Fund	*200*	-	(10)	-	**190**
	3,533	1,569	(621)	98	**4,579**
Endowed funds:					
Prizes	*569*	5	(5)	24	**593**
Scholarships and bursaries	1,873	17	(17)	77	**1,950**
Other	97	1	(1)	4	**101**
	2,539	23	(23)	105	**2,644**
Pension scheme fund	(4,062)	-	346	1,760	**(1,956)**
	64,935	46,210	(42,243)	2,773	**71,675**

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

14. FUNDS (CONTINUED)

The Tangible Fixed Asset reserve incorporates the Reinstated Property net book value of Charterhouse School buildings erected since 1974 that until 2000 were written off in the year of acquisition.

The restricted prizes, scholarships and bursaries funds are a consolidated fund of numerous individual gifts to provide prizes, scholarships and bursaries to enable pupils to attend the schools.

The donations fund includes restricted funds donated in the year for which the expenditure has not yet been incurred. The Wei Music restricted fund is for a bursary for an exceptional musician, the Business hub is for a capital conversion of an existing space at Charterhouse School, the Art and Design hub is for a capital conversion also.

The endowed funds arose from legacies received for the permanent benefit of the schools and £23k was drawn down during the year mainly for scholarships, bursaries and prizes.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

15. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £'000	*2022 £'000*
Net income from operations	**6,352**	*3,967*
Investment income and interest received	**(353)**	*(222)*
Investment manager and cash management fee	**161**	*172*
Depreciation	**3,760**	*3,459*
(Gain) on sale of tangible fixed assets	**(2,147)**	*(203)*
Loss on disposal of tangible fixed assets	**565**	*-*
Pension scheme net finance costs	**61**	*62*
Contributions to the Charterhouse Retirement Benefit Scheme	**(408)**	*(408)*
(Increase) /Decrease in stocks	**(27)**	*44*
Decrease /(Increase) in debtors	**147**	*(173)*
(Decrease) / Increase in creditors	**(334)**	*3,063*
(Decrease)/ Increase/ in Advance Fee Scheme	**(495)**	*883*
Net cash inflow from operations	**7,282**	*10,644*

Analysis of changes in net debt	**1 August 2022 £'000**	**Cash flows £'000**	**31 July 2023 £'000**
Cash in bank	**18,476**	**(4,503)**	**13,973**
Cash in hand	**2,338**	**1,649**	**3,987**
Notice deposits	**5,602**	**(949)**	**4,653**
Cash and cash equivalents	**26,416**	**(3,803)**	**22,613**
Bank loans falling due after less than one year	**2,500**	**(1,108)**	**1,392**
Bank loans falling due after more than one year	**36,042**	**(1,392)**	**34,650**
Total borrowings	**38,542**	**(2,500)**	**36,042**
Net debt	**(12,126)**	**(1,303)**	**(13,429)**

16. COMMITMENTS

Capital Expenditure
During the year the Charity worked on various projects including the creative arts and lecture theatre and £5.243m at year-end is contracted for but not accrued in respect of these; (2022: £6.727m).

Operating Lease Commitments	**Vehicles & Equipment**	
	2023 £'000	*2022 £'000*
The future minimum lease payments under non-cancellable operating leases which are all payable as follows:		
Within one year	**183**	*132*
Between two and five years	**488**	*385*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

17. PENSION FUNDS

All members of the teaching staff are members of the Government scheme for the teaching profession, to which the Charity is a contributor. Some of the support staff are deferred members of the Charterhouse Retirement Benefits Scheme, a defined benefits scheme that was closed to new entrants on 31 July 2002. The actuarial valuation at 31 July 2021 indicated that the assets of the fund represented 80% of its liabilities. The position will be kept under review. From 1 August 2002 new members of the support staff were able to join a defined contribution scheme.

Governments Teachers' Pension Defined Benefits Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2.394m (*2022: £2.236m*) and at the year-end £7k (*2022 - £32k*) was accrued in respect of contributions to this scheme.

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

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

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

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

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

The Charterhouse Retirement Benefits Scheme

The Charity operates a scheme for its non-teaching staff, The Charterhouse Retirement Benefits Scheme, which is a defined benefits scheme. The actuarial valuation does not separately identify the Charity's share of the underlying assets and liabilities of the Scheme. The Scheme was closed to new entrants on 31 July 2002. From 1 August 2002 new members of the support staff were able to join a defined contribution scheme.

The assets of the Scheme are held separately from those of the Charity. The Scheme is funded by contributions from the employees and employers.

The most recent formal actuarial valuation of the Scheme was carried out as at 31 July 2021. The following summarises the accrued funding position as at that date on the basis that the Scheme continues to operate as a going concern and is not wound up:

Value of Scheme assets	£ 10,286,000
Value of accrued liabilities	£ 12,791,000
Shortfall	£ 2,505,000
Funding level	80%

Principal Actuarial Assumptions

- Discount rate after retirement	2.92%
- Discount rate before retirement	2.92%
- Future Retail Price Inflation	3.70%
- Future Consumer Price Inflation	3.20%
- Pension increases (RPI limited to 5%pa)	3.60%
- Pension increases (CPI limited to 3%pa)	2.60%
- Pension increases (RPI limited to 2.5%pa)	2.40%
- Deferred pension revaluation (CPI limited to 5%pa)	3.00%
- Deferred pension revaluation (CPI limited to 2.5%pa)	2.50%

The value of accrued liabilities represented the Scheme Actuary's estimate of the sum required at the date of valuation to meet all future benefit payments in respect of members' service up to 31 July 2021.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

17. PENSION FUNDS (CONTINUED)

To eliminate the funding shortfall the Trustees and the Charity have agreed that the Charity will pay contributions of £408,000 per annum into the Scheme. These contributions will be used to reduce the funding shortfall. It is expected that the deficit will be entirely cleared by 30 April 2028. The agreed contributions are set out in a Recovery Plan and Schedule of Contributions dated June 2022.

Despite these contributions it is possible that the funding position of the Scheme might not develop as well as expected if the experience of the Scheme subsequent to the valuation date, particularly the investment returns, is unfavourable compared to the actuarial assumptions used for the valuation. Contributions will therefore be subject to review at future actuarial valuations.

The Scheme Actuary certified that, in his opinion, the rates of contributions shown in the Schedule of Contributions dated June 2022 are such that the Statutory Funding Objective could have been expected on 31 July 2021 to be met by 30 April 2028.

As required by legislation, as part of the formal valuation of the Scheme, the Scheme Actuary also estimated what the funding position would have been if the Scheme had been wound up as at 31 July 2021. The following summarises that position:

Value of Scheme assets	£10,286,000
Value of winding up liabilities	£18,060,000
Shortfall	£7,774,000
Solvency level	57%

The shortfall is an estimate of the additional sum that the Charity would have needed to pay to an insurance company to secure all members' benefits in full had the Scheme been wound up on 31 July 2021. Providing "winding up" information is a formal legal requirement and does not imply that the Charity is considering winding up the Scheme.

There has not been any payment to the Charity out of Scheme funds.

The allocation of fund assets is as follows:

		Allocation of fund assets		
Asset class	**31 July 2023**	*31 July 2022*	*31 July 2021*	*31 July 2020*
Equities	**38%**	*50%*	*54%*	*40%*
Bonds	**35%**	*22%*	*30%*	*44%*
Semi –liquid investments	**13%**	*19%*	*15%*	*15%*
Diversified Credit Funds	**8%**	*8%*	-	-
Cash and cash alternatives	**6%**	*1%*	*1%*	*1%*

The assets of the Scheme have been included at market value and the liabilities under the FRS102 measure have been calculated using the following actuarial assumptions:

	2023	2022	2021	*2020*
Expected rate of return on scheme assets	**-**	-	-	-
Rate of increase in salaries	**-**	-	-	-
Pension increases – pre 1/9/07	**3.10%**	3.25%	3.25%	2.85%
Pension increases – post 1/9/07	**2.20%**	2.30%	2.30%	2.15%
Rate of discount	**5.05%**	3.45%	1.60%	1.35%
Inflation	**3.20%**	3.30%	3.30%	2.90%

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

17. PENSION FUNDS (CONTINUED)

The liabilities are determined using the projected unit method as required by FRS 102, as distinct from the aggregate method used in the triennial actuarial valuation. Under the projected unit method, the current service costs will increase as the members of the Scheme approach retirement. On this basis, the balance sheet figures in respect of the Scheme at 31 July 2023 are as follows:

	2023 £'000	*2022 £'000*
Fair value of Scheme assets	**8,073**	*9,246*
Defined benefit obligation	**(8,899)**	*(11,202)*
Net liability	**(826)**	*(1,956)*

Reconciliation of opening and closing Scheme liabilities

	2023 £'000	*2022 £'000*
Opening defined benefit obligation	**11,202**	*14,303*
Interest cost	**376**	*225*
Past service cost	**-**	*-*
Actuarial (gain) / loss	**(2,055)**	*(2,840)*
Estimated benefits paid (net of transfers in)	**(624)**	*(486)*
Closing defined benefit obligation	**8,899**	*11,202*

Reconciliation of opening and closing Scheme assets

Opening fair value of Scheme assets	**9,246**	*10,241*
Interest income	**315**	*163*
Actuarial (loss) / gain	**(1,272)**	*(1,080)*
Contributions by employer	**408**	*408*
Estimated benefits paid (net of transfers in)	**(624)**	*(486)*
Closing fair value of Scheme assets	**8,073**	*9,246*

The charge to the Statement of Financial Activities over the financial year is as follows:

Operating charge

Past service cost equalisation of ages and GMP	**-**	*-*
Net interest expense	**61**	*62*
Total operating charge	**61**	*62*

Total other recognised gains and losses

Actuarial gains	**783**	*1,760*

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

17. PENSION FUNDS (CONTINUED)

Amounts for current and previous periods

	31 July 2023 £'000	*31 July 2022 £'000*	*31 July 2021 £'000*	*31 July 2020 £'000*	*31 July 2019 £'000*
Defined benefits obligation	**(8,899)**	*(11,202)*	*(14,303)*	*(14,555)*	*(13,664)*
Scheme assets	**8,073**	*9,246*	*10,241*	*8,880*	*8,412*
Deficit	**(826)**	*(1,956)*	*(4,062)*	*(5,675)*	*(5,525)*
Experience adjustments on Scheme liabilities	**(181)**	*(375)*	*(26)*	*(1,120)*	*(448)*
Experience adjustments on Scheme assets	**(1,272)**	*(1,080)*	*1,305*	*390*	*706*

The actuary has confirmed that the valuation made above under the requirements of FRS 102 does not indicate that there is an immediate funding requirement or that there is any need to change the current funding rate that was effective from the 2012 actuarial valuation.

The actuary has excluded from both assets and liabilities items which have neutral effect on the Scheme's financial position i.e. additional voluntary contributions, annuities secured in respect of pensions in payment and insurance contracts for death in service benefits.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

18. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £'000	Endowed Funds £'000	Restricted Funds £'000	Year ended 31 July 2022 £'000
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Fees receivable	2	**40,485**			**40,485**
Foundation income		**523**			**523**
Other trading activities					
Income of trading subsidiaries	3a	**1,712**			**1,712**
Voluntary sources					
Donations		**267**	**-**	**1,549**	**1,816**
Investment and interest income	4a	**179**	**23**	**20**	**222**
Other income	4b	**1,249**			**1,249**
Gain on disposal of fixed assets		**203**			**203**
Total income and endowments		**44,618**	**23**	**1,569**	**46,210**
EXPENDITURE ON	5,6				
Raising funds					
Trading subsidiaries		**1,192**			**1,192**
Financing costs		**1,275**	**-**	**-**	**1,275**
Investment management		**137**	**18**	**17**	**172**
Fundraising		**400**	**-**	**-**	**400**
Total deductible costs		**3,004**	**18**	**17**	**3,039**
Charitable activities					
School and grant making		**38,595**	**5**	**604**	**39,204**
Total expenditure	6	**41,599**	**23**	**621**	**42,243**
Net income from operations		**3,019**	**-**	**948**	**3,967**
Net gain on investment assets	8	**810**	**105**	**98**	**1,013**
NET INCOME for the year		**3,829**	**105**	**1,046**	**4,980**
Transfer between funds	14				
Actuarial Gain	17	**1,706**	**-**	**-**	**1,706**
Net movement in funds for the year		**5,589**	**105**	**1,046**	**6,740**
Balances brought forward at 1 August 2021		**58,863**	**2,539**	**3,533**	**64,935**
BALANCES CARRIED FORWARD AT 31 JULY 2022		**64,452**	**2,644**	**4,579**	**71,675**

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

19. RELATED PARTY TRANSACTIONS

There were no related party transactions during the current or prior year other than those stated in note 3 in relation to the trading subsidiaries.

Charterhouse Godalming Surrey GU7 2DX
charterhouse.org.uk

Edgeborough School Farnham Surrey GU10 3AH
edgeborough.co.uk

CHARTERHOUSE SCHOOL

England & Wales - Charity number 312054

Accounts

CHARTERHOUSE

GOVERNING BODY OF CHARTERHOUSE SCHOOL

ANNUAL REPORT OF GOVERNORS AND FINANCIAL STATEMENTS

31 JULY 2022

Charity Number: 312054

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CHARITY REFERENCE AND BACKGROUND INFORMATION

Charterhouse School and Edgeborough School are registered with the Charity Commission under the name the Governing Body of Charterhouse School and charity number 312054. The financial statements comply with current statutory requirements and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP and FRS 102).

Particulars of the Charity's main professional advisors are given at Page 16.

The Charity comprises Charterhouse School, a senior school for boys and girls aged 13 to 18 and Edgeborough School, a preparatory school for boys and girls aged 2-13.

Charterhouse was founded in 1611 under the terms of the will of Thomas Sutton who died on 12 December 1611. His bequest provided for the establishment of a school for poor boys and also an alms house for 80 elderly gentlemen, known today as "Sutton's Hospital", on the site of an ancient Carthusian monastery in London. In 1872 this Foundation was divided in two with Sutton's Hospital remaining in London and the School moving to its present site in Godalming. From that date Charterhouse was administered by its own Governing Body which is separate from the Governors of Sutton's Hospital. Following the report of the Clarendon Commission, Charterhouse was one of seven schools to have its constitution regulated by an Act of Parliament, namely The Public Schools Act 1868. Charterhouse became fully co-educational in September 2021.

On 31 July 2021 the Charity merged with Edgeborough Educational Trust Ltd (charity number 312051). Edgeborough School was founded in 1906 as a preparatory school for boys and moved to its current location in Frensham Place in 1939. It became co-educational in 1992.

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OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Object

The charitable object of the schools is to advance education by the provision of a boarding and day school for boys and girls. The Governors ensure that this charitable purpose is carried out for public benefit by making education available to all who are sufficiently talented and, where possible, irrespective of financial circumstances.

The Governors confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the general guidance issued by the Charity Commission on public benefit.

The charitable purpose for the schools within the meaning of the Act is enshrined within the objects, as noted above.

Aims and Intended Impact

The aim of the Charity is to equip pupils to lead fulfilled and purposeful lives by providing an all-round education based on the Charterhouse and Edgeborough values. Teaching and learning are at the heart of what the schools do, although this does not mean achieving only qualifications and passing examinations. A Charterhouse and Edgeborough education should endure long after examinations are passed. The schools offer a distinctive mix of characteristics that combine to create a mindset within young people that equips them to head out confidently and contribute something new to the world.

The schools value all pupils as individuals with unique talents and interests, and seek to instil intellectual curiosity and the ability to learn independently; the skills and attitudes to succeed in a fast-changing, multi-cultural society; a sense of personal values based on compassion, integrity and sound judgement; a commitment to service of others and to society; and spiritual, moral, cultural and aesthetic awareness, all of which contribute to a balanced and well-informed approach to life.

Objectives for the Year

The Charity's current strategy was endorsed in 2017 with the objectives of introducing full co-education at Charterhouse in September 2021, while developing all aspects of its education provision and improving its non-fees income to assist in supporting public benefit. An annual management plan is produced which sets out specific tasks in support of the Strategy.

Specifically, the objectives for 2021-2022 were:

To introduce full co-education to Charterhouse while continuing to provide the highest quality education possible. September 2021 marked a historic landmark for Charterhouse with the arrival of 13+ girls for the first time. Demand was higher than expected and the four years spent planning for this moment proved invaluable as the transition to co-education has been seamless and fully embraced by the whole community. This happened against the backdrop of the lifting of Covid-19 restrictions and the re-introduction of school trips, sports against other schools, drama and music performances with live audiences and the return of visitors to the school site. Most challenging has been preparing pupils for public examinations against a background of uncertainty and two years of Covid-19 disruption.

To develop academic and administrative links with Edgeborough School. The merger with Edgeborough School has gone extremely well and now allows the Charity to provide high quality education for all school ages. Throughout the year Charterhouse and Edgeborough staff have worked closely to share best practice and, where appropriate, align and/or consolidate systems and processes. This has included areas such as Sport, Music, IT, Human Resources and Finance. It also saw Edgeborough making use of Charterhouse facilities particularly during the cricket season.

To celebrate Charterhouse's 150th anniversary at Godalming with a year of community actions. 2022 is the 150th anniversary of Charterhouse's move to Godalming and the School has held a number of events throughout the year. This has included an Art Exhibition in Godalming; a series of Vaughan Williams Concerts; Carthusian Day; football and netball fixtures with Broadwater School; the Godalming Cricket Club matches with the 1st XI girls' and boys' teams as well smaller activities involving the local community. Post-Covid one of the aims of these activities was to improve relations and integration with the local residents and organisations.

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To develop the Charity's HR strategy including Equality, Diversity and Inclusivity (EDI) and remuneration matters. This year saw the development of a whole-charity HR Strategy covering recruitment, retention, training and talent management. In addition, an external review of HR was commissioned; this was very positive and identified a few areas for development. As a result, a number of processes/systems, in particular recruitment, have been revised to ensure the Charity is seen as an inclusive community that treats all staff fairly. There have been a few changes to terms and conditions but any further changes await, amongst other things, the results of the next Government review of the Teachers' Pension Scheme (TPS).

To complete the major refurbishment of Science and Maths and the Lecture Theatre by September 2022. The old Science building has been refurbished over a few years. A new entrance was created in summer 2020 and the first and second floor refurbished in summer 2021. The final phase, the ground floor and the link block were completed on 2 September 2022. This summer also saw the start of the creation of the new Business, Leadership and Entrepreneur Centre. This work began with the refurbishment of the Lecture Theatre in summer 2022 which was completion in November 2022. Next summer will see the creation of the new Business/Entrepreneur suite and break out areas.

To start the Creative Arts project. Following planning approval, this project is being undertaken in two phases. The refurbishment of the Design Technology building and the completion of the foundations of the new Creative Art extension were successfully completed in summer 2022. The building of the new extension will start in summer 2023 for completion in 2024. This will provide 4 new studio classrooms as well as two display areas.

Art and Design Centre

Principal Activities During the Year

During the year the Charity provided education as follows:

	Age Group	Average Pupils for the Year 2021/22	2020/2021	Remarks
Charterhouse	13-18	890	814	Of which 850 were boarders and 246 girls
Edgeborough	2-13	377	348	Of which 27 boarded per night on average and 177 were girls

This has been an historic and exciting year for the Charity with the start of full co-education at Charterhouse, the merger of Charterhouse with Edgeborough School, integration of the Charterhouse Club into Charterhouse Enterprises, and the opening of the first international school. These activities have not been without their challenges, particularly given the background of lifting Covid-19 restrictions, world economic uncertainty, and conflict in Ukraine. However, all areas have been successful and the Governors have reason for optimism as registrations for future years increase.

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September 2021 saw the entry of 13+ girls into Charterhouse for the first time in its 400-year history. Initial planning anticipated 48 girls to start in the Fourths (Yr9) with no girls entering the Removes (Yr10). However, demand was such that 57 and 28 girls started in each of these years in addition to the 159 (2020: 153) girls in the Specialists (Sixth Form). To accommodate this change two new girls' houses were created; Sutton and Northbrook. The transition has gone extremely well with the girls fully integrated to all areas of the school.

August 2021 saw the completion of the merger with Edgeborough School. This means the Charity is now able to offer education from age 3 to University entry, while sharing the skills and facilities of each school. While Edgeborough will remain a distinct prep school, much work has been undertaken to ensure integration of staff, policies and systems. Initially this has been much more visible in terms of support functions bu also include academic areas. The departure of Dan Thornburn, former headmaster, to a new role at Millfield was managed well with Rob Smith acting as the interim Head until the arrival of Daniel Cox, former deputy head at Lambrook, in April 2022. Working together, the Governors, Executive and Staff have made significant progress in setting out a new strategy for Edgeborough, underpinned by three key values: Adventure, Responsibility and Kindness. In addition, an infrastructure master plan has been developed to support the new strategy.

Following the winding up of the Charterhouse Club, the registered charity that managed the Queen's Sport Centre and the local fitness membership club, the Charity took back management of the QSC building and Charterhouse Enterprises Ltd took over the fitness membership. This transition has gone well and is proving successful.

September 2021 also saw the opening of Charterhouse Malaysia, an international school through Charterhouse International Ltd in partnership with Charterhouse Asia. Given the Covid-19 restrictions, the school has opened with a small number of pupils but the education provided is of high quality and materially higher numbers are expected for next year.

New Houses

Charterhouse Malaysia

Grant-Making Policy

The Charity sets aside funds to support means-tested bursaries and scholarships. In particular the Charity aims to build a bursary fund from various income sources to support future requirements. Bursaries, which range from 10% to 100% of the tuition fees, are offered to parents/guardians of pupils who could not otherwise afford to send their children to Charterhouse or Edgeborough, based on a comprehensive assessment of financial need, largely at entry, though some funds are available for parents who suffer financial hardship during the year. These bursaries are re-assessed annually and may change during a pupil's time at the schools depending on changes to their financial situation. Scholarships and awards are based on educational ability. Scholarships may be supplemented by bursary support up to the full value of fees in cases of proven financial need. The maximum scholarship value is 10% of the fee.

During the year some 285 (2021: 195) scholarships, bursaries and other awards were made at a total cost of £1.950m (2021: £1.478m); £1.493m (2021: £1.308m) from Charity funds, £347k (2021: £nil) from restricted funds and £110k (2021: £184k) from third party funds. Additional support was given to existing Ukrainian pupils as result of the conflict in their country.

Volunteers

Alumni, parents and members of the local community assisted and supported the Charity's educational and cultural activities throughout the year. The Governing Body would like to record its appreciation for this continuing support.

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PUBLIC BENEFIT AND COMMUNITY ENGAGEMENT

The Charity remains committed to the aim of providing public benefit in accordance with its founding principles. The Charity provided education to 1,015 pupils who might otherwise have been educated in maintained schools at public expense. However, the Charity recognises that it has wider responsibilities to the community and to assist in making the education offered at Charterhouse and Edgeborough more accessible. This year has seen continued development of the Charity's public benefit activities to ensure maximum impact. There are four core elements to the public benefit it provides.

Widening Access and Bursaries

In 2022/2023, a total of 285 pupils at both schools benefited from scholarships and/or bursaries. Bursary spending totalled £1.570m (2021: £1.314m). In total 59 pupils benefited from bursaries of which five pupils were on 100% bursaries. This year also saw support to Ukrainian pupils who suffered as a result of the Ukrainian Crisis and an additional five bursaries were provided. The Charity also continues to be part of the Boarding School Partnership in support of transformational bursaries and has linked up with the Royal National Children's Springboard Foundation, the social mobility charity that works with some of the UK's leading independent schools to help ensure that bursary opportunities are targeted towards young people who need them most.

Working with other Educational Providers

The Governors continue to believe strongly in the many benefits of educational partnerships with maintained and Academy Trust schools. This partnership comes in various forms:

- Thirteen members of teaching and support staff are governors of other schools having a positive impact on over 2500 pupils;
- 291 pupils from local state schools have taken part in Science Lessons and GCSE Revision Courses run at Charterhouse;
- 150 junior school pupils have taken part in three musical events organised at Charterhouse;
- 123 pupils from local schools have taken part in activities to prepare them for future work such as Higher Education guidance and residential camps for Performing Arts;
- The Shaftesbury Park Primary School summer camp returned for the first time since the start of Covid-19 and was a great success;
- Providing Maths and Physics training for teachers as part of the National SCITT programme. This year the Charity has trained four teachers. In addition, the Charterhouse has supported Teach First trainees from Broadwater School and 40 state school teachers have benefited from various CPD opportunities provided by Charterhouse;
- This year has also seen a new CCF partnership with Broadwater School where Charterhouse staff are delivering training to Broadwater cadets until they can establish their own detachment.

Community Access and Engagement

With the lifting of the Covid-19 restrictions the Charity has been able to allow greater use of its facilities to external users. Charterhouse has maintained its long-standing relationship with the local community supporting a wide range of activities for children, including Guildford Grove School, Kensington Aldridge Academy, Godalming Junior School, Amesbury and Aldro Prep Schools, Goslings Nursery. These activities enabled children to enjoy physical activity, outdoor space and nature safely during this year of restrictions. A major event this year was the junior schools' triathlon in May which involved around 960 children on site. Also, a number of local community groups and organisations used school facilities, such as Guildford Hockey Club, Guildford Swimming and London Pulse.

Charitable Activity

The Charity continues to place great value on its charitable activities. This year has seen support for a variety of charities, particularly Amnesty International (£2,437) Shooting Star Children's Hospices (£4,228) and the Samaritians (£1,640). In addition this year both staff and pupils raised funds in support of the Ukrainian Crisis sending two trucks worth of goods to Ukrainian.

Volunteering

Volunteering continues to be highly valued at the Charity, reflecting as it does our values of responsibility and kindness, with at least 70 teaching and support staff involved this year in various activities. In addition, around 250 pupils have been involved in the Duke of Edinburgh Award Scheme, which includes 3-12 months of service. Pupils dedicated 1,685 hours to volunteering.

Shaftesbury Park Primary School summer camp

Broadwater CCF Cadets

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REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

This year has seen a return to full school activities at both Charterhouse and Edgeborough as the lifting of Covid-19 restrictions has allowed mixed co-curricular activities, trips, and visitors to the site, which has been greatly valued by pupils and parents alike. Not surprisingly there has been a greater demand from parents to be involved in school events and it has been very rewarding to see the return of busy sports weekends for example.

In August 2021 Charterhouse successfully passed an ISI Material Change Inspection in preparation for co-education. All areas were found to be compliant which was an excellent external confirmation of the planning undertaken over recent years.

In February 2022 Edgeborough School also successfully passed an ISI Material Change Inspection as a result of the merger and the recent increase in pupil numbers. In addition in September 2022 the School passed a full ISI inspection. Again, all areas were found to be compliant which is a credit to the whole Senior Leadership Team.

In December 2021 Charterhouse had an unannounced ISI inspection which was followed up by a monitoring inspection in October 2022 that found the School's strengthened RSE (Relationships and Sex Education) and PSHE (Personal, Social, Health and Economic education) programme to be fully compliant.

Academic Performance

Academic life returned to normality during this year though examination awarding bodies made some adjustments to syllabuses in order to assist pupils whose two-year GCSE, A Level and International Baccalaureate classes had been disrupted by Covid-19. Under such circumstances, the performance of Charterhouse pupils in examinations was extremely commendable:

- At GCSE, 45% of grades were 8-9 and two thirds of grades were 7-9. 12 pupils gained at least eight grade 9s, and 26 achieved all grades 7-9 (A/A*);
- The IB Diploma achieved excellent results with an average score of 36 points (equivalent to AAA at A Level). 8 achieved a Bilingual Diploma, successfully taking two 'first' languages as part of their curriculum;
- A Level results were excellent, with 31% graded A* and 62% A*/A. 24 pupils achieved 3A*s or more, and 79 pupils achieved at least 3 A grades;
- 94% of our leavers have taken up places at university this autumn, with the remaining re-applying for 2023. A larger number of students than ever before (29) has chosen to study in North America, including Ivy League. The majority of leavers for UK universities have placed at the elite Russell Group Universities, including Oxbridge.

It has been a very positive year for Edgeborough. Pre-Prep PUMA tests provide evidence of strong attainment in Maths and GL assessments progress tests with significantly higher results compared to the national average in all year groups. Common Entrance Results were excellent with 44% of grades A*/A, and 78% A*-B. Of the Year 8, all are moving to high quality schools including Charterhouse, Christ's Hospital, Marlborough, Radley, Wellington College and Lord Wandsworth College with 9 winning scholarships for academic, sport, music, art or dance.

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ARTS, MUSIC, SPORTS AND OTHER ACHIEVEMENTS

Music

The return to live performance with live audiences has been wonderful. Notable events include six performances of a double-cast production of *Fame*; incidental music to a Christmas carol; 12 concerts celebrating the 150th Anniversary of OC Vaughan Williams' birth, including a collaborative concert with the Britten Sinfonia; an outstanding Concerto Concert with four virtuoso performers; 6 hours of continuous musical performance on Carthusian Day and an array of different performances in Artifex including a superb Prom in the Park.

Art

The art department has enjoyed the return of art workshops, trips, life drawing sessions as restrictions were lifted. The introduction of girls has enhanced the atmosphere in Studio. Exhibition visits this year have included Helen Pinkney's ceramics based on landscape, James Bingham at the Lightbox Woking, Peter Monkman at the Contemporary British Portraits Painters Exhibition, and Godalming Museum Jubilee. Trips have included Wisley Gardens and the Tate Britain, with collaborations including *Fete Noel* paintings with the French Department, an international competition with schools from Nigeria, Pakistan and the UK, a joint venture with Broadwater and a workshop with Godalming Brownies.

Drama and Dance

The year started with the pupil-led *Lack of Talent* which raised money for Amnesty International. This was followed by an excellent double-cast production of *A Christmas Carol*. The main production this year was the musical *Fame* which involved girls and boys of all ages and combined dance and drama for the first time; the shows standard of the shows was outstanding and greatly appreciated by performers and audience alike.

At Edgeborough there have been a number of exciting performances, including the Yr6 *Comedy Showcase* and the Arts Festival in July.

Sport

This year Charterhouse offered Football, Hockey, Golf, Cricket, Netball, Lacrosse, Athletics, Tennis, Squash, Fives, Racquets, Basketball, Cross Country, Swimming and Water Polo as the principal sports. The return of competitive matches with supporters was greatly welcomed and crowds at matches were greater than ever before. Highlights this year included the first ever mixed hockey tournament, the U14A and U15A boys' football team qualifying for the Elvin League, the Girls' bronze medal in the Invitation Lacrosse tournament, the U14A girls' hockey team coming second in the Surrey Hockey Tournament, the unbeaten season of the U14A girls' netball team, the U14 boys' bronze medal at the National Schools' Squash Tournament and the Water Polo team finishing runners-up in the National Plate. In addition, one boy represented Surrey at U18 cricket, two pupils (one boy and one girl) represented GB at shooting, one boy gained a bronze medal at the National Fencing Championships, and one girl represented Ukraine at Lacrosse in the 2022 EuroLax Sixes Cup.

This year Edgeborough offered Football, Rugby, Hockey, Athletics, Swimming, Netball and Cricket though other sports were also available. It was a particularly successful year with the senior boys and girls reaching the IAPS National Finals in football and hockey respectively. In addition, eight pupils qualified for the National Athletic Finals and eleven pupils swam in the national finals at the London Aquatic Centre.

Charterhouse Football

Edgeborough Hockey

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Business, Leadership and Entrepreneurship Centre

Leadership and Outdoor Education

Duke of Edinburgh's (DofE) Award

DofE activities returned to full strength this year with expeditions throughout the year. In total there were 28 pupils who successfully completed their Silver DofE Award and 30 pupils who completed their Gold DoE Award. For next year, Charterhouse will introduce the Bronze Award.

Pioneers

'Pioneers' is a non-uniformed outdoor education programme for pupils in their Removes (Yr10) year who are not members of the CCF. The programme has small groups (six to eight) of pupils engaged in the 'round-robin' programme of activities, which includes map and compass skills, navigation, orienteering, team-building tasks, countryside and environmental awareness, first aid, indoor climbing and camp cooking. Trips included a 20km walk across the South Downs and a two-night expedition through challenging Hampshire countryside.

CCF

It has been a good year for CCF with strong participation and 75% of the Fourths (Yr9), including a good proportion of the girls, electing for CCF as their Outdoor Education option. The contingent continues to excel being awarded 3rd place (out of 28) in the Cadet Military Skills Competition, 2nd place at the Brigade Camp (out of 45) and again Commonwealth Champions in Three-Positional shooting discipline. This year has also seen a new CCF partnership with Broadwater School where Charterhouse staff are delivering training to Broadwater cadets until they can establish their own detachment.

Fundraising

The Charity has three priorities for donations: bursaries, infrastructure projects, and social responsibility. This year a total of £1.816m (2021: £1.097m) has been donated. This result is one of the best in recent times. Overall the Foundation Office raised a total of £1.706m (2021: £0.883m), of which £1.439m (2021: £0.717m) was restricted donations. The restricted gifts were mainly for the Business and Leadership hub. For this year, the return on investment of the Charity's fundraising was £4.27 for each £1 spent, based on expenditure of £400k.

All fundraising activities for the Charity are carried out by our staff with assistance from parents and pupils for specific fundraising events. The Charity does not use professional fundraisers. All fundraising activities are managed by the Foundation Director and monitored by the Charity's Executive. No complaints relating to fundraising activities have been received by the Charity during this financial period though there are procedures in the event of a complaint. The Charity does not currently subscribe to any specific fundraising standards or schemes but considers that it has set appropriate standards for the operations and management of its fundraising activities based on national guidelines. In particular the Charity considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion.

Gold DoE Award

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REVIEW OF FINANCIAL ACTIVITIES

This year has seen the merger with Edgeborough School and the restructuring of Charterhouse Enterprises Ltd following the winding up of the Charterhouse Club as a separate charity. The Charity aims to generate a surplus to enhance its facilities, to offer education of the highest quality and to help enable its ambitions to widen access to its education. This year has been challenging due to inflation and the Ukrainian Crisis though resources have been managed to ensure minimum impact on the pupils' education.

For 2021/2022, Charterhouse had a target surplus of 10.5% of fees receivable or £1.877m and achieved 11.68% or £2.087m (2021: 9.39% and £817k). Edgeborough School had a target surplus of 8.45% of fees receivable or £165k and achieved 11.67% or £501k (2021: 7.1% and £324k).

The Governors of Sutton's Hospital in Charterhouse manage the permanent endowment bequeathed by Thomas Sutton in 1611 and pay over to the Charity the Moiety. This forms the Foundation income and is applied to the provision of bursaries. For this financial year the Charity had expected to receive £400k, however these funds did better than expected and as a result the Charity received £523k (2021: £484k).

The wholly owned subsidiary and trading company, Charterhouse Enterprises Limited, continues to manage the letting and hiring of facilities at the School. This now includes running the external club membership for the Queen's Sports Centre. For the year ending 31 July 2022 the trading company will make a gift aid payment of £269k (2021: £3k). The gift-aid has increased significantly following the lifting of Covid-19 restrictions and a return to full letting activities in the holidays. The increase in demand looks promising for the future.

The wholly owned subsidiary company, Charterhouse School Design & Build Limited, is responsible for some major new building projects. September 2021 saw the successful completion of the two new boarding houses and the Company gift-aid was £284k (2021: £nil). The next project for this company will be the construction of two houses for staff accommodation starting in August 2022.

The wholly owned subsidiary and trading company, Charterhouse International Limited, has continued to develop our international schools business. During the year the Company has finalised plans for opening two schools in September 2021; one in Shenzhen, China and one in Kuala Lumpur, Malaysia. Unfortunately due to Covid-19 and regulations changes in China the Shenzhen school will not be continuing. While the Kuala Lumpur school started with small pupil numbers, the future looks promising. Plans to open an online one-year A-level education were postponed due to Covid-19 from a launch date of September 2021 to September 2022, though some expenditure continues. As a result of the Shenzhen school and the online postponement, the Charity invested £250k of capital in Charterhouse International to help cashflow over the next 12 months. This decision was based on future gift-aid projections. This year the Company made a loss of £75k (2021:£1.26m profit).

'Science for Schools' with local junior Schools

Total income for the year was £46.210m (2021:£ 44.886m) up 2.9%. This is largely due to the fee income with an increase at Charterhouse and the inclusion of Edgeborough School but excluding the one-off receipt of assets from Edgeborough. Expenditure was £42.243m (2021: £31.847m) up 32% which is due to the inclusion of Edgeborough School expenditure.

Overall this year, net income from operations was £3.967m (2021: £13.039m). Last year was extraordinary because of the one-off asset gain of £8.824m following the merger with Edgeborough School and Covid-19. This year is a return to a more expected position. Despite the turbulence in markets and inflation, there were net gains on investments of £1.013m (2021: £4.1m) and the pension scheme position also improved with an actuarial gain of £1.760m (2021: £1.279m). This resulted in net movement in funds for the year being £6.740m (2021: £18.426m).

Reserves

The Charity's unrestricted funds stand at £66.408m (2021: £62.925m) at the year end, and total group funds are £71.675m (2021: £64.935m). £62.925m (2021: £62.925m) represents funds deployed as part of the schools premises and equipment. Free reserves are unrestricted general funds less the fixed assets deployed for Charity use. On this basis, the Charity has £3.483m of free reserves (2021:Nil), due to the long-term investment in buildings (see note 14). The Governors continue to be satisfied that external financial facilities provide an acceptable level of support and the asset base includes property which can be realised to support the schools' capital programme, if it should be required. The Governors believe that the conditions for preparing these financial statements on the going concern basis are met and have therefore prepared them accordingly.

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New Houses Northbrook and Saunderites

Edgeborough refurbishment of five Senior Prep classrooms

The Governing Body normally considers the budget for the new financial year initially in March and finalises it in June. In addition, financial forecasts are produced that estimate incoming funds and expenditure, as well as capital expenditure, providing a clear understanding of its short- and medium-term financial obligations. The Governors' target level of operational liquidity is approximately £5m which would cover up to two months of operating costs. Currently this can be met with available funds from the private placement and the CBIL. If not, then the Charity would have an overdraft facility to meet this requirement.

Much of the Charterhouse estate is not attributed at any value in the balance sheet, particularly the Victorian buildings erected when the School moved to Godalming in 1872 and the Memorial Chapel built in 1926 to seat some 800 people (the largest war memorial in England). All these buildings are Grade II listed properties whose costs were written off at time of building.

Investments

The Trustees' investment powers are governed by the scheme approved by the Charity Commission on 12 October 1989. The portfolios are managed by investment managers who have been given discretion to manage them, within agreed guidelines, by investing in mainly equities and fixed interest securities. Following the revision to the investment policy in 2019, the Charity's portfolio is now divided with equity investment with Veritas Investment Management LLP and medium-term investment grade bonds with Vanguard Investments. Advanced fees are invested entirely in bank deposits. The portfolio and its performance is regularly reviewed by the Investment Sub-Committee which reports to the Finance and Business Development Committee.

Pension Scheme

Following the review in 2018, the administration of the Charterhouse Retirement Benefits Scheme is now with First Actuarial. In 2021 the investment strategy was reviewed and as a result the scheme funds are now invested in Veritas Investment Management LLP, M&G Total Return Credit Investment Fund, a Partnership Group semi-liquid fund and an LDI managed by Legal & General. The triennial review of the Pension Scheme held in 2021 assessed the scheme deficit had reduced and a new recovery plan was agreed between the Charity and the Fund Trustees, which maintained Charity payments at £408k per annum with the aim of clearing the deficit in a shorter time frame. The next triennial review results are due at the end of 2024.

Capital Expenditure

Charterhouse has a significant 250-acre estate to maintain and modernise, as well a number of residential properties for certain teachers and support staff. This requires the setting of priorities and financial plans. It is the policy of the Governing Body, if possible, to provide annually funds of the order of £2m towards investment in equipment and facilities, including the refurbishment of existing buildings.

Work on the Charterhouse infrastructure master plan continues. This year saw the opening of two new 64-bed boarding houses as well as the completion of the 3-year refurbishment of the Science building. Work also started on the refurbishment of Art and DT, the Lecture Theatre and Brooke Hall with planning for the new Drama Studio.

Edgeborough School is smaller at 55 acres and a new infrastructure master plan has just been developed. This plan covers academic, sport and residential requirements and will be completed over a 10-15 year period. This summer saw the refurbishment of five Senior Prep classrooms with planning starting on the reception and pedestrianisation projects.

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PRINCIPAL RISKS

The Governing Body is responsible for overseeing the management of risks faced by the Charity. Detailed consideration of risk management policy and strategy is delegated to the Audit, Risk and Compliance Committee, which is assisted by the Director of Finance and Strategy, and reports back to the Governing Body regularly. The Charterhouse and Edgeborough senior leadership teams take responsibility for identifying and managing the operational risks. The key controls in the Charity include the following:

- Policies and procedures required by law to protect the vulnerable;
- Detailed terms of reference for all Committees;
- Formal agendas for all Governing Body and Committee meetings;
- The creation and ongoing review of development strategies;
- Comprehensive planning, budgeting and management accounting;
- Formal written policies;
- Schemes of delegation, formal financial regulations, and systems of internal control;
- Regular review of activities with lessons learned process;
- External reviews of policies and procedures;
- Expert advice and support from professional support teams including HR, Estates, Finance, Health and Safety Management, Catering and Domestic services, Admissions and Communications and from qualified and experienced academic staff with dedicated responsibility for safeguarding and pastoral care.

This year the Charity has developed a revised risk register in light of the merger with Edgeborough School. The key risks identified were:

1. **The economic climate adversely affects affordability and pupil numbers.** Pupil numbers for next year have increased and demand remains strong, despite inflation, the Ukraine Crisis and the Covid-19 crisis. In the short term any immediate parental financial difficulties can be managed with additional bursaries and expenditure contained. However in the longer term affordability will become an even greater issue than it is currently unless inflation returns to target levels and the economy grows. As a result, the Governing Body continues to work hard with the Executive to identify areas for cost-efficiency, as well as to develop non-fee income streams, such as international schools, to try to restrict future fee increases.
2. **Government policies adversely affect international pupil numbers.** The UK Government's handling of the Covid-19 crisis and BREXIT has created concern for overseas parents. Whilst Charterhouse has reassured parents on both issues, with practical assistance where possible, there is a strong possibility that demand from overseas pupils will reduce unless these matters are managed properly by the Government.
3. **Future governments change the law to remove charitable tax status.** The Charity is committed to improving support to other schools and the wider community, and to improving accessibility to the education provided at Charterhouse and Edgeborough. While the Charity believes it is meeting its public benefit requirements with the expansion of its partnerships with state schools, access to the schools and bursaries, it is undertaking contingency planning in case of tax changes being introduced.
4. **Increases to Employer Contributions for the Teachers' Pension Scheme (TPS) is a significant concern.** At present the Charity feels that it is appropriate to remain in the TPS during this key phase in the Charity's development strategy. However, the Charity is undertaking contingency planning in case of further changes to the contribution rates.
5. **Failure to address Environmental Issues affects reputation.** The schools have developed their own environmental strategies this year covering education, biodiversity, energy, healthy living, grounds, transportation and waste/recycling. A number of actions have started, including solar panels on suitable buildings, electric car charging points, and reduced paper usage. However, the Charity understands this is a critical issue and achieving net zero will not be easy and therefore is continuing to involve pupils and staff in planning so that more can be done.

Through the risk management processes established for the Charity, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

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FUTURE PLANS

Art and Design Centre

The Charterhouse development strategy was endorsed by Governors in December 2016 and has been subject to annual review. The first phase was successfully completed with the start of full co-education and the introduction of girls at 13+ in September 2021. The next phase is to continue to develop the curriculum and facilities over the coming few years to enable the necessary girl numbers in every year group within the School.

A new development strategy for Edgeborough School was endorsed in June 2022 which again will be subject to annual review. The aim is to build on the School's existing strengths and develop both academic and pastoral provision, with the appropriate infrastructure.

In both cases demand is very strong and the future is looking promising though the Governors and Executive are not complacent. The objectives for 2022-2023 in support of these strategies are:

1. To continue to provide the highest quality co-education possible including a new PSHE programme, focus on GCSE outcomes and promoting the IB Diploma;

2. To develop the online education offer for launch in September 2023;

3. To construct the new Creative Art extension and the Business, Leadership and Entrepreneur Centre projects at Charterhouse and to start the reception and pedestrianisation projects at Edgeborough;

4. To start the conversion of Weekites from a boys' house to a girls' house.

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GOVERNORS AND CHARITY TRUSTEES

Members	Appointed by:
Ms V Tuck BA MA – Chair [9,7,10]	Governing Body
K Awuku-Asabre BSC Dip LAW [3,7]	Governing Body
E D A Barnes BA [4,7,9,10]	Teachers of the Charterhouse
Ms C L Baldwin MA [4,7,9] (Resigned June 2022)	Governing Body
Ms C Brown MA PgDL LPC [3,6,10]	Governing Body
Ms G Byrom BSC MA (Appointed June 2022)	Governing Body
Prof V C Emery PhD FRSB FAST [1]	Governing Body
J Goldsmith BSc MRICS [1,5,9]	Sutton's Hospital
The Very Revd.D L Gwilliams BA MA [4, 6]	Governing Body
Dr N Krause BSc MSc PsychD C.Psychol C.Sci AFBPsS [4]	Governing Body
C W D Macey FCA [2,3,9]	Sutton's Hospital
P Malcolm [1,5]	Governing Body
J McIlroy FCA ATII [1,9,10]	Governing Body
J R Olsen BA [1,10]	Sutton's Hospital
C H M Oulton MA [3,4] (Resigned June 2022)	Governing Body
A M Reid MA MBA FCA [1, 2]	Governing Body
D J G Royds BSc [1,2,5,9]	Governing Body
M W T Walton MA MBA FRICS [5,8,10]	Governing Body

[1] Indicates membership of the Finance and Business Development Committee
[2] Indicates membership of the Investment Sub-Committee
[3] Indicates membership of the Audit, Risk, and Compliance Committee
[4] Indicates membership of the Education Committee
[5] Indicates membership of the Projects and Planning Committee
[6] Indicates governor with special responsibility for Safeguarding and Child Protection
[7] Indicates membership of the Nominations and Governance Committee
[8] Indicates governor with special responsibility for Health & Safety
[9] Indicates membership of the Chairs' Committee
[10] Indicates membership of the Edgeborough School Committee

OFFICERS

Head of Charterhouse School	Dr A L R Peterken BA, MA, EdD
Director of Financial Strategy Charterhouse School	D S Armitage MBE BSc MSc
Head of Edgeborough School	D Thornburn BA MEd FCMI (Resigned December 2021) R Smith BEd MEd (Interim January – March 2022) D Cox BA MSc (Appointed April 2022)
Bursar of Edgeborough School	S Riley

CLERK TO THE GOVERNING BODY

Ms A Warburton

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ADVISORS

AUDITOR

Crowe U.K. LLP
55 Ludgate Hill
London, EC4M 7JW

BANKERS

Lloyds Bank Plc
49 High Street
Godalming
Surrey, GU7 1AT

SOLICITORS

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

INVESTMENT MANAGERS

Veritas Investment Management LLP
90 Long Acre
London, WC2E 9RA

Flagstone Investment Management
1st Floor, Clareville House,
26-27 Oxendon Street,
London, SW1Y 4EL

Vanguard Asset Management Ltd
4th Floor, The Walbrook Building,
25 Walbrook,
London, EC4N 8AF

INSURANCE BROKERS

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

PRINCIPAL ADDRESSES

Charterhouse
Godalming
Surrey
GU7 2DX

Edgeborough School
84 Frensham Road
Lower Bourne,
Farnham
GU10 3AH

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The Charity's own Statutes and Regulations are made in accordance with the provisions of the Public Schools Act and its amendments. The Statutes were last amended on 13 December 2017.

Governing Body

The Governors are the Trustees of the Charity. Up to 15 governors can be appointed by the Charity with a further three appointed by the Governors of Sutton's Hospital in Charterhouse and one appointed following a nomination by the teaching staff of the schools. Governors, except the Chair, serve a term of up to five years and may, if reappointed by the Governing Body, serve for one further term of up to five years. The Chair may serve the remainder of their term as a governor and then one further term of up to five years if reappointed by the Governing Body.

Recruitment and Training of Governors

New Governors are inducted into the workings of the Charity by the Head, the Director of Finance and Strategy, and the Clerk to the Governors. Governors also visit the schools and observe lessons as well as attend relevant training workshops and presentations.

Members of the Governing Body attend external trustee training and information courses designed to keep them informed and updated on current issues in the sector and regulatory requirements.

Organisational Management

The members of the Governing Body, as the charity trustees, are legally responsible for the overall management and control of the schools. They meet at least three times a year to review reports and discuss strategic issues.

The Committee Structure is:

- The Finance and Business Development Committee considers financial matters, admissions data, and commercial opportunities;
- The Investment Sub-Committee scrutinises investments, reviews the investment and treasury policies and reports to the Finance and Business Development Committee;
- The Education Committee considers academic, co-curricular and pastoral matters;
- The Projects and Planning Committee considers infrastructure and other development projects;
- The Audit, Risk and Compliance Committee oversees the formal external audit process, reviews the internal risk management matrix, and considers compliance matters;
- The Nominations and Governance Committee reviews the effectiveness and membership of the Governing Body;
- The Chairs' Committee sits prior to the Governing Body meetings to discuss major issues and prepare the agenda for the main meetings;
- The Edgeborough School Committee oversees the educational and pastoral aspects of the preparatory school;
- Governors are also designated as the leads for Safeguarding, Health & Safety and Boarding.

The Governing Body appoints the Head and the Director of Finance and Strategy for Charterhouse and the Head and Bursar of Edgeborough School and delegates day-to-day running of the schools to them. The Head of Edgeborough School reports to the Head of Charterhouse School and the Bursar of Edgeborough School reports to the Director of Finance and Strategy of Charterhouse.

Each School has its own Senior Leadership Team which is responsible for the daily management of the school. In addition the Head and Director of Finance and Strategy for Charterhouse and the Head and Bursar of Edgeborough School meet regularly. For this year the Charterhouse Executive Committee continued to meet to consider longer-term issues but in light of the merger it has been decided to disband this group and form a Strategy Committee in September 2022 that looks across both schools.

Remuneration is set by the Governing Body, with a policy of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the schools' success. This also covers members of the key management personnel.

Mindful of the Charity Governance Code, the Charity continues to review its processes and procedures to ensure the best possible governance. The reorganisation of the committees has worked well as has a new software system for managing board papers. This year governor skills were reviewed and individuals allocated to the appropriate committees. In addition, the Governor Handbook has been developed, providing clear direction on all procedures.

Associated Charities

Sutton's Hospital in Charterhouse (Charity No: 207773) was the charity governing both Charterhouse School and Sutton's Hospital until Charterhouse moved to Godalming in 1872 and is administered by its own Governors. The Governors of Sutton's Hospital in Charterhouse manage the permanent endowment bequeathed by Thomas Sutton and pay over to the Charity the Moiety; for this last financial year the Charity received £523,000 (2021: £484,000).

The Carthusian Trust, a Charitable Incorporated Organisation (Charity No: 1171955), provides a permanent fund to promote active participation in the Charterhouse. The principal aims of the Trust are to assist with financing the school developments and to provide bursaries to enable pupils to complete their education at Charterhouse. During the year the Trust provided £79,531 (2021: £82,844). The Carthusian Trust also pays for up to nine Birley scholarships amounting to £12,070 (2021: £8,880).

The Carthusian Society Charitable Fund (Charity No: 1099809) was formed in 1938 with three objects; to provide additional finance for the Old Carthusian Club, to provide amenities for Charterhouse which would help enrich experiences, and to foster relations between the School and Old Carthusians.

The Charterhouse War Memorial and Tercentenary Trust (Charity No: 268012) was established to provide grants to help pupils whose parents experience financial hardship to remain at Charterhouse until a natural breakpoint. During the year £nil (2021: £36,508) was provided to Charterhouse as bursaries.

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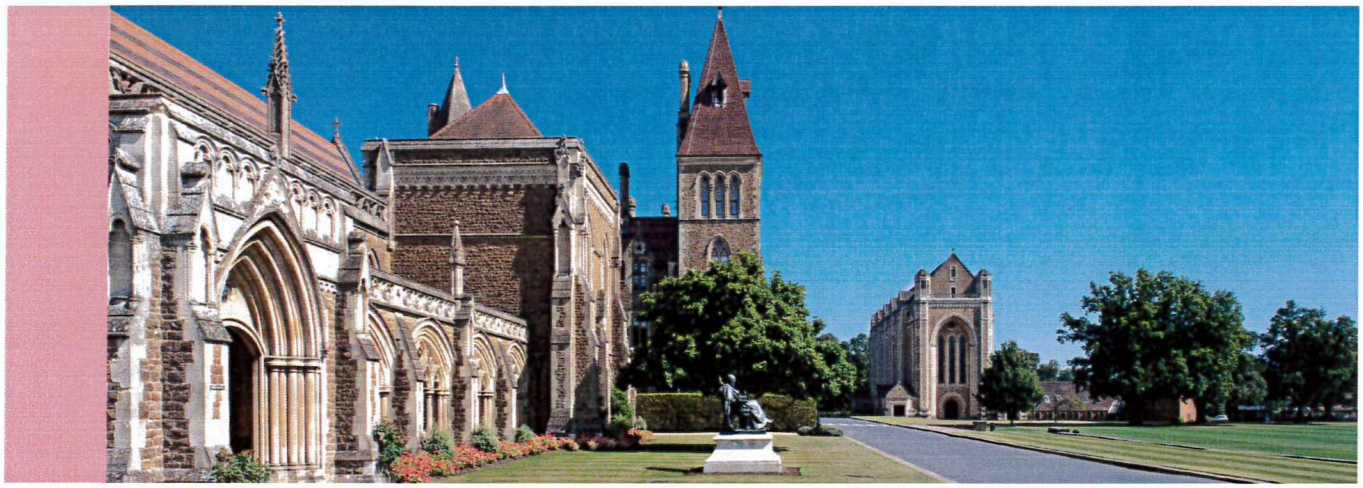
STATEMENT OF RESPONSIBILITIES OF THE GOVERNING BODY



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

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

Under charity law the Governors must prepare financial statements so that they are satisfied that they give a true and fair view of the state of affairs of the charity and the group and of the group's net incoming / outgoing resources for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group, and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Governing Body

V Tuck MA Chair

Dated: 2022

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Independent Auditor's Report to the Members of the Governing Body of Charterhouse School

Opinion

We have audited the financial statements of the Governing Body of Charterhouse School ('the charity') and its subsidiaries ('the group') for the year ended 31 July 2022 which comprise the Consolidated Statement of Financial Activities, the Parent and Charity Balance Sheets, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 31 July 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity/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 charity'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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Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees 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 group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 charity 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 Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity 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 charity 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, Health and Safety regulation, Employment legislation and General Data Protection Regulation (GDPR).

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 timing of recognition of trading subsidiary income, procurement processes for significant capital projects, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit, Risk & Compliance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Independent Schools Inspectorate, 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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K.LLP – Senior Statutory Auditor
For and on behalf of Crowe U.K. LLP, Statutory Auditor, London
Date 30 January 2023

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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FINANCIAL STATEMENTS

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GOVERNING BODY OF CHARTERHOUSE SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2022

	Notes	Unrestricted Funds £'000	Endowed Funds £'000	Restricted Funds £'000	Year ended 31 July 2022 £'000	*Year ended 31 July 2021 £'000*
INCOME AND ENDOWMENTS FROM						
Charitable activities						
Fees receivable	2	**40,485**			**40,485**	*29,602*
Foundation income		**523**			**523**	*484*
Charitable trading income	3b	**-**			**-**	*68*
Other trading activities						
Income of trading subsidiaries	3a	**1,712**			**1,712**	*1,971*
Donations		**267**	**-**	**1,549**	**1,816**	*1,097*
Donation of net assets from Charterhouse Club	20	**-**	**-**	**-**	**-**	*204*
Gift of net assets from Edgeborough Educational Trust	20	**-**	**-**	**-**	**-**	*8,824*
Investment and interest income	4a	**179**	**23**	**20**	**222**	*281*
Other income	4b	**1,249**			**1,249**	*1,495*
Gain on disposal of fixed assets		**203**			**203**	*860*
Total income and endowments		**44,618**	**23**	**1,569**	**46,210**	*44,886*
EXPENDITURE ON	5,6					
Raising funds						
Trading subsidiaries		**1,192**			**1,192**	*660*
Financing costs		**1,275**	**-**	**-**	**1,275**	*1,251*
Investment management		**137**	**18**	**17**	**172**	*161*
Fundraising		**400**	**-**	**-**	**400**	*284*
Total deductible costs		**3,004**	**18**	**17**	**3,039**	**2,356**
Charitable activities						
Schools and grant making		**38,595**	**5**	**604**	**39,204**	*29,491*
Total expenditure	6	**41,599**	**23**	**621**	**42,243**	*31,847*
Net income from operations		**3,019**	**-**	**948**	**3,967**	*13,039*
Net gain on investment assets	8	**810**	**105**	**98**	**1,013**	*4,108*
NET INCOME for the year		**3,829**	**105**	**1,046**	**4,980**	*17,147*
Actuarial Gain	17	**1,760**	**-**	**-**	**1,760**	*1,279*
Net movement in funds for the year		**5,589**	**105**	**1,046**	**6,740**	*18,426*
Balances brought forward at 1 August 2021		58,863	2,539	3,533	**64,935**	*46,509*
BALANCES CARRIED FORWARD AT 31 JULY 2022		**64,452**	**2,644**	**4,579**	**71,675**	*64,935*

The notes on pages 25 to 51 form part of these accounts.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
BALANCE SHEETS
AT 31 JULY 2022

		Consolidated		Schools	
		2022	*2021*	**2022**	*2021*
		£'000	*£'000*	**£'000**	*£'000*
FIXED ASSETS					
Tangible fixed assets	7	**83,325**	77,247	**83,244**	77,152
Investments	8	**22,457**	24,402	**22,707**	24,402
		105,782	101,649	**105,951**	101,554
CURRENT ASSETS					
Stocks	9	**98**	142	**27**	24
Debtors and prepayments	10	**2,435**	2,262	**2,848**	3,601
Bank and other deposits		**24,078**	21,092	**24,078**	21,092
Cash and bank balances		**2,338**	2,470	**1,709**	942
		28,949	25,966	**28,662**	25,659
CREDITORS: amounts falling due within one year	11	**(23,205)**	(18,758)	**(23,016)**	(18,360)
NET CURRENT ASSETS		**5,744**	7,208	**5,646**	7,299
TOTAL ASSETS LESS CURRENT LIABILITIES		**111,526**	108,857	**111,597**	108,853
CREDITORS: amounts falling due after more than one year	12	**(37,895)**	(39,860)	**(37,895)**	(39,860)
NET ASSETS EXCLUDING PENSION FUND LIABILITY		**73,631**	68,997	**73,702**	68,993
Pension fund liability	17	**(1,956)**	(4,062)	**(1,956)**	(4,062)
NET ASSETS	13	**71,675**	64,935	**71,746**	64,931
Total Unrestricted Funds		**66,408**	62,925	**66,479**	62,921
Restricted funds		**4,579**	3,533	**4,579**	3,533
Endowed funds		**2,644**	2,539	**2,644**	2,539
Total Restricted Funds		**7,223**	6,072	**7,223**	6,072
Total Funds before pension liability		**73,631**	68,997	**73,702**	68,993
Pension scheme fund	17	**(1,956)**	(4,062)	**(1,956)**	(4,062)
Total Funds	14	**71,675**	64,935	**71,746**	64,931

The net result for the year dealt within the financial statements of the parent charity was a surplus of £6.815m (2021 surplus £18,402 m).

Approved and authorised for issue by the Governing Body and signed on its behalf by

V TUCK MA
Chair
Dated: 2022

CWD MACEY FCA
Chair of Audit,Risk and Compliance
Dated: 2022

The notes on pages 25 to 51 form part of these accounts.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2022

	Notes	**2022**	*2021*
		£'000	*£'000*
Net cash flow from operations			
Net cash provided by operating activities	15	**10,644**	*10,488*
Cash flows from investing activities			
Cash from transfer of Edgeborough Educational Trust assets	20	**-**	*931*
Cash from transfer of Charterhouse Club assets	20	**-**	*94*
Payments for tangible fixed assets		**(9,615)**	*(16,261)*
Proceeds from sale of property, plant and equipment		**274**	*1,347*
Receipts from sale of investments		**3,000**	*200*
Investment income and interest received		**9**	*50*
Net cash (used) in investing activities		**(6,332)**	*(13,639)*
Cash flows from financing activities			
Cash inflows from new borrowing		**-**	*5,000*
Bank loan repayments		**(1,458)**	-
Net cash provided by financing activities		**(1,458)**	*5,000*
		2,854	*1,849*
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		**23,562**	*21,713*
Cash and cash equivalents at the end of the reporting period	15	**26,416**	*23,562*

The notes on pages 25 to 51 form part of these accounts.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES

Charity Information
The Schools is a charity registered with the Charity Commission in England and Wales (charity number 312054) and is a Public Benefit Entity operating from its registered office Charterhouse, Godalming, Surrey, GU7 2DX.

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 Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

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

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2015 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The 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 Charity on a line by line basis with its wholly owned subsidiaries Charterhouse Enterprises Limited, Charterhouse International Limited and Charterhouse Design and Build Limited. No separate SOFA has been presented for the Charity alone.

On 31st July 2021 Edgeborough School gifted its net assets and operations to Charterhouse School please see note 20.

On 31st July 2021 Charterhouse School purchased the Charterhouse Club for £1 and was gifted its net assets please see note 20.

Going concern

In light of the continuing challenging economic situation as a result of COVID-19 and Ukrainian crisis, the Governors have reviewed various financial scenarios related to pupil numbers, inflation, non-fee income and tax, to ensure that both schools can deliver excellent educational outcomes and the master plan infrastructure projects. If necessary, options are available to react to any adverse situation, including delaying non-essential projects. There are also current significant cash balances and investments should additional liquidity be required through this period of uncertainty. Given the record number of pupils in September 2022 and the increase in registrations for future years, the Governors have a reasonable expectation that the schools have adequate resources to continue its activities for the foreseeable future and have prepared the financial statements on the going concern basis.

1. ACCOUNTING POLICIES (CONTINUED)

Critical accounting judgements and key sources of estimation uncertainty

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

The 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, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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

Fee income
Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the Schools, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants.

Donations
Donations subject to specific wishes of the donors are carried to relevant restricted funds.

Foundation Income
Foundation Income is recognised on a cash received basis.

Grant Income
Grant income is recognised where there is evidence of entitlement, the receipt is probable and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

Expenditure
Expenditure is accounted for on an accruals basis. Expenditure and irrecoverable VAT is allocated to expense headings on a direct cost basis except for central costs which are apportioned on the basis of an estimate of time spent on the relevant function. Support costs comprise staff and other costs incurred directly supporting the teaching function and general running of the Schools.

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. ACCOUNTING POLICIES (CONTINUED)

Pension schemes
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 Schools. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme. The Charity operates the Charterhouse Retirement Benefits Scheme for non teaching staff. This Scheme was closed to new entrants on 31 July 2002.

Finance and other costs
Other costs include amounts accrued in accordance with the terms of the Advanced Fee contracts and private placement interest.

School buildings and equipment
All School buildings and houses erected on campus since 1974 together with off campus houses are capitalised. Properties are included at cost and major upgrade and refurbishment expenditure is also capitalised. The cost of pre 1974 school properties are not included in these accounts and the historical nature of these is reported in the Finance section of the Annual Report of the Governing Body (page XX). All IT equipment and software is capitalised. Plant, vehicles and other items of equipment with an individual purchase price of £5,000 or above are also capitalised.

Depreciation
Depreciation of assets is provided at the following rates to write off the excess of cost over estimated residual amount evenly over their estimated useful economic lives.

These rates are currently as follows:

School buildings	-	50 years (full year in year of completion)
Dwelling houses	-	50 years (full year from acquisition excluding land)
Dwelling houses refurbishment	-	between 10 and 25 years
Plant and vehicles	-	4 years
IT equipment and software	-	1 to 3 years
Shop fittings and furniture	-	3 to 10 years

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Investments
Investments are shown at their year end market value. Realised and unrealised gains less losses are credited to the Statement of Financial Activities.
Investments in subsidiaries are valued at cost less provision for impairment.

1. ACCOUNTING POLICIES (CONTINUED)

Stocks
Stocks are carried at the lower of cost and estimated selling price.

Fund accounting
The endowed funds of the Charity are capital funds where normally only the income arising may be applied, in some cases on restricted purposes. Restricted funds have arisen either from restrictions applied by donors or due to the terms of the appeal by which the funds were raised. Designated funds have been set aside by the Trustees for specific purposes.

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 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, deferred income 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.

At the balance sheet date the Charity held financial assets at fair value through income or expenditure of £22,457m (2021: £24,402m).

2. FEE INCOME

	2022	*2021*
	£'000	*£'000*
Gross fees, including music fees	**41,978**	*30,896*
Less: Scholarships and bursaries:		
Schools – scholarships and awards	**(380)**	*(164)*
– bursaries	**(1,570)**	*(1,314)*
Fees receivable	**40,028**	*29,418*
Add back: Bursaries and other awards paid for by restricted funds	**457**	*184*
	40,485	*29,602*

3. TRADING INCOME AND EXPENDITURE

a. Subsidiary companies

The Charity owns 100% of Charterhouse Enterprises Limited (CEL), whose main activities include the operation of the School shop and the letting of buildings and sports grounds, 100% of Charterhouse School Design & Build Limited, whose main activity is major building projects (CSD&BL) and 100% of Charterhouse International Limited (CIL). All companies donate under gift aid their taxable profits to the Charity. Trading results extracted from their audited accounts are shown below:

	2022 £'000 CIL	**2022 £'000 CSD&BL**	**2022 £'000 CEL**	*2021 £'000 CIL*	*2021 £'000 CSD&BL*	*2021 £'000 CEL*
Turnover	**127**	**1,893**	**1,584**	1,500	8,602	471
Cost of sales	**-**	**(1,605)**	**(754)**	-	(8,598)	(224)
Gross profit	**127**	**288**	**830**	1,500	4	247
Administration	**(202)**	**(4)**	**(559)**	(215)	(4)	(242)
Interest payable			**(2)**		-	(2)
Profit /(Loss) before taxation	**(75)**	**284**	**269**	1,285	-	3
Taxation				-	-	-
Profit/(Loss) after taxation	**(75)**	**284**	**269**	1,285	-	3
Gift aid to Charterhouse School	**-**	**(284)**	**(269)**	(1,261)	-	(3)
Retained loss b/fwd	**-**	**-**	**-**	(24)	-	-
Loss retained for the financial year	**(75)**	**-**	**-**	-	-	-

The net assets of CEL at 31 July 2022 were £2 (2021: £2) and for CSD&BL were £1 (2021: £1) and net assets for CIL were £174,788 (2021: (net liabilities £25k).

Income of the trading subsidiaries, amounts to £3.6m (2021: £10.573m) which represents the turnover of CEL of £1.584m (2021: £471k), the turnover of CSD&BL of £1.892m (2021: £8.602m) and the turnover of CIL of £127k (2021: £1.5m).

During the year, CEL paid the Charity £541k which included Staff Costs £401k , Rent £40k and Event expenditure £60k (2021:£ 264k) . The Charity paid CEL £288k which included Pupils Retail invoices £153k and Miscellaneous £6,700 (2021: £262k). At the year end £3k was owed by the Charity to CEL (2021 £8.9k) and CEL owed the Charity £453k which included the gift aid due for the year of £270k.

The Charity paid CSD&BL £1.34m (2021: £8.886m) for New Building work of which £706k was outstanding at the year end (2021 £187k) .

The Charity paid CIL £nil (2021 £nil). CIL paid the School £122k (2021 £180k). CSD&BL paid the Charity £nil (2021 £17k).

At the year end CIL owed the Charity £6k which included VAT.

3b. CHARITABLE TRADING INCOME

	2022	*2021*
	£'000	*£'000*
Premises and equipment rental from Charterhouse Club Limited	**-**	*68*
	-	*68*

4a. INVESTMENT AND INTEREST INCOME

Dividends receivable	**201**	*215*
Interest receivable	**21**	*66*
	222	*281*

4b. OTHER INCOME

Registration fees	**444**	*425*
Surcharge for late payment of school fees	**48**	*3*
Rental income – staff housing	**413**	*292*
Grant income	**-**	*430*
Other	**344**	*345*
	1,249	*1,495*

5. EXPENDITURE

Expenditure includes:

Auditor's remuneration:		
For audit	**55**	*32*
For non-audit	**5**	*28*
Depreciation and amortisation - Schools	**3,445**	*2,653*
- Charterhouse Enterprises Limited	**14**	*15*
Discounts given on Advanced Fees	**14**	*11*
Operating lease expenditure – hire of vehicles and equipment	**160**	*160*
Total staff costs:		
Salaries and wages	**18,409**	*14,102*
Social security costs	**2,020**	*1,539*
Pension contributions	**3,012**	*2,152*
Other including pension past service costs	**121**	*342*
	23,562	*18,135*

5. EXPENDITURE (CONTINUED)

The average number of full time employees in the year was 279 (2021: 226) and 147 (2021: 96) full time equivalents. Of these:

		2022 No.	*2021 No.*
Teaching staff	- Full time	**146**	*107*
	- Part time /(full time) equivalent	**32**	*19*
Grounds staff	- Full time	**14**	*14*
	- Part time /(full time) equivalent	**1**	*1*
Maintenance staff	- Full time	**23**	*19*
	Part time /(full time) equivalent		*-*
Pastoral & Domestic staff	- Full time	**25**	*26*
	Part time /(full time) equivalent	**80**	*53*
Administration & Other	- Full time	**71**	*62*
	Part time /(full time) equivalent	**34**	*24*

The average number of the Charity's employees during the year calculated on an actual head count basis was 653 (2021: 485).

The number of employees whose emoluments exceeded £60,000 were:

	2022 No.	*2021 No.*
£60,001 - £70,000	**37**	*33*
£70,001 - £80,000	**25**	*17*
£80,001 - £90,000	**14**	*17*
£90,001 - £100,000	**13**	*7*
£120,001 - £130,000	**-**	*1*
£130,001 - £140,000	**1**	
£140,001 - £150,000	**1**	*1*
£170,001 - £180,000		*1*
£180,001 - £190,000	**1**	
£200,001 - £210,000		*1*
£220,001 - £230,000	**1**	

Of those in the bandings shown above, 78 (2021: 69) were members of the Teachers' Pension Scheme a defined benefits pension scheme and 12 (2021: 9) were members of Charterhouse DC Pension Plans, "Defined contribution schemes". There was 3 **(**2021:0) Opt-Out from TPS. Employer's contributions to the Charterhouse DC Plans were **£523,369** (2021: £444,361).

Neither the Governors nor persons connected with them received any remuneration or other benefits. There were 6 (2021: 4) Governors who were reimbursed travelling expenses of £1,947 (2021: £304) incurred in attending meetings.

Aggregate employee-benefits of key management personnel was **£2,225,926** (2021: £1,588,822). The senior leadership team is seen as the key management personnel.

Termination payments were **£39,124** (2021: £44,378) and £23,130 (2021 £36,281) were outstanding at year end.

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs £'000	Other £'000	Depreciation £'000	**Total 2022 £'000**	*Total 2021 £'000*
Raising funds					
Trading subsidiaries	-	1,192	-	**1,192**	*660*
Financing costs	-	1,275	-	**1,275**	*1,251*
Investment Management	-	172	-	**172**	*161*
Fundraising	285	115	-	**400**	*284*
	285	2,754	-	**3,039**	*2,356*
Charitable activities					
Teaching costs	16,544	1,734	70	**18,348**	*13,279*
Welfare	2,399	3,512	-	**5,911**	*4,682*
Premises	2,008	4,723	2,914	**9,645**	*7,369*
Support costs	2,326	2,371	475	**5,172**	*3,961*
Grants, awards and prizes	-	108	-	**108**	*190*
Governance costs	-	20	-	**20**	*10*
Charity trading	-	-	-	**-**	-
Schools and grantmaking costs	23,277	12,468	3,459	**39,204**	*29,491*
Total expenditure	23,562	15,222	3,459	**42,243**	*31,847*

7. TANGIBLE FIXED ASSETS

Consolidated	Freehold Property £'000	Leasehold Property £'000	Plant, Vehicles and Equipment £'000	Total £'000
Cost:				
At 1 August 2021	*94,836*	*546*	*7,269*	*102,651*
Additions at cost	8,963	-	652	9,615
Disposals at cost	-	(113)	-	(113)
At 31 July 2022	103,799	433	7,921	112,153
Depreciation:				
At 1 August 2021	*18,967*	*141*	*6,296*	*25,404*
Provision for the year	2,847	5	607	3,459
Disposals		(35)		(35)
At 31 July 2022	21,814	111	6,903	28,828
Net book value				
At 31 July 2022	**81,985**	**322**	**1,018**	**83,325**
At 31 July 2021	*75,869*	*405*	*973*	*77,247*
Schools				
Cost:				
At 1 August 2021	94,836	546	6,918	102,300
Additions at cost	8,963	-	652	9,615
Disposals at cost	-	(113)	-	(113)
At 31 July 2022	**103,799**	**433**	**7,570**	**111,802**
Depreciation:				
At 1 August 2021	18,955	141	6,052	25,148
Provision for the year	2,847	5	593	3,445
Disposals	-	(35)	-	(35)
At 31 July 2022	**21,802**	**111**	**6,645**	**28,558**
Net book value				
At 31 July 2022	**81,997**	**322**	**925**	**83,244**
At 31 July 2021	*75,881*	*405*	*866*	*77,152*

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7. TANGIBLE FIXED ASSETS (Continued)

Prior to 2000 the cost of land and buildings within the curtilage of Charterhouse School had been written off and not capitalised. In 2000 the cost of buildings constructed since 1974 was reinstated at cost. In addition, Charterhouse School has over the years collected a number of historical assets the value of which cannot be easily ascertained. Included in freehold property are assets in the course of construction totalling £5.501m (2021: £20.686m) which have not been depreciated.

8. INVESTMENTS 2022

	General £'000	Endowed & Restricted Funds £'000	**Total £'000**
Consolidated			
Opening balance			
Investments	18,558	4,657	**23,215**
Cash capital	949	238	**1,187**
At 1 August 2021	19,507	4,895	**24,402**
New Investment		100	**100**
Reinvested income	171	43	**214**
Amounts extracted	(3,079)	(21)	**(3,100)**
Investment management fees	(137)	(35)	**(172)**
Gain	810	203	**1,013**
Carried forward at 31 July 2022	17,272	5,185	**22,457**
Closing balance			
Investments	16,401	4,924	**21,325**
Cash capital	871	261	**1,132**
At 31 July 2022	17,272	5,185	**22,457**

Listed Investments	
Fixed Interest	**1,682**
Equities	**16,539**
Alternative Assets	
Bonds	**2,853**
Gold	**251**
Cash	**1,132**
Charity Investments	**22,457**
UK	**4,227**
Overseas	**18,230**
	22,457

During the year the Charity invested £250k in Charterhouse International Ltd share issue.

8. INVESTMENTS 2021

	General £'000	*Endowed, Restricted & Designated Funds £'000*	*Total £'000*
Consolidated			
Opening balance			
Investments	15,366	3,836	**19,202**
Cash capital	978	244	**1,222**
At 1 August 2020	16,344	4,080	**20,424**
Reinvested income	185	46	**231**
Amounts extracted	(180)	(20)	**(200)**
Investment management fees	(129)	(32)	**(161)**
Gain	3,287	821	**4,108**
Carried forward at 31 July 2021	19,507	4,895	**24,402**
Closing balance			
Investments	*18,558*	*4,657*	***23,215***
Cash capital	949	*238*	**1,187**
At 31 July 2021	*19,507*	*4,895*	***24,402***
Listed Investments			
Fixed Interest			**1,341**
Equities			**18,871**
Alternative Assets			
Bonds			**3,003**
Cash			**1,187**
Charity Investments			**24,402**
UK			**7,521**
Overseas			**16,881**
			24,402

9. STOCKS

	Consolidated		Schools	
	2022	*2021*	**2022**	*2021*
		£'000	**£'000**	*£'000*
Catering	**27**	*12*	**27**	*12*
Retail shop	**68**	*118*	**-**	*-*
Merchandise	**3**	*12*	*-*	*12*
	98	*142*	**27**	*24*

10. DEBTORS AND PREPAYMENTS

Fees and other pupil expenses	**1,036**	*948*	**1,036**	*948*
Staff mortgages and loans	**6**	*5*	**6**	*5*
Loans to subsidiary undertaking *	**-**	*-*	**40**	*60*
Trade debtors	**376**	*107*	**117**	*79*
Amounts due from subsidiary companies	**-**	*-*	**742**	*1,696*
Prepayments and accrued income	**135**	*260*	**130**	*260*
Other debtors	**882**	*942*	**777**	*553*
	2,435	*2,262*	**2,848**	*3,601*

* Interest is charged at 2% above Lloyds base rate and is repayable on reasonable notice. No security is given.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Bank loans	**2,500**	*1,459*	**2,500**	*1,459*
Taxation and social security	**1,019**	*734*	**949**	*734*
Trade creditors	**4,922**	*3,026*	**4,486**	*2,983*
Amounts owed to group and associated undertakings	**-**	*-*	**709**	*197*
Other creditors	**743**	*470*	**743**	*470*
Accruals and deferred income	**5,749**	*5,921*	**5,357**	*5,369*
	14,933	*11,610*	**14,744**	*11,212*
Deposits from parents (note 12a)	**7,181**	*6,406*	**7,181**	*6,406*
Deferred income – fees received in advance (note 12c)	**1,091**	*742*	**1,091**	*742*
	23,205	*18,758*	**23,016**	*18,360*

12. CREDITORS: amounts falling due after one year

Bank loans/Private Placement (note 12b)	**36,042**	*38,541*	**36,042**	*38,541*
Advanced fees (note 12c)	**1,853**	*1,319*	**1,853**	*1,319*
	37,895	*39,860*	**37,895**	*39,860*

12a. ACCEPTANCE AND OVERSEAS DEPOSITS

Parents are required to pay a deposit on acceptance of a place which is refundable at the end of the pupil's pupillage at the Schools.

	2022 £'000	*2021 £'000*
Consolidated		
Within 1 year	*7,181*	*6,406*

Pupil Fees Deposits – the total amount held in relation to fee deposits of £7.181m is included above. In the normal course of business the expected repayment of these amounts will be £1.923m (2021: 1.909m) within one year and £5.258m (2021: £4.497m) after more than one year.

12b. BANK AND LOAN NOTE DEBT

The Charity has a £35m partially amortising private placement with a term of 40 years at a fixed rate. Principal repayments beginning in 2024 and ending in 2058. The Charity also has a CBILS loan of £5m with a tenor of 3 years at 2.25% over base rate, repayments beginning in January 2022.

	2022 £'000	*2021 £'000*
Consolidated		
Within 1 year	2,500	*1,459*
	2,500	*1,459*
Within 2 to 5 years	**2,902**	*4,621*
After 5 years	**33,140**	*33,920*
	36,042	*38,541*

12c. ADVANCED FEES FUND

Parents may enter into a contract to pay to the Schools up to the equivalent of five years' School fees in advance. Any proportion of the advanced fee may be repaid to the parents at their request.

	2022 £'000	*2021 £'000*
Within 2 to 5 years	**1,853**	*1,319*
Within 1 year	**1,091**	*742*
	2,944	*2,061*

12C. ADVANCED FEES FUND (CONTINUED)

	2022		2021	
The movements during the year were:	**£'000**	**£'000**	*£'000*	*£'000*
At 1 August 2021		**2,061**		*877*
Edgeborough (transfer)		**-**		*507*
New contracts		**2,155**		*1,465*
Repayments		**(90)**		*(43)*
		4,126		*2,806*
Amounts used to pay fees	**1,153**		*734*	
Amounts added to value of fees	**29**		*11*	
		(1,182)		*(745)*
At 31 July 2022		**2,944**		*2,061*

13. ALLOCATION OF THE NET ASSETS BETWEEN FUNDS 2022

	Tangible fixed assets	Investments	Net current assets	Long term liabilities	Pension fund liability	**Total**
	£'000	£'000	£'000	£'000	£'000	**£'000**
Consolidated:						
General funds	-	17,272	3,706	(20,978)	-	**-**
Designated funds:						
Tangible fixed assets reserve	83,325	-	-	(16,917)	-	**66,408**
Endowed funds	-	2,644	-	-	-	**2,644**
Restricted funds	-	2,541	2,038	-	-	**4,579**
Pension scheme fund	-	-	-	-	(1,956)	**(1,956)**
	83,325	22,457	5,744	(37,895)	(1,956)	**71,675**

ALLOCATION OF THE NET ASSETS BETWEEN FUNDS 2021

	Tangible fixed assets	Investments	Net current assets / (liabilities)	Long term liabilities	Pension fund liability	**Total**
	£'000	£'000	£'000	£'000	£'000	**£'000**
Consolidated:						
General funds	-	19,507	6,031	(25,538)	-	**-**
Designated funds:						
Tangible fixed assets reserve	77,247	-	-	(14,322)	-	**62,925**
Endowed funds	-	2,539	-	-	-	**2,539**
Restricted funds	-	2,356	1,177	-	-	**3,533**
Pension scheme fund		-	-	-	(4,062)	(4,062)
	77,247	24,402	7,208	(39,860)	(4,062)	**64,935**

14. FUNDS 2022

	Balance 31 July 2021 £'000	Income £'000	Expenditure £'000	Investment gains / (losses) £'000	**Balance 31 July 2022 £'000**
Undesignated general reserves	-	44,618	(41,945)	810	**3,483**
Designated funds:					
Tangible fixed assets reserve	*62,925*	-	-	-	**62,925**
Total unrestricted funds	*62,925*	44,618	(41,945)	810	**66,408**
Restricted funds:					
Prizes	*562*	5	(5)	23	**585**
Scholarships and bursaries	*1,680*	525	(474)	70	**1,801**
Other	*120*		(1)	5	**124**
Donations other	*545*	208		-	**753**
Donations Business Hub	*426*	831	(131)	-	**1,126**
Donations Wei Music Fund	*200*		(10)	-	**190**
	3,533	1,569	(621)	98	**4,579**
Endowed funds:					
Prizes	*569*	5	(5)	24	**593**
Scholarships and bursaries	*1,873*	17	(17)	77	**1,950**
Other	*97*	1	(1)	4	**101**
	2,539	23	(23)	105	**2,644**
Pension scheme fund	*(4,062)*	-	346	1,760	**(1,956)**
	64,935	46,210	(42,243)	2,773	**71,675**

14. ***FUNDS 2021***

	Balance 31 July 2020 *£'000*	Income £'000	Expenditure £'000	Transfers £'000	Investment gains / (losses) £'000	**Balance 31 July 2021 £'000**
Undesignated general reserves	-	43,904	(31,965)	(15,226)	3,287	**-**
Designated funds:						
Tangible fixed assets reserve	47,494	-	-	15,431	-	**62,925**
Total unrestricted funds	47,494	43,904	(31,965)	205	3,287	**62,925**
Restricted funds:						
Prizes	467	5	(4)	-	94	**562**
Scholarships and bursaries	1,405	16	(24)	-	283	**1,680**
Other	100	1	(1)	-	20	**120**
Donations other	610	310	(170)	(205)	-	**545**
Donations Business Hub	-	426	-	-	-	**426**
Donations Wei Music Fund	-	200	-	-	-	**200**
	2,582	958	(199)	(205)	397	**3,533**
Endowed funds:						
Prizes	474	5	(5)	-	95	**569**
Scholarships and bursaries	1,553	18	(11)	-	313	**1,873**
Other	81	1	(1)	-	16	**97**
	2,108	24	(17)	-	424	**2,539**
Pension scheme fund	(5,675)	-	334	-	1,279	**(4,062)**
	46,509	44,886	(31,847)	-	5,387	**64,935**

14. FUNDS (CONTINUED)

The Tangible Fixed Asset reserve incorporates the Reinstated Property net book value of Charterhouse School buildings erected since 1974 that until 2000 were written off in the year of acquisition.

The restricted prizes, scholarships and bursaries funds are a consolidated fund of numerous individual gifts to provide prizes, scholarships and bursaries to enable pupils to attend the schools.

The donations fund includes restricted funds donated in the year for which the expenditure has not yet been incurred. The Wei Music restricted fund is for a bursary for an exceptional musician and the Business hub is for a capital conversion of an existing space at Charterhouse School.

The endowed funds arose from legacies received for the permanent benefit of the schools and £23k was drawn down during the year mainly for scholarships, bursaries and prizes.

15. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £'000	*2021 £'000*
Net income from operations	**3,967**	*13,039*
Investment income and interest received	**(222)**	*(281)*
Investment manager and cash management fee	**172**	*161*
Depreciation	**3,459**	*2,668*
Loss/ (gain) on sale of tangible fixed assets	**(203)**	*(860)*
Gift of Edgeborough Educational Trust assets	**-**	*(8,824)*
Gift of Charterhouse Club assets	**-**	*(204)*
Pension scheme net finance costs	**62**	*74*
Contributions to the Charterhouse Retirement Benefit Scheme	**(408)**	*(408)*
Decrease in stocks	**44**	*72*
(Increase) in debtors	**(173)**	*(420)*
Increase in creditors	**3,063**	*4,794*
Increase/(Decrease) in Advance Fee Scheme	**883**	*677*
Net cash inflow from operations	**10,644**	*10,488*

Analysis of changes in net debt	**1 August 2021 £'000**	**Cash flows £'000**	**31 July 2022 £'000**
Cash in bank	**12,764**	**5,712**	**18,476**
Cash in hand	**2,470**	**(132)**	**2,338**
Notice deposits	**8,328**	**(2,726)**	**5,602**
Cash and cash equivalents	**23,562**	**2,854**	**26,416**
Bank loans falling due after less than one year	**1,459**	**1,041**	**2,500**
Bank loans falling due after more than one year	**38,541**	**(2,499)**	**36,042**
Total borrowings	**40,000**	**(1,458)**	**38,542**
Net debt	**(16,438)**	**4,312**	**(12,126)**

16. COMMITMENTS

Capital Expenditure

During the year the Charity worked on various projects including the creative arts and lecture theatre and £6.727m at year-end is contracted for but not accrued in respect of these; (2021: £3.148m).

Operating Lease Commitments

	Vehicles & Equipment	
	2022 £'000	*2021 £'000*
The future minimum lease payments under non-cancellable operating leases which are all payable as follows:		
Within one year	**132**	*181*
Between two and five years	**385**	*58*

17. PENSION FUNDS

All members of the teaching staff are members of the Government scheme for the teaching profession, to which the Charity is a contributor. Some of the support staff are deferred members of the Charterhouse Retirement Benefits Scheme, a defined benefits scheme that was closed to new entrants on 31 July 2002. The actuarial valuation at 31 July 2018 indicated that the assets of the fund represented 66% of its liabilities. The position will be kept under review. From 1 August 2002 new members of the support staff were able to join a defined contribution scheme.

Governments Teachers' Pension Defined Benefits Scheme
The Charity participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2.236m (2021: £1.717m) and at the year-end £32k (2021 - £3k) was accrued in respect of contributions to this scheme.

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

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

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

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

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

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

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

The Charterhouse Retirement Benefits Scheme

The Charity operates a scheme for its non-teaching staff, The Charterhouse Retirement Benefits Scheme, which is a defined benefits scheme. The actuarial valuation does not separately identify the Charity's share of the underlying assets and liabilities of the Scheme. The Scheme was closed to new entrants on 31 July 2002. From 1 August 2002 new members of the support staff were able to join a defined contribution scheme.

The assets of the Scheme are held separately from those of the Charity. The Scheme is funded by contributions from the employees and employers.

The most recent formal actuarial valuation of the Scheme was carried out as at 31 July 2021. The following summarises the accrued funding position as at that date on the basis that the Scheme continues to operate as a going concern and is not wound up:

Value of Scheme assets	£ 10,286,000
Value of accrued liabilities	£ 12,791,000
Shortfall	£ 2,505,000
Funding level	80%

Principal Actuarial Assumptions

- Discount rate after retirement	2.92%
- Discount rate before retirement	2.92%
- Future Retail Price Inflation	3.70%
- Future Consumer Price Inflation	3.20%
- Pension increases (RPI limited to 5%pa)	3.60%
- Pension increases (CPI limited to 3%pa)	2.60%
- Pension increases (RPI limited to 2.5%pa)	2.40%
- Deferred pension revaluation (CPI limited to 5%pa)	3.00%
- Deferred pension revaluation (CPI limited to 2.5%pa)	2.50%

The value of accrued liabilities represented the Scheme Actuary's estimate of the sum required at the date of valuation to meet all future benefit payments in respect of members' service up to 31 July 2021.

17. PENSION FUNDS (CONTINUED)

To eliminate the funding shortfall the Trustees and the Charity have agreed that the Charity will pay contributions of £408,000 per annum into the Scheme. These contributions will be used to reduce the funding shortfall. It is expected that the deficit will be entirely cleared by 30 April 2030. The agreed contributions are set out in a Recovery Plan and Schedule of Contributions dated June 2019.

Despite these contributions it is possible that the funding position of the Scheme might not develop as well as expected if the experience of the Scheme subsequent to the valuation date, particularly the investment returns, is unfavourable compared to the actuarial assumptions used for the valuation. Contributions will therefore be subject to review at future actuarial valuations.

The Scheme Actuary certified that, in his opinion, the rates of contributions shown in the Schedule of Contributions dated June 2019 are such that the Statutory Funding Objective could have been expected on 31 July 2018 to be met by 30 April 2030.

As required by legislation, as part of the formal valuation of the Scheme, the Scheme Actuary also estimated what the funding position would have been if the Scheme had been wound up as at 31 July 2021. The following summarises that position:

Value of Scheme assets	£10,286,000
Value of winding up liabilities	£18,060,000
Shortfall	£7,774,000
Solvency level	57%

The shortfall is an estimate of the additional sum that the Charity would have needed to pay to an insurance company to secure all members' benefits in full had the Scheme been wound up on 31 July 2021. Providing "winding up" information is a formal legal requirement and does not imply that the Charity is considering winding up the Scheme.

There has not been any payment to the Charity out of Scheme funds.

The allocation of fund assets is as follows:

		Allocation of fund assets		
Asset class	**31 July 2022**	*31 July 2021*	*31 July 2020*	*31 July 2019*
Equities	**50%**	*54%*	*40%*	*32%*
Bonds	**22%**	*30%*	*44%*	*34%*
Semi –liquid investments	**19%**	*15%*	*15%*	-
Diversified Credit Funds	**8%**	-	-	-
Cash and cash alternatives	**1%**	*1%*	*1%*	*34%*

The assets of the Scheme have been included at market value and the liabilities under the FRS102 measure have been calculated using the following actuarial assumptions:

	2022	2021	2020	*2019*
Expected rate of return on scheme assets	**-**	-	-	-
Rate of increase in salaries	**-**	-	-	-
Pension increases – pre 1/9/07	**3.25%**	3.25%	2.85%	3.20%
Pension increases – post 1/9/07	**2.30%**	2.30%	2.15%	2.25%
Rate of discount	**3.45%**	1.60%	1.35%	2.00%
Inflation	**3.30%**	3.30%	2.90%	3.25%

17. PENSION FUNDS (CONTINUED)

The liabilities are determined using the projected unit method as required by FRS 102, as distinct from the aggregate method used in the triennial actuarial valuation. Under the projected unit method, the current service costs will increase as the members of the Scheme approach retirement. On this basis, the balance sheet figures in respect of the Scheme at 31 July 2022 are as follows:

	2022	*2021*
	£'000	*£'000*
Fair value of Scheme assets	**9,246**	*10,241*
Defined benefit obligation	**(11,202)**	*(14,303)*
Net liability	**(1,956)**	*(4,062)*

Reconciliation of opening and closing Scheme liabilities

	2022	*2021*
	£'000	*£'000*
Opening defined benefit obligation	**14,303**	*14,555*
Interest cost	**225**	*193*
Past service cost	**-**	-
Actuarial (gain) / loss	**(2,840)**	*26*
Estimated benefits paid (net of transfers in)	**(486)**	*(471)*
Closing defined benefit obligation	**11,202**	*14,303*

Reconciliation of opening and closing Scheme assets

Opening fair value of Scheme assets	**10,241**	*8,880*
Interest income	**163**	*119*
Actuarial (loss) / gain	**(1,080)**	*1,305*
Contributions by employer	**408**	*408*
Estimated benefits paid (net of transfers in)	**(486)**	*(471)*
Closing fair value of Scheme assets	**9,246**	*10,241*

The charge to the Statement of Financial Activities over the financial year is as follows:

Operating charge

Past service cost equalisation of ages and GMP	**-**	-
Net interest expense	**62**	*74*
Total operating charge	**62**	*74*

Total other recognised gains and losses

Actuarial gains	**1,760**	*1,279*

17. PENSION FUNDS (CONTINUED)

Amounts for current and previous periods

	31 July 2022 £'000	*31 July 2021 £'000*	*31 July 2020 £'000*	*31 July 2019 £'000*	*31 July 2018 £'000*
Defined benefits obligation	**(11,202)**	*(14,303)*	*(14,555)*	*(13,664)*	*(12,987)*
Scheme assets	**9,246**	*10,241*	*8,880*	*8,412*	*7,623*
Deficit	**(1,956)**	*(4,062)*	*(5,675)*	*(5,252)*	*(5,364)*
Experience adjustments on Scheme liabilities	**(375)**	*(26)*	*(1,120)*	*(448)*	*488*
Experience adjustments on Scheme assets	**(1,080)**	*1,305*	*390*	*706*	*(12)*

The actuary has confirmed that the valuation made above under the requirements of FRS 102 does not indicate that there is an immediate funding requirement or that there is any need to change the current funding rate that was effective from the 2012 actuarial valuation.

The actuary has excluded from both assets and liabilities items which have neutral effect on the Scheme's financial position i.e. additional voluntary contributions, annuities secured in respect of pensions in payment and insurance contracts for death in service benefits.

18. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £'000	Endowed Funds £'000	Restricted Funds £'000	Year ended 31 July 2021 £'000
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Fees receivable	2	**29,602**	**-**	**-**	**29,602**
Foundation income		**484**	**-**	**-**	**484**
Charitable trading income	3b	**68**	**-**	**-**	**68**
Other trading activities					
Income of trading subsidiaries	3a	**1,971**	**-**	**-**	**1,971**
Voluntary sources					
Donations		**161**		**936**	**1,097**
Donation of net assets from Charterhouse Club		**204**	**-**	**-**	**204**
Gift of net assets from Edgeborough Educational Trust		**8,824**	**-**	**-**	**8,824**
Investment and interest income	4a	**235**	**24**	**22**	**281**
Other income	4b	**1,495**	**-**	**-**	**1,495**
Gain on disposal of fixed assets		**860**	**-**	**-**	**860**
Total income and endowments		**43,904**	**24**	**958**	**44,886**
EXPENDITURE ON	5,6				
Raising funds					
Trading subsidiaries		**660**	**-**	**-**	**660**
Financing costs		**1,251**	**-**	**-**	**1,251**
Investment management		**129**	**17**	**15**	**161**
Fundraising		**284**	**-**	**-**	**284**
Total deductible costs		**2,324**	**17**	**15**	**2,356**
Charitable activities					
School and grant making		**29,307**	**-**	**184**	**29,491**
Total expenditure	6	**31,631**	**17**	**199**	**31,847**
Net income from operations		**12,273**	**7**	**759**	**13,039**
Net gain on investment assets	8	**3,287**	**424**	**397**	**4,108**
NET INCOME for the year		**15,560**	**431**	**1,156**	**17,147**
Transfer between funds	14	**205**	**-**	**(205)**	**-**
Actuarial Gain	17	**1,279**	**-**	**-**	**1,279**
Net movement in funds for the year		**17,044**	**431**	**951**	**18,426**
Balances brought forward at 1 August 2020		41,819	2,108	2,582	**46,509**
BALANCES CARRIED FORWARD AT 31 JULY 2021		**58,863**	**2,539**	**3,533**	**64,935**

19. RELATED PARTY TRANSACTIONS

There were no related party transactions during the current or prior year other than those stated in note 3 in relation to the trading subsidiaries.

20. TRANSFER OF ASSETS AND LIABILITIES

Edgeborough Educational Trust

For information in the prior year, on 31 July 2021 Edgeborough School gifted its net assets and operations to Charterhouse. Edgeborough is a co-educational preparatory school for children set in a 50 acres of beautiful countryside outside Farnham in Surrey. The school has around 360 pupils and a gross fee income in the region of £5.2m per annum. The schools share a similar educational philosophy and both will benefit from the combination of outstanding staff and facilities allowing continuity of education throughout a children's primary and secondary education.

The main assets of the Edgeborough (the buildings and land) were valued by Savills in January 2021 and this value has been used. Other assets have been valued at fair value. The details of the assets and liabilities transferred to Charterhouse are as follows:

	Note	Book value	Adjustments	Fair Value
		£'000	£'000	£'000
Tangible fixed Assets	7	**5,713**	**3,010**	**8,723**
Stock		**10**	**-**	**10**
Debtors		**66**	**-**	**66**
Cash at bank and in hand		**931**	**-**	**931**
Creditors		**(906)**	**-**	**(906)**
Total net assets		**5,814**	**3,010**	**8,824**

Fixed Assets have been reviewed for fair value on a line by line basis, in the area of land and buildings and freehold land and building improvements a red book valuation has confirmed the current market value as £8.5m and therefore an adjustment of £3.010m has been made to reflect this. Stock has been reviewed on a line by line basis and is considered resaleable at cost. Debtors are considered to be collectible.

20. TRANSFER OF ASSETS AND LIABILITIES

Charterhouse Club

For information in the prior year, on 31 July 2021 Charterhouse purchased Charterhouse Club for £1 and was gifted its net assets. Charterhouse Club was a charity set up to provide sports facilities to Charterhouse pupils and to the local community. Unfortunately due to financial issues brought on by Covid-19 the trustees of the Club decided to wind-up the charity. This meant releasing the lease of the Queen's Sport Centre to Charterhouse who now run the building and passing the community membership to Charterhouse Enterprises Limited. In this way the aims of the Charterhouse Club will be continued.

The Club had limited assets which have been valued by fair value. The details of the assets and liabilities transferred to Charterhouse are as follows:

	Note	Book Value £'000	Adjustments £'000	Fair value £'000
Fixed Assets	7	**144**	**-**	**144**
Stock		**1**	**-**	**1**
Debtors		**13**	**-**	**13**
Cash and Bank Balances		**94**	**-**	**94**
Creditors		**(177)**	**129**	**(48)**
Total net assets		**75**	**129**	**204**

Fixed Assets have been reviewed for fair value on a line by line basis and considered that the Fair Value is the same as the net book value. Obsolete stock lines were written off during the year and the remaining stock is considered saleable at cost. Debtors are considered to be collectable.

Charterhouse Godalming Surrey GU7 2DX
charterhouse.org.uk

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CHARTERHOUSE SCHOOL

England & Wales - Charity number 312054

Accounts

Charity Number: 312054

GOVERNING BODY OF CHARTERHOUSE SCHOOL REPORT AND ACCOUNTS 31 JULY 2021

GOVERNING BODY OF CHARTERHOUSE SCHOOL
ANNUAL REPORT OF THE GOVERNING BODY (CONTINUED)
YEAR ENDED 31 JULY 2021

Members	Appointed by:
Ms V Tuck MA - Chair [9,7,10]	Governing Body
K Awuku-Asabre [3,7] (Appointed 4 December 2020)	Governing Body
E D A Barnes BA [3,4,7,9,10]	Masters of the School
Ms C L Baldwin MA [4,7]	Governing Body
J N B Bovill BA [1,5] (Resigned 25 June 2021)	Governing Body
Ms C Brown [3,6,10] (Appointed 25 June 2021)	Governing Body
Cllr C M Curran BSc (Resigned 11 October 2020)	Governing Body
Prof V C Emery PhD FSB FAST [1,4,9]	Governing Body
J Goldsmith BSc [5,9]	Sutton's Hospital
The Very Revd.D L Gwilliams BA MA [4, 6]	Governing Body
Dr N Krause MSc PsychD [4]	Governing Body
C W D Macey FCA [2,3,9]	Sutton's Hospital
P Malcolm [1,5]	Governing Body
Ms E Matthews [4] (Resigned 9 July 2021)	Governing Body
J McIlroy [1,9,10] (Appointed 25 June 2021)	Governing Body
J R Olsen BA [1,7,10]	Sutton's Hospital
C H M Oulton MA [3,4,]	Governing Body
A M Reid MA MBA FCA [1, 2]	Governing Body
D J G Royds BSc [1,2,5,9]	Governing Body
M WT Walton [5,8,10] (Appointed 25 June 2021)	Governing Body

[1] Indicates membership of the Finance and Business Development Committee
[2] Indicates membership of the Investment Sub-Committee
[3] Indicates membership of the Audit, Risk, and Compliance Committee
[4] Indicates membership of the Education Committee
[5] Indicates membership of the Projects and Planning Committee
[6] Indicates governor with special responsibility for Safeguarding and Child Protection
[7] Indicates membership of the Nominations and Governance Committee
[8] Indicates governor with special responsibility for Health & Safety
[9] Indicates membership of the Chairs' Committee
[10] Indicates membership of the Edgeborough School Committee

HEAD
Dr A L R Peterken BA, MA, EdD

DIRECTOR OF FINANCE AND STRATEGY
D S Armitage MBE BSc MSc

CLERK TO THE GOVERNING BODY
Ms E Winfield (Resigned 9 March 2021)
Ms A Warburton (Appointed 19 April 2021)

AUDITOR
Crowe U.K. LLP
55 Ludgate Hill
London, EC4M 7JW

BANKERS
Lloyds Bank Plc
49 High Street
Godalming
Surrey, GU7 1AT

SOLICITORS
Farrer & Co
66 Lincoln's Inn Fields
London, WC2A 3LH

INVESTMENT MANAGERS
Veritas Investment Management LLP
90 Long Acre
London, WC2E 9RA

Flagstone Investment Management
1st Floor, Clareville House,
26-27 Oxendon Street,
London, SW1Y 4EL

Vanguard Asset Management Ltd
4th Floor, The Walbrook Building,
25 Walbrook,
London, EC4N 8AF

INSURANCE BROKERS
Marsh Brokers Limited
Capital House
1-5 Perrymount Road
Haywards Heath
West Sussex, RH16 3SY

SCHOOL ADDRESS
Charterhouse
Godalming
Surrey
GU7 2DX

The Governors present their annual report under the Charities Act 2011, together with the audited financial statements, for the year ended 31 July 2021.

REFERENCE AND ADMINISTRATIVE INFORMATION

Reference and administrative information is set out on pages 1 and 2 and forms part of this report. The financial statements comply with current statutory requirements and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP and FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

History and Constitution

Charterhouse was founded in 1611 under the terms of the will of Thomas Sutton who died on 12 December 1611. His bequest provided for the establishment of a school for poor boys and also an alms house for 80 elderly gentlemen, known today as "Sutton's Hospital", on the site of an ancient Carthusian monastery in London.

In 1872 this Foundation was divided in two with Sutton's Hospital remaining in London and the School moving to its present site in Godalming. From that date the School was administered by its own Governing Body which is separate from the Governors of Sutton's Hospital. Following the report of the Clarendon Commission, Charterhouse was one of seven schools to have its constitution regulated by an Act of Parliament, namely The Public Schools Act 1868.

The School is a registered charity, number 312054.

Governing Documents

The School's own Statutes and Regulations are made in accordance with the provisions of the Public Schools Act and its amendments. The Statutes were last amended on 13 December 2017.

Governing Body

The Governors of the School are the Trustees of the charity. Up to 15 governors can be appointed by the School with a further three appointed by the Governors of Sutton's Hospital in Charterhouse and one appointed following a nomination by the teaching staff of the School. Governors, except the Chair, serve a term of up to five years and may, if reappointed by the Governing Body, serve for one further term of up to five years. The Chair may serve the remainder of their term as a governor and then one further term of up to five years if reappointed by the Governing Body.

Recruitment and Training of Governors

New Governors are inducted into the workings of the School by the Head, the Director of Finance and Strategy, and the Clerk to the Governors. Governors also visit the School and observe lessons as well as attend relevant training workshops and presentations.

Members of the Governing Body attend external trustee training and information courses designed to keep them informed and updated on current issues in the sector and regulatory requirements.

Organisational Management

The members of the Governing Body, as the charity trustees, are legally responsible for the overall management and control of the School. They meet at least three times a year to review reports and discuss strategic issues.

Following a governance review, the committee structure is:

- The Finance and Business Development Committee considers financial matters, admissions data, and commercial opportunities.
- The Investment Sub-Committee scrutinises investments, reviews the investment and treasury policies and reports to the Finance and Business Development Committee.
- The Education Committee considers academic, co-curricular and pastoral matters.

- The Projects and Planning Committee considers infrastructure and other development projects.
- The Audit, Risk and Compliance Committee oversees the formal external audit process, reviews the internal risk management matrix, and considers compliance matters.
- The Nominations and Governance Committee reviews the effectiveness and membership of the Governing Body.
- The Chairs' Committee sits prior to the Governing Body meetings to discuss major issues and prepare the agenda for the main meetings.
- Since Year-End, the Edgeborough School Committee has been formed to oversee the educational and pastoral aspects of the preparatory school.
- Governors are also designated as the leads for Safeguarding, Health & Safety, and Boarding.

The Governing Body appoints the Head and the Director of Finance and Strategy according to the Regulations of the School and delegates day-to-day running of the School to them.

The Head, Director of Finance and Strategy, the Senior Deputy Head, the Director of Business Development and External Relations, the Deputy Head (Academic), Deputy Head (Pastoral), and Deputy Head (Pupils and Communities) form the Charterhouse Executive Committee. Since Year End this Committee also includes the Head of Edgeborough School. This Committee oversees strategic and financial matters and reports to the appropriate governor committees. This allows the Senior Leadership Teams of each school to focus on the daily management issues of the school.

Remuneration is set by the Governing Body, with a policy of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success. This also covers members of the key management personnel.

Mindful of the Charity Governance Code, the School continues to review its processes and procedures to ensure the best possible governance. The reorganisation of the committees has worked well as has a new software system for managing board papers. This year governor skills were reviewed and individuals allocated to the appropriate committees. In addition, the governor handbook has been developed providing clear direction on all procedures.

Associated Charities

Sutton's Hospital in Charterhouse (Charity No: 207773) was the charity governing both the School and Sutton's Hospital until the School moved to Godalming in 1872 and is administered by its own Governors. The Governors of Sutton's Hospital in Charterhouse manage the permanent endowment bequeathed by Thomas Sutton and pay over to the School the Moiety; for this last financial year the School received £484,000 (2020: £440,000).

The Carthusian Trust, a Charitable Incorporated Organisation (Charity No: 1171955), provides a permanent fund to promote active participation in the School. The principal aims of the Trust are to assist with financing the school developments and to provide bursaries to enable pupils to complete their education at the School. During the year the Trust provided £82,844 (2020: £84,953). The Carthusian Trust also pays for up to nine Birley scholarships amounting to £8,880 (2020: £8,488).

The Carthusian Society Charitable Fund (Charity No: 1099809) was formed in 1938 with three objects; to provide additional finance for the Old Carthusian Club, to provide amenities for the School which would help enrich experiences, and to foster relations between the School and Old Carthusians.

The Charterhouse War Memorial and Tercentenary Trust (Charity No: 268012) was established to provide grants to help pupils whose parents experience financial hardship to remain at the School until a natural breakpoint. During the year £36,508 (2020 : £38,933) was provided to the School as bursaries.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Object

The charitable object of the School is to advance education by the provision of a boarding and day school for boys and girls. The Governors ensure that this charitable purpose is carried out for public benefit by making education available to all who are sufficiently talented and, where possible, irrespective of financial circumstances.

The Governors confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the general guidance issued by the Charity Commission on public benefit.
The charitable purpose for the School within the meaning of the Act is enshrined within its object, as noted above.

Aims and Intended Impact

The aim at Charterhouse is to equip pupils to lead fulfilled and purposeful lives by providing an all-round education based on the Charterhouse values. Teaching and learning are at the heart of what the School does, although this does not mean achieving only qualifications and passing examinations. A Charterhouse education should endure long after examinations. The School offers a distinctive mix of characteristics that combine to create a certain mindset within young people that equips them to head out confidently and contribute something new to the world.

The School values all pupils as individuals with unique talents and interests, and seeks to instil intellectual curiosity and the ability to learn independently; the skills and attitudes to succeed in a fast-changing, multi-cultural society; a sense of personal values based on compassion, integrity and sound judgement; a commitment to service of others and to society; and spiritual, moral, cultural and aesthetic awareness, which contributes to a balanced and well-informed approach to life.

Objectives for the Year

The School's main objective for the year was to continue to provide education which is demanding and of the highest quality even under Covid-19 restrictions. The current strategy for the School was endorsed by Governors in December 2016. It is ambitious and sees the School expanding and becoming fully co-educational in September 2021. An annual management plan is produced which sets out specific tasks in support of the Strategy.

The objectives for 2020-21 were to:

1. **Continue to provide the highest quality of education possible, including online under Covid-19 restrictions.** This year has been dominated by managing the Covid-19 crisis within government restrictions with online learning only during the LQ (Spring Term) and the cancellation of external examinations. The School facilities were set up in a Covid-safe manner for the start of the year and teaching adapted, where appropriate, to manage in-class, self-isolation, and online learning so that pupils were able to cover the necessary academic work. Building on the experience of CQ (Summer term) 2020, an improved online Charterhouse@Home was available when the School was forced to physically close during the LQ (Spring Term). Despite these disruptions, the School continued to develop its educational offer in readiness for full co-education in September 2021 completing a full review of the Fourths curriculum, introducing greater digital learning, and producing new development plans for all co-curricular departments.

2. **Complete pastoral and curriculum changes in preparation for co-education in September 2021.** Preparation for co-education has been ongoing since 2017 and this year has seen the completion of these plans. This has included a revised academic curriculum and sports provision providing appropriate courses for both girls and boys. Developments have involved teaching and sports facilities, including pedestrianisation of the centre of school, the construction of 4 new netball/tennis courts, improved changing and toilet facilities, and better security systems. Importantly the pastoral structure and systems have been developed to include greater capacity for the increased pupil numbers with more residential staff in each boarding house, a new Director of Wellbeing, the introduction of CPOMS, and the appointment of a new catering contractor. During the year the new Deputy Head (Pupils and Community) has successfully implemented an existing Equality, Diversity and Inclusion

Strategy and developing Pupil Voice. The nationwide focus on "Harmful Sexual Behavours" thanks to the Everyone's Invited website added momentum to further refine the School's education and pastoral procedures as it anticipates full co-education in September 2021. This year the Governors held an extraordinary meeting to ensure that the School was responding appropriately to the issues identified by the Everyone's Invited website.

3. **Complete the construction of two new Boarding Houses.** The two new boarding houses were started in December 2019. While construction has been affected by the Covid-19 crisis they were completed on 3 September 2021 ready for the start of the OQ (Autumn Term) and the start of full co-education. One of the new houses is now Saunderites, a boys' house, which moved from an existing old school building. The old building has now been occupied by Sutton, a girls' house. The other house is Northbrook, a new girls' house. This means the School now has 4 girls' houses and 11 boys' houses with a good spread of girls' and boys' houses across the site. During the year the School announced it would be converting Weekites and Girdlestoneites from boys' to girls' houses, starting in September 2022, to provide a better girl/boy balance across the School.

4. **Complete of a new café in the centre of school.** Previously the School provided house dining. To improve the quality of catering the School moved to central dining for the newer houses in September 2019 though the old houses remained with house dining. To provide the same quality experience the School has been constructing a new café/dining room in the centre of school, off Scholars' Court. This work was started in 2020 and was completed on 13 August 2021. The new facility will provide central dining for Sutton, Verites, Gownboys, and Girdlestoneites as well as be available as a café for all outside formal meal times.

5. **Start the pedestrianisation of the centre of school.** Following the granting of planning permission, the School constructed a new car park on Lessington grounds with a link road from Reception. This work was finished in September 2020 allowing the removal of cars from the centre of school, which has improved health and safety as well as the environment around the teaching facilities.

6. **Refurbish two existing boarding houses and create three new residential facilities.** The School aims to refurbish two existing boarding houses each year. Despite the Covid-19 crisis, the School has undertaken significant work to Sutton and Gownboys, as well as minor improvements to Chetwynd and Fletcherites. In addition, residential tutor flats were created in Sutton, Verites and Robinites. This means all boarding houses now have three residential members of staff.

Principal Activities During the Year

During the year, the School has provided education for 814 (2020: 799) pupils of whom 780 (2020: 774) were boarders and 34 (2020: 25) day pupils. There were 153 (2019: 131) girls in the Sixth Form. Interest in co-education from September 2021 continues to grow with registration numbers exceeding places, which is encouraging for the future plans.

This year has been both challenging, with the Covid-19 crisis continuing to dominate, and exciting with the final preparations for the start of full co-education in September 2021. Preparations for the OQ (Autumn Term) focussed on setting up both teaching and boarding facilities to allow the safe provision of education in line with government guidelines. This included the introduction of "bubbles" in boarding houses and year groups, the reorganisation of teaching and catering facilities to ensure social distancing, and the introduction of one-way systems and additional cleaning regimes. These measures, alongside a strong testing regime and clear self-isolation protocols were very successful and allowed the School to continue to operate up to Christmas with no major disruptions. In January 2021 the School was forced to physically close as part of the Government's lockdown measures and switched to providing education online. Building on lessons learned from last summer, the School moved to an improved Charterhouse@Home, our interactive online learning offer. Once the national lockdown was eased the School returned to on-site education in the CQ (Summer Term) though with continued government restrictions, including weekly LFT testing. Perhaps the biggest challenge this year has been the cancellation of external examinations and the preparation of pupils for internal assessments to provide the best outcomes possible through Teacher Assessed Grades (TAGs). The School followed a

rigorous and fair process involving a large number of staff prior to submission to the appropriate examination boards.

Following on from the initial communications in light of the Black Lives Matter protests, the School had developed an Equality, Diversity and Inclusion Strategy with the aim of actively promoting fundamental British values while standing against all forms of discrimination and developing a culture of inclusion. This strategy included work strands covering curriculum, pastoral care, pupil voice and support areas. Charterhouse, like many schools, has been mentioned in some media and accepts it still has work to do. Therefore, the Senior Leadership Team, with the newly appointed Deputy Head (Pupils and Communities) leading, has further developed its action plan with the active involvement of pupils. The School is committed to reporting on its progress on the inclusion and diversity agenda regularly in the future.

Significant Transactions

In February 2021 the School announced that on 31 July 2021 Charterhouse would be merging with Edgeborough School, a co-educational prep school near Farnham that provides day and boarding education for girls and boys aged 3 to 13. This proposal brings together two high-quality educational establishments to offer an excellent co-educational pathway for children from aged three to University entry whilst also offering financial stability and cost-efficiencies that larger organisations can provide. Following the combination, a single Governing Body is responsible for both schools though each will retain their individual identity, name and ethos.

Since 1994 the Charterhouse Club, a registered charity (10499252) and registered company (02965748), has leased the Queen's Sport Centre from the School to manage the facility and run a membership club. This worked well until the recent decline in membership numbers due to the changing nature of fitness clubs. Unfortunately, the Covid-19 crisis and the Government requirement to close sports centres significantly adversely affected the Club's finances making its long-term future untenable. Therefore, the Charterhouse Club directors decided that winding up was the only option and sold the business to the School on 31 July 2021 for a nominal sum. This meant the relinquishing of the lease, with the School taking on the management of the Queen's Sports Centre and the movement of any letting activities to Charterhouse Enterprises Limited, the School's trading company.

Grant-Making Policy

The School sets aside funds to support means-tested bursaries and scholarships. In particular the School aims to build a bursary fund from various income sources to support future requirements. Bursaries, which range from 10% to 100% of the tuition fees, are offered to parents/guardians of pupils who could not otherwise afford to send their children to Charterhouse, based on a comprehensive assessment of financial need, largely at entry, though some funds are available for parents who suffer financial hardship during the year. These bursaries are re-assessed annually and may change during a pupil's time at the School depending on changes to their financial situation. Scholarships and awards are based on educational ability. Scholarships may be supplemented by bursary support up to the full value of fees in cases of proven financial need. The maximum scholarship value is 10% of the fee.

During the year some 195 (2020: 246) scholarships, bursaries and other awards were made at a total cost of £1.478m (2020: £1.500m); £1.308m (2020: £1.266m) from School funds, £nil (2020: £7k) from designated funds and £184k (2020: £234k) from third party funds. Due to the Covid-19 crisis requests for short-term bursaries increased and these were dealt with by the Governor-led Hardship Sub-Committee.

Volunteers

Alumni, parents and members of the local community assisted and supported the School's educational and cultural activities throughout the year. The Governing Body would like to record its appreciation for this continuing support.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

As stated earlier, activities this year have been significantly affected by the Covid-19 pandemic. This required a number of government enforced restrictions that changed the educational offer of the School.

However, both the staff and pupils have shown great resilience and resourcefulness to ensure that excellent learning and co-curricular activities have continued with much success.

Academic Performance

The pupils at Charterhouse continue to deliver excellent academic performances, though the Covid-19 crisis has made the year extremely challenging for both staff and pupils. With the Government cancelling external examinations for the second year running, staff and pupils had to work hard to produce the appropriate evidence to support the Teacher Assessed Grades (TAGs), a process that was introduced this year. Results were slightly above those seen in recent years, reflecting the ability and commendable application of both pupils and their teachers.

At (I)GCSE, there were 118 candidates and the results this year were very pleasing with 83% at grades 9/8/7 (2020: 79%) and 60% at 9/8 (2020: 55%). All pupils take a minimum of nine (I)GCSEs; 11 pupils gained straight grade 9s, 22% achieved all 9/8, and 44% of the entire cohort achieved all 9/8/7 grades. This year's IB Diploma Programme (IB DP) cohort of 41 pupils achieved some outstanding results with the average points score per candidate being over 38 out of 45, which is the highest average in five years (2020: 36 out of 45); this remains significantly above the worldwide average of 30 points. Three-quarters of all candidates achieved 36 points or more (well above the average score for entry to top Russell Group universities) and 46% of candidates achieved 40 points or more which is a typical benchmark for Oxbridge.

In terms of Pre-U and A Level, results were very good, and better than in recent years with 67% of grades awarded A*-A or equivalent (2020:61%) and 88% awarded A*-B or equivalent (2020:89%). 78 pupils achieved A/A* grades (or Pre-U distinction) in all subjects taken (2020:53); 56 students achieved two or more A* grades and, of those, 25 achieved A*s (or equivalent) in all of their subjects.

Of those leavers who made a university application for 2021 or for deferred entry, 97% gained places at university. Three pupils achieved their offers for Oxbridge entry and a number of pupils have taken up offers to leading American universities including Brown (Ivy League), Boston, UC San Diego, and NYU, as well as other top-flight international universities in Europe.

Arts, Music, Sports and Other Achievements

Music

Despite the unique challenges of the year, there have been many triumphs and innovations, such as the adoption of pre-recordings by staff being sent to pupils who then played or sang to produce multi-track recordings. Individual musicians flourished and many commented on how beneficial it was to receive one-to-one tuition during online learning. Additionally, the chance to practise was the perfect antidote to lockdown. Clearly group musicians were disadvantaged with much bigger challenges; online live performances were not possible but huge effort was made to record a backing track for pupils to follow with mixing of multiple tracks recorded by pupils on various devices. Success in these areas was only possible with significant effort by both pupils and staff. Highlights were the Leavers' Service where huge investment in recording and filming of ensembles and choirs resulted a highly accomplished and professional standard final product.

As pupils and staff adjusted to the Covid restrictions more innovative ways were found to make music despite social distancing and Year Group "bubbles". Throughout the year Chapel services were furnished with recorded music while the Chapel Choir sang in specific year groups and filmed a number of carols for local schools and other organisations within the local community. The use of recordings, video and editing increased significantly during the year resulting in a legacy of developed skills in these areas that will prove a lasting asset.

As restrictions relaxed in the CQ (Sumer Term) there was a flurry of performances from Quarter Concerts, Evening Recitals, and a busy week of concerts in Artifex festival week which illustrated both the determination and enthusiasm of pupils and staff to re-kindle the opportunities for music-making. This ended with a fully-staged performance of Les Misérables in June with a superb professional band augmented by nine pupils who played throughout and learned a huge amount in the process. A number of the cast excelled themselves in lead roles despite never having sung a note before rehearsals started. Despite many setbacks it has been a year where determination and imagination have been in

abundance and the outcome has been enormously profitable. Undoubtedly it will be a year that the pupils never forget.

Art

Prior to the start of the year much work was undertaken to ensure a safe but productive environment for Studio. In addition, methods of teaching were adapted to embrace the opportunities offered by IT as a dynamic learning tool for collaborative working.

This year saw A level Art launched to replace the Pre-U, with the theme of 'Growth'. Pupils were encouraged, where possible, to visit exhibitions including 'Among the Trees' at the Hayward and to make use of the outstanding school grounds for drawing opportunities, with the results exhibited in Studio. During the Black History month in October several classes of Fourths created collage portraits of significant figures in British Black history and thought about issues such as memorialization and who should be given status. Their art was celebrated in a virtual exhibition which was shared with the community.

During the LQ (Spring Term) lockdown the House Art competition, for the first time, challenged the pupils from each house to produce a 2-minute video reflecting the theme of 'Outside In' using collaboration and editing skills to communicate in an original way. For the judging there was a live link up with LA, London and Charterhouse with OCs; media star Luke Millington Drake and film maker Lallie Doyle. In February, the Art scholars launched a virtual exhibition of their work featuring all year groups.

For TAGs, Art was fortunate in having a good range of portfolios to mark during Pre-U and GCSE moderating. While this process was critical, this year also saw a strong physical exhibition by Pre-U pupils. Out of the 18 pupils taking Pre-U Art, 15 are going on to study fine art, design, fashion, or architecture which is a strong testimony to the subject. CQ (Summer Term) also marked the new pop-up recycled outdoors space for sketching, meetings, and outside gatherings. Finally, Artifex saw a range of exciting and educational events such as the graffiti competition, the Theory of Knowledge exhibition in Chapel, and the digital art competition projected in Studio marking the end of a challenging but creative year.

Drama and Dance

Even with restrictions drama and dance continued to thrive throughout the year. The year started with *Lack of Talent*, the house-based competition, which took place without live audiences but performances were filmed to help these fund-raising events. This was followed by the OQ (Autumn Term) play, a series of Shakespeare shorts which took place in year-group bubbles. Despite losing some actors to Covid isolation, the *Dream, Much Ado* and *Twelfth Night* were staged over several nights to a social distanced live audience and it was a joy to see the Theatre in use at last.

A key development this year was the involvement of the West End musical theatre star, Dean Chisnall, in the School as an Actor in Residence. His skills and experience were an invaluable addition and greatly benefitted the pupils. Unsurprisingly the year's focus was the preparation for performing *Les Misérables*. Another development was an official partnership with the Philippa Hogan School of Dance. This offers a range of classes, including Ballet and Musical Theatre Jazz, to pupils and builds on the School's current provision.

Throughout LQ (Spring Term) worked focused on the first ever Theatre Radio plays where a group of pupils and teachers video conferenced each week to record Agatha Christie's *Witness for the Prosecution* for broadcast over the newly-launched 'Charterhouse Radio' waves; another theatrical positive to come out of the pandemic.

CQ (Summer Term) finished with *Les Misérables*. Having started rehearsals in OQ (Autumn Term), the performances should have happened in Spring but this was prevented by the second lockdown. Therefore, the show took place in late June with a reduced audience. Despite everything it was an amazing success with some outstanding performances for our talented pupils.
LAMDA lessons and exams continued through the year with pupils showcasing their monologues online and in the Theatre. This included performances from our first GCSE Drama cohort as well as our A Level groups, and the Under School pupils performed scripted pieces for Artifex.

It is of partial note that one of your leaving girls won a much-coveted place on the three-year Musical Theatre course at London's prestigious Urdang Academy. She was also successful in auditioning for this year's British Youth Music Theatre.

Sport

The year started for the boys with an exciting Inter-House Football Festival run in a Champions League style competition and a Premier League competition style for each year group. Each team played each other in a league format with the top four teams qualifying for the Cup competition and the other four teams entering the Plate competition. This was a huge success which resulted in excellent participation levels as well as exciting competition throughout. For the girls the focus was house competitions based around hockey and fives, though there were also opportunities to take part in fencing, swimming, climbing football and lacrosse. The term also saw the introduction of the Charterhouse Athlete Programme for elite pupils and ended with the Under School pupils taking part in a 5km house event.

Unfortunately, lockdown prevented onsite sports for much of LQ (Spring Term). However, pupils rose to the challenge with various initiatives including the Charterhouse Challenge Cup, with pupils attempting sporting challenges at home and posting the results for all to see, regular HIIT sessions run via Zoom, online hockey masterclasses run by ex-GB captain Dan Fox and virtual netball masterclasses with Lefebre Rademan from London Pulse. Perhaps most interesting was the 3km virtual race against Radley College with 75 pupils and 23 members of staff taking part and Charterhouse ending up as the winners.

Fortunately, pupils returned in CQ (Summer Term) as did school fixtures, though still following Covid-19 guidelines. It was great to hear the sound of pupils playing cricket after so long and the 1st X1 played some good cricket early on against some strong opposition and highlights of the season included close games against Radley and Wellington and wins against Reeds, Bede's and Westminster.

Tennis continued to go from strength to strength with a number of competitive matches across all year groups against a variety of different schools. Alongside this, there were many internal competitions which included various age group school singles, house tennis, the Aryaman Nagpal Trophy and the Family Doubles.

Athletics were allowed and events took place against Tonbridge, Eton and RGS Guildford. The House Athletics proved to be a great success and was enjoyed by pupils, staff and parents.

Golf did continue throughout the year when restrictions allowed ending the year with the competitive matches in the ISGA national finals.

To finish the year our Yr 13 pupils were able to play football fixtures against Westminster and hockey against RGS Guildford. This was a positive end for these pupils who missed out on external sporting fixtures due to the pandemic in the winter months.

Overall it has been an unusual year but it is encouraging to see the pupils and staff involved in sport pulling together to make the best of a challenging situation. It was particularly good to see non-team sports thriving with fives, racquets, badminton, swimming and basketball all proving popular.

Leadership and Outdoor Education

Duke of Edinburgh's (DofE) Award

When allowed DoE took place and the School still managed to get both the previous and current DofE year groups through their assessment. Because of restrictions, the School ran eleven expeditions in nine weeks in CQ (Summer Term). In total there were ninety-eight participants (37 1YS and 61 Fifth Formers) who participated and completed their Silver DofE Award, completing their training and practice expedition in the Surrey Hills, while working hard to complete their volunteering, physical and skill sections at home during lockdown.

44 Sixth Formers also participated and completed their Gold DofE Award. Of those, four 2YS decided to kayak, with paddle training both in the School pool and at Chichester Harbour. Their training

expedition was also at Chichester Harbour due to the COVID-19 restrictions, but we were able to hold their assessment in the Summer Isles, Scotland in July. The others opted to trek and completed their assessment in the Cairngorms, Scotland.

Overall the School is very proud of what these pupils have achieved over the last 15 months during difficult times.

Pioneers

'Pioneers' is a non-uniformed outdoor education programme for pupils in their Removes year who are not members of the CCF. With a return to school in Autumn 2020, the programme resumed with pupils assigned to small groups (six to eight) that engaged in the 'round-robin' programme of activities. These included map and compass skills, navigation, orienteering, team-building tasks, countryside and environmental awareness, first aid, indoor climbing and camp cooking. New for this academic year was a trip to the PGL Outdoor Education centre at Hindhead for a day's teambuilding and adventure activities as part of OQ (Autumn Term) Activities Weekend. This was greatly enjoyed by pupils and a repeat booking has already been made for OQ 2021. The second Covid-19 lockdown meant that much of LQ (Spring Term) was spent away from school, although online information, films, and ideas for outdoors activities was still provided. On return to School, the focus was on preparation for the annual three-day expedition (Camp craft, route planning and outdoor cooking). Fortunately, all our outdoor education expeditions and events were able to go ahead during the final week of CQ (Summer Term), so the Pioneers completed their expedition in fine weather and good spirits.

CCF

In OQ the Contingent trained in year-group bubbles which required additional CCF training afternoons each week with Specialists and Under School meeting at different time. This worked very well and enabled more bespoke Method of Instruction (MOI) training for the older cadets. As a result, they are now qualified and able to deliver lessons to the younger cadets. It is planned to continue this innovation for next year as it allows more ambitious cadets greater opportunities. Unfortunately, planned residential training was not possible during the Autumn Term so the usual programme of the CADSAAM competition, Pringle Competition and Activities Weekend were cancelled.

Despite the lockdown in the LQ (Spring Term), the training programme was maintained online throughout Charterhouse@Home, which enabled the cadets to keep in touch with their cadet training which was much appreciated.

The summer saw as much face-to-face training as possible, which was largely undertaken in bubbles. Planning for residential trips continued with changes as guidance was updated. In the end the Fourths took part in Activity Week, the Army Section summer camp took place at Longmoor, and the Shooting Team competed at Bisley. All proved to be very successful.

In the wider community, the Contingent was invited, for the first time, to 'Raise the Flag' for the Town Council on Armed Forces Day in June and the pupil Head of Army Section did a superb job in representing the School at this event, gaining much praise from the Mayor.

Fundraising

The School has three priorities for donations; bursaries, infrastructure projects, and social responsibility. This year a total of £1.097m (2020: £0.917m) has been donated. This result is not as good as expected largely due to the COVID-19 crisis and the concerns of potential donors, though pledges to the proposed Business Hub and Lecture Theatre have been positive. Overall the Foundation Office raised a total of £0.883m (2019: £0.360m), of which £0.717m (2019: £0.245m) was restricted donations. The restricted gifts were mainly for the Business and Leadership hub and the Wei Music Award.

For this year, the return on investment of the School's fundraising was £3.86 for each £1 spent, based on expenditure of £284k.

All fundraising activities for the School are carried out by our staff with assistance from parents and pupils for specific fundraising events. The School does not use professional fundraisers. All fundraising activities are managed by the Foundation Director and monitored by the Charterhouse Executive Committee.

No complaints relating to fundraising activities have been received by the School during this financial period though there are procedures in the event of a complaint. The School does not currently subscribe to any specific fundraising standards or schemes but considers that it has set appropriate standards for the operations and management of its fundraising activities. In particular the School considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion.

Public Benefit and Community Access

Charterhouse remains committed to the aim of providing public benefit in accordance with its founding principles. The School provided education to 550 pupils who might otherwise have been educated in maintained schools at public expense. However, the School recognises that it has wider responsibilities to the community and to assist in making the education offered at Charterhouse more accessible. This year has seen continued development of the School's public benefit activities to ensure maximum impact. There are four additional elements to the public benefit it provides.

Bursaries

Since its foundation, Charterhouse has embraced its tradition of welcoming able pupils who will benefit from the education provided and the Governors encourage applicants from diverse religious, ethnic and financial backgrounds. Within the funding available, bursaries of up to 100% of fees are available for those who cannot afford the fees, subject to the candidate meeting the School's entrance requirements. The majority of bursaries are made available on entry to the School, either at 13 or 16, though some funding is available for those facing in-year financial hardship. This year also saw the continuation of the governor Hardship Bursary Sub Committee to deal with parents suffering financial hardship due to the Covid-19 crisis and an additional 6 bursaries were provided. The School also continues to be part of the Boarding School Partnership in support of transformational bursaries.

In the year ending 31 July 2021, bursaries totalling £1.314m (2020: £1.224m) were awarded, which is equivalent to 4.5% of the School's fee income. These bursaries are based on parental circumstances, including income and assets. In total 57 pupils benefited from bursaries of which 4 pupils were on 100% bursaries.

The revised public benefit strategy sets out an aim to increase bursary funds via non-fee income streams, such as the Moiety, fundraising, and trading both at home and abroad.

Working with other Educational Providers

The Governors continue to believe strongly in the many benefits of educational partnership with maintained and Academy Trust schools. This year activities have been curtailed by the Covid-19 crisis but the School's relations with other schools have continued to strengthen. For example, thirteen members of teaching and support staff are governors of other schools having a positive impact on over 2500 pupils. One member of staff is chair of governors of a local special school, with some 130 children and young people with Autistic Spectrum Disorder and severe and complex learning difficulties and medical needs. Another has joined the Guildford Diocese Board of Education, contributing to the support of 83 schools and academies across the diocese.

The Broadwater School and Charterhouse partnership has continued in spite of the restrictions which prevented visits to each others' campuses. Useful links were forged between heads of departments at both schools, with a focus on sharing best practice in learning and teaching. The Raising Aspirations programme saw Broadwater's best Year 11 pupils undertake a virtual visit joining a series of lessons, as well gaining advice from the senior academic team on making A Level choices. For next year there are plans to expand a mentoring programme for underperforming Year 11 pupils and for Charterhouse to provide further academic enrichment opportunities to Year 7-9 pupils on Broadwater's gifted and talented register.

The relationship between the Kensington Aldridge Academy and Charterhouse benefitted from technology, with Kensington staff delivering online inset to Charterhouse heads of department and Charterhouse providing additional Physics lessons to Kensington Year 12 pupils. The change in restrictions in the summer also enabled three pupils to visit Charterhouse to make use of the laboratory facilities and equipment.

The School also provided online talks to over 30 maintained and academy sector schools in support of developing life skills and supporting Oxbridge applications. This included societies and committees, such as the Academic Committee (a series of talks by university lecturers), the Law Society (including high profile judges and political leaders), Unity Society (led by the brother of Stephen Lawrence) and Climate Conference (with speakers included the Chief Scientific Advisor to the United Nations' Trillion Tree Campaign), giving a large number of pupils access to inspiring talks and the opportunity to ask questions of people in positions of influence. Oxbridge interview practice was also given by Charterhouse teachers to 40 Year 13 pupils in several maintained schools, colleges and Academies.

In addition to working with UK educational partners, it also retains and develops links with appropriate organisations supporting vulnerable children and young people overseas. This year, two Year 12 pupils established a mentoring relationship with children at King's Orphanage in Lagos, Nigeria which included weekly lessons in a range of required subjects which proved very popular with all. With travel not possible, our links with partner schools have evolved and are likely to remain largely online in the future thereby limiting air travel and any environmental impact.

The School also continued to lead the Guildford Hub of the National Maths and Physics (NMAPS) training course for local teachers, providing expert initial teacher training in these two shortage subjects. Initial teacher training to boost specialist science knowledge of maintained and academy sector teachers continued throughout the pandemic with online delivery of annual residential science courses. The number of Maths trainees supported by Charterhouse subject and professional mentors will double to four in the next year.

Community Access and Engagement

This year the School has revised its procedures for booking facilities to better identify and support public benefit activities with total discounts providing a benefit of around £19k to users. Despite the Covid-19 restrictions, the School has maintained its long-standing relationship with the local community supporting a wide range of activities for children, including Guildford Grove School, Kensington Aldridge Academy, Godalming Junior School, Amesbury and Aldro Prep Schools, Goslings Nursery. These activities enabled children to enjoy physical activity, outdoor space and nature safely during this year of restrictions. Also, a number of local community groups and organisations used School facilities, such as the Godalming & District Chamber of Commerce. This year the School also offered its facilities as a Covid-19 testing and vaccination centre, and for the first time its facilities were used as a polling station for the local elections in May 2021.

Charitable Activity

The School continues to place huge value on its charitable activities. The Covid-19 crisis caused limited disruption to the pupil-led charities work which focussed on fundraising for causes close to the hearts of our community. Our relationship with the Godalming-based epilepsy charity, The Meath, continued with the production of a charity calendar, with 550 sold raising £4,000. The School also supported Show Racism The Red Card, a national charity working through sport to combat all forms of racism, including. 'wear red' on mufti day which proved a great success raising awareness of this important cause. The other major charity supported worked on providing clean water and safe sanitation in some of the poorest parts of the world. Toilet Twinning was chosen with over £1,000 raised. Alongside these efforts were house-based events with Weekites leading the way by raising over £5,000 for The Meath charity.

Next year the School is celebrating its 150-year anniversary in Godalming and the focus will be on local charity fundraising, though that will not preclude one-off events in aid of causes further afield.

Volunteering

Volunteering continues to be highly valued at the School, reflecting as it does our values of responsibility and kindness with at least 70 teaching and support staff involved this year in various activities. In addition, around 250 pupils have been involved in the Duke of Edinburgh Award Scheme, which includes 3-12 months of service. Pupils dedicated 1339 hours to volunteering though Covid restrictions limited activities for much of the year.

Next year the School plans to recommence pupil leadership of co-curricular activities in local schools, including modern languages, music, science, sport, art, coding, English/literacy and Maths/numeracy as well as re-start visits to local care homes for the elderly.

REVIEW OF FINANCIAL ACTIVITIES

This year has been an unusual year with the Covid-19 crisis adversely affecting both school and lettings income but with Charterhouse International delivering a sizeable one-off income and the business combinations with Edgeborough School and Charterhouse Club increasing income and assets significantly.

The School aims to generate a surplus to enhance its facilities and to offer education of the highest quality. This year has been extremely challenging due to the Covid-19 crisis, particularly with the Government national lockdown physically closing all schools in the LQ (Spring Term). For that period the education provision was online and as a result the boarding fees for the spring term were reduced by 20%, significantly reducing fee income. In addition, Government restrictions have prevented a number of commercial activities taking place which also reduced non-fee income. While the School reduced expenditure where possible to mitigate these losses, the overall financial performance has been adversely affected and the School operations made a loss of £1.14m taking into account financing costs. The mitigation included making limited use of the Government's Coronavirus Job Retention Scheme, with the furloughing of a proportion of support staff who were not required while the School was closed in the Spring Term. The use of furlough was strictly limited to non-teaching staff for whom there was no work to do with the School campus closed and all those staff were brought back to School as soon as possible.

For 2020/2021 the School had a target surplus of 7.58% of fees receivable or £660k and achieved 9.39% or £817k (2020: achieved 5.1% and £1.450m).

The Governors of Sutton's Hospital in Charterhouse manage the permanent endowment bequeathed by Thomas Sutton in 1611 and pay over to the School the Moiety. This forms the Foundation income and is applied to the provision of bursaries. For this financial year the School had expected to receive £300k, however these funds did better than expected and as a result the School received £484k (2020: £440k).

The wholly owned subsidiary and trading company, Charterhouse Enterprises Limited, continues to manage the letting and hiring of facilities at the School. For the year ending 31 July 2021 the trading company will make a gift aid payment of £3k (2020: £19k). The gift-aid was reduced because of the Covid-19 crisis not allowing lettings to take place last August and the cancellation of most residential lettings in July 2021. This was unfortunate as this year bookings were the best ever and the School had budgeted for £300k. It is hoped that performance next year will start to return to normal, particularly with the inclusion of the Queen's Sport Centre lettings and membership.

The wholly owned subsidiary company, Charterhouse School Design & Build Limited, is responsible for some major new building projects. December 2019 saw construction start on two new boarding houses and the Company gift-aid was £nil (2020: £nil). This construction is due to be complete in early September 2021 ready for the start of term.

The wholly owned subsidiary and trading company, Charterhouse International Limited, has started to develop our international schools' business. During the year the Company has finalised plans for opening two schools in September 2021; one in Shenzhen, China and one in Kuala Lumpur, Malaysia. This has resulted in a £1.5m one-off payment from our partner and therefore this year the Company gifted-aided £1.261m (2020:Nil). Because of the Covid-19 crisis future revenue from these international schools is likely to be depressed but the Company will now have an annual income stream.

The merger with Edgeborough School took place on 31 July 2021 when all assets and liabilities were transferred at fair value to the Governing Body of Charterhouse School. This has resulted in a one-off gift of £8.824m income with an increase to tangible fixed assets of £8.723m.

The purchase of Charterhouse Club took place on 31 July 2021 for £1. All assets and liabilities were transferred at fair value to the Governing Body of Charterhouse School. This has resulted in a one-off gift of £204k with an increase in tangible assets of £144k.

Total income for the year was £44.886m (2020: £32.188m) up 39%. Income from fees was down £1.3m due to the fees reduction in spring. However, this is offset by the £1.5m one-off payment for the opening of our first international school and the gift of £8.824m net assets from Edgeborough. Expenditure was £31.847m (2020: £31.280m) up 1.8%. Despite savings during the physical closure costs did increase from the previous year due to inflation and higher pupil numbers.

Overall this year, with the mergers with Edgeborough and Charterhouse Club, there is an extraordinary net income from operations of £13.039m (2020: £908k). Despite the Covid-19 crisis, there were net gains on investments of £4.1m (2020: £1.272m) and the pension scheme position also improved with an actuarial gain of £1.279m (2020: loss of £0.730m). This resulted in net movement in funds for the year being £18.426m (2020: £1.450m). Despite the Covid-19 crisis, the result was much better due to the one-off gift from Edgeborough and gains from international schools and investments.

In 2018 the School secured a £35m loan via a 40-year fixed-interest partially amortising private placement. Interest payments have been made this year with the principal instalments to be paid annually beginning 2024 and balancing payment in 2058. These funds were used to repay the Lloyds loan as well as provide funds for the first stage of the new infrastructure master plan. In light of the COVID-19 crisis and loss of income the School also took a £5m Coronavirus Business Interruption Loan to cover any short-term cash flow issues over the next 2-3 years with repayments starting in 2022.

Reserves

The School's unrestricted funds stand at £62.925m (2020: £47.494m) at the year end, and total funds are £64.935m (2020: £46.509m). £62.925m (2020: £47.494m) represents funds deployed as part of the School premises and equipment. Free reserves are unrestricted general funds less the fixed assets deployed for School use. On this basis, the School has no free reserves, (2020:none), due to the long-term investment in buildings (see note 14). The Governors continue to be satisfied that external financial facilities provide an acceptable level of support and the asset base includes property which can be realised to support the schools capital programme, if it should be required. The Governors believe that the conditions for preparing these financial statements on the going concern basis are met and have therefore prepared them accordingly.

The Governing Body normally considers the budget for the new financial year initially in March and finalises it in June. In addition, financial forecasts are produced that estimate incoming funds and expenditure, as well as capital expenditure, providing a clear understanding of its short- and medium-term financial obligations. The Governors' target level of operational liquidity is approximately £5m which would cover up to two months of operating costs. Currently this can be met with available funds from the private placement and the CBIL. If not, then the School would have an overdraft facility to meet this requirement.

Much of the School's estate is not attributed any value in the balance sheet, particularly the Victorian buildings erected when the School moved to Godalming in 1872 and the Memorial Chapel built in 1926 to seat some 800 people (the largest war memorial in England). All these buildings are Grade II listed properties whose costs were written off at time of building.

The Governing Body considers that the going concern basis remains appropriate for the preparation of the School's accounts.

Investments

The Trustees' investment powers are governed by the scheme approved by the Charity Commission on 12 October 1989. The portfolios are managed by investment managers who have been given discretion to manage them, within agreed guidelines, by investing in mainly equities and fixed interest securities. Following the revision to the investment policy in 2019, the School's portfolio is now divided with equity investment with Veritas Investment Management LLP and medium-term investment grade bonds with Vanguard Investments. Advanced fees are invested entirely in bank deposits. The portfolio and its performance is regularly reviewed by the Investment Sub-Committee which reports to the Finance and Business Development Committee.

Pension Scheme

Following the review in 2018, the administration of the Charterhouse Retirement Benefits Scheme is now with First Actuarial. This year has seen a review of the investment strategy and as a result the scheme funds are now invested in Veritas Investment Management LLP, M&G Total Return Credit Investment Fund, a Partnership Group semi-liquid fund and an LDI managed by Legal & General. The triennial review of the Pension Scheme held in 2018 assessed the scheme deficit had reduced and a

new recovery plan was agreed between the School and the Fund Trustees, which maintained school payments at £408k per annum with the aim of clearing the deficit in a shorter timeframe. The next triennial review results are due at the end of 2021.

Capital Expenditure

The School has a significant 250-acre estate to maintain and modernise, as well a number of residential properties for certain teachers and support staff. This requires the setting of priorities and financial plans. It is the policy of the Governing Body, if possible, to provide annually funds of the order of £2m towards investment in equipment and facilities, including the refurbishment of existing buildings.

Work on the School's new infrastructure master plan continues. This year saw the opening of two new netball courts at the Queen's Sport Centre (QSC) and another two at Prom, plus the completion of the first phase of pedestrianisation with the opening of the Lessington Car Park and the removal of all cars from the centre of school. The construction of the two new 64-bed boarding houses was finished in time for the start of the OQ (Autumn Term). This works means the School now has 4 girls' houses and 11 boys' houses, all with three residential members of staff. In addition, the year has seen the completion of the new café in the centre of school and the completion of phase 2 of the Science and Maths major refurbishment project. Planning work has started on the new Creative Art extension and the construction of a car park at the Theatre and QSC.

PRINCIPAL RISKS

The Governing Body is responsible for overseeing the management of risks faced by the School. Detailed consideration of risk management policy and strategy is delegated to the Audit, Risk and Compliance Committee, which is assisted by the Director of Finance and Strategy, and reports back to the Governing Body regularly. The Charterhouse Executive Committee takes responsibility for identifying and managing the operational risks. The key controls in the School include the following:

- Policies and procedures required by law to protect the vulnerable
- Detailed terms of reference for all Committees
- Formal agendas for all Governing Body and Committee meetings
- The creation and ongoing review of a new Development Strategy
- Comprehensive planning, budgeting and management accounting
- Formal written policies
- Schemes of delegation, formal financial regulations, and systems of internal control
- Regular review of activities with lessons learned process
- External auditors review policies and procedures
- Expert advice and support from professional support teams including HR, Estates, Finance, Health and Safety Management, Catering and Domestic services, Admissions and Communications and from qualified and experienced academic staff with dedicated responsibility for safeguarding and pastoral care.

This year the School risk process and risk register has been reviewed a number of times in light of the Covid-19 crisis, not only to cover short-term issues but also to examine the longer-term effects on the education market. These reviews include emergency meetings of Governors to discuss the Covid-19 crisis. The key risks identified were:

1. **Government policies adversely affect international pupil numbers**. The UK Government's handling of the Covid-19 crisis has created significant concern for overseas parents, particularly in the Far East, whether related to health risks or travel restrictions. In addition, BREXIT has made it more difficult for European pupils to study in the UK. Whilst the School has reassured parents on both issues, with practical assistance where possible, there is a strong possibility that demand from overseas pupils will reduce unless these matters are managed properly by the Government.

2. **The economic climate adversely affects affordability and pupil numbers.** Pupil numbers for next year have increased and demand remains strong, despite the Covid-19 crisis significantly affecting the economy and future inflation. In the short term any immediate Covid-19 financial difficulties can be managed with additional bursaries but the economy needs to continue to improve if affordability is not to become an even bigger issue. As a result, the Governing Body feels that it is important to contain fee increases in the future, identify areas for cost-efficiency, as well as develop non-fee income streams, such as international schools.

3. **Adverse publicity affects reputation and our ability to recruit pupils.** While there was much recognition in the traditional media and on social media that independent schools provided very well for their pupils during the pandemic, there was significant adverse publicity related to the climate and culture in some schools, exposed in the Everyone's Invited website. Charterhouse continues to appreciate fully that its reputation is based on the quality of the experience of its current and most recent pupils and maintains vigorously its commitment to the Equality, Diversity and Inclusion Strategy reflecting its declared values of Responsibility, Moral Courage, Perseverance, Open Mindedness and Kindness.

4. **Future governments change the law to remove charitable tax breaks**. The School is committed to improving support to other schools and improving accessibility to the education provided at Charterhouse. While the School believes it is meeting its public benefit requirements with the expansion of its partnerships with state schools, access to the school and bursaries, it is undertaking contingency planning in case of tax changes being introduced.

5. **Increases to Employer Contributions for the Teachers' Pension Scheme (TPS) is a significant concern**. At present the School feels that it is appropriate to remain in the TPS during this key phase in the School's development strategy. However, the School is undertaking contingency planning in case of further changes to the contribution rates.

6. **Failure to address Environmental Issues affects reputation.** The School has developed its own Environmental Strategy this year covering education, biodiversity, energy, healthy living, grounds, transportation and waste/recycling. A number of actions have started, including solar panels on suitable buildings, electric car charging points, and reduced paper usage. However, the School understands this is a critical issue and achieving net zero will not be easy and therefore is continuing to involve pupils and staff in planning so that more can be done.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

FUTURE PLANS

The School's development strategy was endorsed by Governors in December 2016 and has been subject to annual review. It is ambitious and September 2021 sees the start of full co-education and the introduction of girls at 13+. The next phase is to continue to develop the curriculum and facilities over the coming few years as girls move into every year group within the School. With demand outstripping places the future is looking promising though the Governors and Executive are not complacent and therefore expect to continue the positive developments. The key objectives for next year in support of this strategy are:

1. To continue to provide the highest quality co-education possible
2. To develop academic and administrative links with Edgeborough School
3. To celebrate the School's 150th anniversary at Godalming with a year of community actions
4. To develop the School HR strategy including Equality, Diversity and Inclusion (EDI) and remuneration matters
5. To complete the major refurbishment of Science and Maths and the Lecture Theatre by September 2021
6. To start the Creative Arts project.

STATEMENT OF RESPONSIBILITIES OF THE GOVERNING BODY

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

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

Under charity law the Governors must prepare financial statements so that they are satisfied that they give a true and fair view of the state of affairs of the charity and the group and of the group's net incoming / outgoing resources for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group, and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Governing Body

V Tuck MA Chair

Dated: 17th December 2021

Independent Auditor's Report to the Members of the Governing Body of Charterhouse School

Opinion

We have audited the financial statements of the Governing Body of Charterhouse School ('the charity') and its subsidiaries ('the group') for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, the Parent and Charity Balance Sheets, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 31 July 2021 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity/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 charity'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or

- sufficient and proper accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees 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 group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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 charity 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 Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity 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 and General Data Protection Regulation (GDPR).

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 timing of recognition of trading subsidiary income, procurement processes for significant capital projects, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit, Risk & Compliance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Independent Schools Inspectorate, 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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

Date 20 January 2022

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021

	Notes	Unrestricted Funds £'000	Endowed Funds £'000	Restricted Funds £'000	Year ended 31 July 2021 £'000	*Year ended 31 July 2020 £'000*
INCOME AND ENDOWMENTS FROM						
Charitable activities						
Fees receivable	2	**29,602**	**-**	**-**	**29,602**	*28,347*
Foundation income		**484**	**-**	**-**	**484**	*440*
Charitable trading income	3b	**68**	**-**	**-**	**68**	*68*
Other trading activities						
Income of trading subsidiaries	3a	**1,971**	**-**	**-**	**1,971**	*694*
Donations		**161**		**936**	**1,097**	*917*
Donation of net assets from Charterhouse Club	20	**204**	**-**	**-**	**204**	-
Gift of net assets from Edgeborough Educational Trust	20	**8,824**	**-**	**-**	**8,824**	-
Investment and interest income	4a	**235**	**24**	**22**	**281**	*396*
Other income	4b	**1,495**	**-**	**-**	**1,495**	*1,290*
Gain on disposal of fixed assets		**860**	**-**	**-**	**860**	*36*
Total income and endowments		**43,904**	**24**	**958**	**44,886**	*32,188*
EXPENDITURE ON	5,6					
Raising funds						
Trading subsidiaries		**660**	**-**	**-**	**660**	677
Financing costs		**1,251**	**-**	**-**	**1,251**	1,279
Investment management		**129**	**17**	**15**	**161**	140
Fundraising		**284**	**-**	**-**	**284**	346
Total deductible costs		**2,324**	**17**	**15**	**2,356**	2,442
Charitable activities						
School and grant making		**29,307**	**-**	**184**	**29,491**	28,838
Total expenditure	6	**31,631**	**17**	**199**	**31,847**	31,280
Net income from operations		**12,273**	**7**	**759**	**13,039**	908
Net gain on investment assets	8	**3,287**	**424**	**397**	**4,108**	1,272
NET INCOME for the year		**15,560**	**431**	**1,156**	**17,147**	2,180
Transfer between funds	14	**205**	**-**	**(205)**	**-**	-
Actuarial Gain/(Loss)	17	**1,279**	**-**	**-**	**1,279**	(730)
Net movement in funds for the year		**17,044**	**431**	**951**	**18,426**	1,450
Balances brought forward at 1 August 2020		41,819	2,108	2,582	**46,509**	45,059
BALANCES CARRIED FORWARD AT 31 JULY 2021		**58,863**	**2,539**	**3,533**	**64,935**	46,509

The notes on pages 25 to 51 form part of these accounts.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
BALANCE SHEETS
AT 31 JULY 2021

		Consolidated		School	
		2021	*2020*	**2021**	*2020*
		£'000	*£'000*	**£'000**	*£'000*
FIXED ASSETS					
Tangible fixed assets	7	**77,247**	55,275	**77,152**	55,165
Investments	8	**24,402**	20,424	**24,402**	20,424
		101,649	75,699	**101,554**	75,589
CURRENT ASSETS					
Stocks	9	**142**	204	**24**	29
Debtors and prepayments	10	**2,262**	1,766	**3,601**	1,693
Bank and other deposits		**21,092**	21,599	**21,092**	21,599
Cash and bank balances		**2,470**	114	**942**	13
		25,966	23,683	**25,659**	23,334
CREDITORS: amounts falling due within one year	11	**(18,758)**	(11,854)	**(18,360)**	(11,372)
NET CURRENT ASSETS		**7,208**	11,829	**7,299**	11,962
TOTAL ASSETS LESS CURRENT LIABILITIES		**108,857**	87,528	**108,853**	87,551
CREDITORS: amounts falling due after more than one year	12	**(39,860)**	(35,344)	**(39,860)**	(35,344)
NET ASSETS EXCLUDING PENSION FUND LIABILITY		**68,997**	52,184	**68,993**	52,207
Pension fund liability	17	**(4,062)**	(5,675)	**(4,062)**	(5,675)
NET ASSETS	13	**64,935**	46,509	**64,931**	46,532
Total Unrestricted Funds		**62,925**	47,494	**62,921**	47,517
Restricted funds		**3,533**	2,582	**3,533**	2,582
Endowed funds		**2,539**	2,108	**2,539**	2,108
Total Restricted Funds		**6,072**	4,690	**6,072**	4,690
Total Funds before pension liability		**68,997**	52,184	**68,993**	52,207
Pension scheme fund	17	**(4,062)**	(5,675)	**(4,062)**	(5,675)
Total Funds	14	**64,935**	46,509	**64,931**	46,532

The net result for the year dealt within the financial statements of the parent charity was a surplus of £18,402 (2020 surplus £1.4740m).
Approved and authorised for issue by the Governing Body and signed on its behalf by

V TUCK MA
Chair
Dated: 17th December 2021

CWD MACEY FCA
Chair of Audit,Risk and Compliance
Dated: 17th December 2021

The notes on pages 25 to 51 form part of these accounts.

GOVERNING BODY OF CHARTERHOUSE SCHOOL
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £'000	2020 £'000
Net cash flow from operations			
Net cash provided by operating activities	15	**10,488**	*1,237*
Cash flows from investing activities			
Cash from transfer of Edgeborough Educational Trust assets	20	**931**	-
Cash from transfer of Charterhouse Club assets	20	**94**	-
Payments for tangible fixed assets		**(16,261)**	*(9,725)*
Proceeds from sale of property, plant and equipment		**1,347**	*36*
Receipts from sale of investments		**200**	*300*
Investment income and interest received		**50**	*196*
Net cash (used) in investing activities		**(13,639)**	*(9,193)*
Cash flows from financing activities			
Cash inflows from new borrowing		**5,000**	-
Net cash provided by financing activities		**5,000**	-
Change in cash and cash equivalents in the reporting period		**1,849**	*(7,956)*
Cash and cash equivalents at the beginning of the reporting period		**21,713**	*29,669*
Cash and cash equivalents at the end of the reporting period	15	**23,562**	*21,713*

The notes on pages 24 to 51 form part of these accounts.

1. ACCOUNTING POLICIES

Charity Information
The School is a charity registered with the Charity Commission in England and Wales (charity number 312054) and is a Public Benefit Entity operating from its registered office Charterhouse, Godalming, Surrey, GU7 2DX.

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 Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

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

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2015 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The 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 School on a line by line basis with its wholly owned subsidiaries Charterhouse Enterprises Limited, Charterhouse International Limited and Charterhouse Design and Build Limited. No separate SOFA has been presented for the Charity alone.

On 31st July 2021 Edgeborough School gifted its net assets and operations to Charterhouse School please see note 20.

On 31st July 2021 Charterhouse School purchased the Charterhouse Club for £1 and was gifted its net assets please see note 20.

Going concern

In light of the continuing COVID-19 crisis, the Governors have undertaken various scenario planning exercises to ensure that pupils' education can continue at any level of Government restrictions and that expenditure can be managed should income be reduced. In particular, while planning for future infrastructure projects, it would be possible to delay non-essential projects should that prove necessary. There are also current significant cash balances and investments should additional liquidity be required through this period of uncertainty. Given the record numbers of pupils at September 2021 and increase in registrations for future years, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and have prepared the financial statements on the going concern basis.

1. ACCOUNTING POLICIES (CONTINUED)

Critical accounting judgements and key sources of estimation uncertainty

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

The 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, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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

Fee income
Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants.

Donations
Donations subject to specific wishes of the donors are carried to relevant restricted funds.

Foundation Income
Foundation Income is recognised on a cash received basis.

Grant Income
Grant income is recognised where there is evidence of entitlement, the receipt is probable and the amount can be reliably measured. There were no performance related conditions attached to grant income received.

Expenditure
Expenditure is accounted for on an accruals basis. Expenditure and irrecoverable VAT is allocated to expense headings on a direct cost basis except for central costs which are apportioned on the basis of an estimate of time spent on the relevant function. Support costs comprise staff and other costs incurred directly supporting the teaching function and general running of the School.

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. ACCOUNTING POLICIES (CONTINUED)

Pension schemes
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 School. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme. The School operates the Charterhouse Retirement Benefits Scheme for non teaching staff. This Scheme was closed to new entrants on 31 July 2002.

Finance and other costs
Other costs include amounts accrued in accordance with the terms of the Advanced Fee contracts and private placement interest.

School buildings and equipment
All School buildings and houses erected on campus since 1974 together with off campus houses are capitalised. Properties are included at cost and major upgrade and refurbishment expenditure is also capitalised. The cost of pre 1974 school properties are not included in these accounts and the historical nature of these is reported in the Finance section of the Annual Report of the Governing Body (page 14). All IT equipment and software is capitalised. Plant, vehicles and other items of equipment with an individual purchase price of £5,000 or above are also capitalised.

Depreciation
During the year the Governors reconsidered the useful economic life of the major dwelling house refurbishment which has resulted in a change to the estimated lives of these assets and them being written off over an extended time period. Major dwelling house refurbishment will be written off over 25 years rather than 10 years. The depreciation charge has been adjusted to reflect the change in useful economic life which is disclosed in note 7.
Depreciation of assets is provided at the following rates to write off the excess of cost over estimated residual amount evenly over their estimated useful economic lives.

These rates are currently as follows:

School buildings	-	50 years (full year in year of completion)
Dwelling houses	-	50 years (full year from acquisition excluding land)
Dwelling houses refurbishment	-	between 10 and 25 years
Plant and vehicles	-	4 years
IT equipment and software	-	1 to 3 years
Shop fittings and furniture	-	3 to 10 years

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Investments
Investments are shown at their year end market value. Realised and unrealised gains less losses are credited to the Statement of Financial Activities.
Investments in subsidiaries are valued at cost less provision for impairment.

1. ACCOUNTING POLICIES (CONTINUED)

Stocks
Stocks are carried at the lower of cost and estimated selling price.

Fund accounting
The endowed funds of the School are capital funds where normally only the income arising may be applied, in some cases on restricted purposes. Restricted funds have arisen either from restrictions applied by donors or due to the terms of the appeal by which the funds were raised. Designated funds have been set aside by the Trustees for specific purposes.

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 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, deferred income 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.

At the balance sheet date the School held financial assets at fair value through income or expenditure of £24,402 (2020: £20.424m).

2. FEE INCOME

	2021	*2020*
	£'000	*£'000*
Gross fees, including music fees	**30,896**	29,613
Less: Scholarships and bursaries:		
School – scholarships and awards	**(164)**	(276)
– bursaries	**(1,314)**	(1,224)
Fees receivable	**29,418**	28,113
Add back: Bursaries and other awards paid for by restricted funds	**184**	234
	29,602	28,347

3. TRADING INCOME AND EXPENDITURE

a. Subsidiary companies

The School owns 100% of Charterhouse Enterprises Limited (CEL), whose main activities include the operation of the School shop and the letting of buildings and sports grounds, 100% of Charterhouse School Design & Build Limited, whose main activity is major building projects (CSD&BL) and 100% of Charterhouse International Limited (CIL). All companies donate under gift aid their taxable profits to the School. Trading results extracted from their audited accounts are shown below:

	2021 £'000 CIL	**2021 £'000 CSD&BL**	**2021 £'000 CEL**	*2020 £'000 CIL*	*2020 £'000 CSD&BL*	*2020 £'000 CEL*
Turnover	**1,500**	**8,602**	**471**	*2*	*3,295*	*693*
Cost of sales	**-**	**(8,598)**	**(224)**	*-*	*(3,290)*	*(426)*
Gross profit	**1,500**	**4**	**247**	*2*	*5*	*267*
Administration	**(215)**	**(4)**	**(242)**	*(26)*	*(5)*	*(245)*
Interest payable		**-**	**(2)**	*-*	*-*	*(3)*
Profit /(Loss) before taxation	**1,285**	**-**	**3**	*(24)*	*-*	*19*
Taxation	**-**	**-**	**-**	*-*	*-*	*-*
Profit/(Loss) after taxation	**1,285**	**-**	**-**	*(24)*	*-*	*19*
Gift aid to Charterhouse School	**(1,261)**	**-**	**(3)**	-	-	*(19)*
Retained loss b/fwd	**(24)**	**-**	**-**	*-*	*-*	*-*
Loss retained for the financial year	**-**	**-**	**-**	*(24)*	*-*	*-*

The net assets of CEL at 31 July 2021 were £2 (2020: £2) and for CSD&BL were £1 (2020: £1) and net assets for CIL were £1 (2020: (net liabilities £24k).

Income of the trading subsidiaries, amounts to £10.573m (2020: £3.990m) which represents the turnover of CEL of £471k (2020: £693k), the turnover of CSD&BL of £8.602m (2020: £3.295m) and the turnover of CIL of £1.5m (2020: £2k).

During the year, CEL paid the School £154k which included Staff Costs £130k , Rent £20k and Event expenditure £1k (2020:£ 264k) . The School paid CEL £216k which included Pupils Retail invoices £153k and Miscellaneous £63k (2020: £262k). At the year end £10.5k was owed by the School to CEL (2020 £8.9k) and CEL owed the School £219k which included the gift aid due for the year of £3k.

The School paid CSD&BL £8.886m (2020: £2.821k) for New Building work of which £187k was outstanding at the year end (2020 £472k) .

The School paid CIL £nil (2020 £nil). CIL paid CEL £nil (2020 £34). CIL paid the School £180k (2020 £3k). CSD&BL paid the School £17k (2020 £57k).

At the year end CIL owed Charterhouse School £216k which included VAT.

3b. CHARITABLE TRADING INCOME

	2021 £'000	2020 £'000
Premises and equipment rental from Charterhouse Club Limited	**68**	*68*
	68	*68*

4a. INVESTMENT AND INTEREST INCOME

Dividends receivable	**215**	*174*
Interest receivable	**66**	*222*
	281	*396*

4b. OTHER INCOME

Registration fees	**425**	*338*
Surcharge for late payment of school fees	**3**	*13*
Rental income – staff housing	**292**	*259*
Grant income	**430**	*574*
Other	**345**	*106*
	1,495	*1,290*

5. EXPENDITURE

Expenditure includes:

Auditor's remuneration:		
For audit	**32**	*32*
For non-audit	**28**	*8*
Depreciation and amortisation - Charterhouse School	**2,653**	*1,917*
- Charterhouse Enterprises Limited	**15**	*15*
Discounts given on Advanced Fees	**11**	*23*
Operating lease expenditure – hire of vehicles and equipment	**160**	*165*
Total staff costs:		
Salaries and wages	**14,102**	*14,134*
Social security costs	**1,539**	*1,495*
Pension contributions	**2,152**	*2,139*
Other including pension past service costs	**342**	*335*
	18,135	*18,103*

5. EXPENDITURE (CONTINUED)

The average number of full time employees in the year was 226 (2020: 220) and 96 (2020: 100) full time equivalents. Of these:

		2021 No.	2020 No.
Teaching staff	- Full time	**107**	*104*
	- Part time /(full time) equivalent	**19**	*20*
Grounds staff	- Full time	**14**	*15*
	- Part time /(full time) equivalent	**1**	*1*
Maintenance staff	- Full time	**19**	*19*
	Part time /(full time) equivalent	**-**	*1*
Pastoral & Domestic staff	- Full time	**26**	*23*
	Part time /(full time) equivalent	**53**	*53*
Administration & Other	- Full time	**62**	*59*
	Part time /(full time) equivalent	**24**	*25*

The average number of the School's employees during the year calculated on an actual head count basis was 485 (2020: 470).

The number of employees whose emoluments exceeded £60,000 were:

	2021 No.	2020 No.
£60,001 - £70,000	**33**	*25*
£70,001 - £80,000	**17**	*17*
£80,001 - £90,000	**17**	*19*
£90,001 - £100,000	**7**	*6*
£120,001 - £130,000	**1**	*1*
£140,001 - £150,000	**1**	*1*
£170,001 - £180,000	**1**	*1*
£200,001 - £210,000	**1**	*1*

Of those in the bandings shown above, 69 (2020: 61) were members of the Teachers' Pension Scheme a defined benefits pension scheme and 9 (2020: 9) were members of Charterhouse DC Pension Plans, "Defined contribution schemes". There was 0 (2020:1) Opt-Out from TPS. Employer's contributions to the Charterhouse DC Plans were **£444,361** (2020: £433,231).

Neither the Governors nor persons connected with them received any remuneration or other benefits. There were 4 (2020: 5) Governors who were reimbursed travelling expenses of £304 (2020: £3,643) incurred in attending meetings.

Aggregate employee-benefits of key management personnel was **£1,588,822** (2020: £1,480,461). The senior leadership team is seen as the key management personnel.

Termination and redundancy payments were **£44,378** (2020: £53,129) and £36,281 (2020 £nil) were outstanding at year end.

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs £'000	Other £'000	Depreciation £'000	**Total 2021 £'000**	*Total 2020 £'000*
Raising funds					
Trading subsidiaries	-	660	-	**660**	*677*
Financing costs	-	1,251	-	**1,251**	*1,279*
Investment Management	-	161	-	**161**	*140*
Fundraising	240	44	-	**284**	*346*
	240	2,116	-	**2,356**	*2,442*
Charitable activities					
Teaching costs	12,399	880	-	**13,279**	*13,521*
Welfare	1,834	2,848	-	**4,682**	*4,065*
Premises	1,805	3,434	2,130	**7,369**	*6,887*
Support costs	1,857	1,580	524	**3,961**	*4,025*
Grants, awards and prizes	-	190	-	**190**	*234*
Governance costs	-	10	-	**10**	*43*
Charity trading	-	-	-	**-**	*63*
School and grantmaking costs	17,895	8,942	2,654	**29,491**	*28,838*
Total expenditure	18,135	11,058	2,654	**31,847**	*31,280*

7. TANGIBLE FIXED ASSETS

	Freehold Property £'000	Leasehold Property £'000	Plant, Vehicles and Equipment £'000	Total £'000
Consolidated				
Cost:				
At 1 August 2020	*71,010*	*714*	*6,467*	*78,191*
Additions at cost	15,813	-	448	16,261
Transfer of assets from Edgeborough Educational Trust	8,500	-	223	8,723
Transfer of assets from Charterhouse Club		-	144	144
Disposals at cost	(487)	(168)	(13)	(668)
At 31 July 2021	**94,836**	**546**	**7,269**	**102,651**
Depreciation:				
At 1 August 2020	*16,971*	*163*	*5,782*	*22,916*
Provision for the year	2,135	6	527	2,668
Disposals	(139)	(28)	(13)	(180)
At 31 July 2021	**18,967**	**141**	**6,296**	**25,404**
Net book value				
At 31 July 2021	**75,869**	**405**	**973**	**77,247**
At 31 July 2020	*54,039*	*551*	*685*	*55,275*
School				
Cost:				
At 1 August 2020	*71,010*	*714*	*6,116*	*77,840*
Additions at cost	15,813	-	448	16,261
Transfer of assets from Edgeborough Educational Trust	8,500	-	223	8,723
Transfer of assets from Charterhouse Club	-		144	144
Disposals at cost	(487)	(168)	(13)	(668)
At 31 July 2021	**94,836**	**546**	**6,918**	**102,300**
Depreciation:				
At 1 August 2020	*16,971*	*163*	*5,541*	*22,675*
Provision for the year	2,123	6	524	2,653
Disposals	(139)	(28)	(13)	(180)
At 31 July 2021	**18,955**	**141**	**6,052**	**25,148**
Net book value				
At 31 July 2021	**75,881**	**405**	**866**	**77,152**
At 31 July 2020	54,039	551	575	55,165

7. TANGIBLE FIXED ASSETS (Continued)

Prior to 2000 the cost of land and buildings within the curtilage of the School had been written off and not capitalised. In 2000 the cost of buildings constructed since 1974 was reinstated at cost. In addition the School has over the years collected a number of historical assets the value of which cannot be easily ascertained. Included in freehold property are assets in the course of construction totalling £20.686m (2020: £7.418m) which have not been depreciated.

8. INVESTMENTS 2021

	General £'000	Endowed & Restricted Funds £'000	**Total £'000**
Consolidated			
Opening balance			
Investments	15,366	3,836	**19,202**
Cash capital	978	244	**1,222**
At 1 August 2020	16,344	4,080	**20,424**
Reinvested income	185	46	**231**
Amounts extracted	(180)	(20)	**(200)**
Investment management fees	(129)	(32)	**(161)**
Gain	3,287	821	**4,108**
Carried forward at 31 July 2021	19,507	4,895	**24,402**
Closing balance			
Investments	18,558	4,657	**23,215**
Cash capital	949	238	**1,187**
At 31 July 2021	19,507	4,895	**24,402**
Listed Investments			
Fixed Interest			**1,341**
Equities			**18,871**
Alternative Assets			
Bonds			**3,003**
Cash			**1,187**
School Investments			**24,402**
UK			**7,521**
Overseas			**16,881**
			24,402

8. INVESTMENTS 2020

	General £'000	*Endowed, Restricted & Designated Funds £'000*	*Total £'000*
Consolidated			
Opening balance			
Investments	14,052	3,508	**17,560**
Cash capital	1,466	366	**1,832**
At 1 August 2019	15,518	3,874	**19,392**
Reinvested income	160	40	**200**
Amounts extracted	(240)	(60)	**(300)**
Investment management fees	(112)	(28)	**(140)**
Gain	1,018	254	**1,272**
Carried forward at 31 July 2020	16,344	4,080	**20,424**
Closing balance			
Investments	15,366	3,836	**19,202**
Cash capital	978	244	**1,222**
At 31 July 2020	16,344	4,080	**20,424**
Listed Investments			
Fixed Interest			**1,650**
Equities			**14,593**
Alternative Assets			
Bonds			**2,959**
Cash			**1,222**
School Investments			**20,424**
UK			**7,376**
Overseas			**13,048**
			20,424

9. STOCKS

	Consolidated		School	
	2021	*2020*	**2021**	*2020*
		£'000	**£'000**	*£'000*
Catering	**12**	*29*	**12**	29
Retail shop	**118**	*175*	**-**	-
Merchandise	**12**	-	**12**	-
	142	*204*	**24**	29

10. DEBTORS AND PREPAYMENTS

Fees and other pupil expenses	**948**	*545*	**948**	545
Staff mortgages and loans	**5**	*5*	**5**	5
Loans to subsidiary undertaking *	**-**	-	**60**	120
Trade debtors	**107**	*49*	**79**	25
Amounts due from subsidiary companies	**-**	-	**1,696**	216
Prepayments and accrued income	**260**	*99*	**260**	100
Other debtors	**942**	*1,068*	**553**	682
	2,262	*1,766*	**3,601**	1,693

* Interest is charged at 2% above Lloyds base rate and is repayable on reasonable notice. No security is given.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Bank loans	**1,459**	-	**1,459**	-
Taxation and social security	**734**	*746*	**734**	*746*
Trade creditors	**3,026**	*2,470*	**2,983**	*1,507*
Amounts owed to group and associated undertakings	**-**	-	**197**	*481*
Other creditors	**470**	*424*	**470**	*424*
Accruals and deferred income	**5,921**	*3,442*	**5,369**	*3,442*
	11,610	*7,082*	**11,212**	*6,600*
Deposits from parents (note 12a)	**6,406**	*4,239*	**6,406**	*4,239*
Deferred income – fees received in advance (note 12c)	**742**	*533*	**742**	*533*
	18,758	*11,854*	**18,360**	*11,372*

12. CREDITORS: amounts falling due after one year

Bank loans (note 12b)	**38,541**	*35,000*	**38,541**	*35,000*
Advanced fees (note 12c)	**1,319**	*344*	**1,319**	*344*
	39,860	*35,344*	**39,860**	*35,344*

12a. ACCEPTANCE AND OVERSEAS DEPOSITS

Parents are required to pay a deposit on acceptance of a place which is refundable at the end of the pupil's pupillage at the School.

	2021 £'000	*2020 £'000*
Consolidated		
Within 1 year	**6,406**	*4,239*

Pupil Fees Deposits – the total amount held in relation to fee deposits of £6.406m is included above. In the normal course of business the expected repayment of these amounts will be £1.909m (2020: 1.894) within one year and £4.497m (2020: £2.345m) after more than one year.

12b. BANK AND LOAN NOTE DEBT

The School has a £35m partially amortising private placement with a term of 40 years. Principal repayments beginning in 2024 and ending in 2058. The School also has a CBILS loan of £5m with a tenor of 3 years, repayments beginning in 2022.

	2021 £'000	*2020 £'000*
Consolidated		
Within 1 year	**1,459**	-
	1,459	-
Within 2 to 5 years	**4,621**	710
After 5 years	**33,920**	34,290
	38,541	35,000

12c. ADVANCED FEES FUND

Parents may enter into a contract to pay to the School up to the equivalent of five years' School fees in advance. Any proportion of the advanced fee may be repaid to the parents at their request.

	2021 £'000	*2020 £'000*
Within 2 to 5 years	**1,319**	344
Within 1 year	**742**	533
	2,061	877

12C. ADVANCED FEES FUND (CONTINUED)

	2021		2020	
The movements during the year were:	**£'000**	**£'000**	*£'000*	*£'000*
At 1 August 2020		**877**		1,723
Edgeborough (transfer)		**507**		-
New contracts		**1,465**		124
Repayments		**(43)**		(69)
		2,806		1,778
Amounts used to pay fees	**734**		*878*	
Amounts added to value of fees	**11**		23	
		(745)		(901)
At 31 July 2021		**2,061**		877

13. ALLOCATION OF THE NET ASSETS BETWEEN FUNDS 2021

	Tangible fixed assets £'000	Investments £'000	Net current assets £'000	Long term liabilities £'000	Pension fund liability £'000	**Total £'000**
Consolidated:						
General funds	-	19,507	6,031	(25,538)	-	**-**
Designated funds:						
Tangible fixed assets reserve	77,247	-	-	(14,322)	-	**62,925**
Endowed funds	-	2,539	-	-	-	**2,539**
Restricted funds	-	2,356	1,177	-	-	**3,533**
Pension scheme fund	-	-	-	-	(4,062)	**(4,062)**
	77,247	24,402	7,208	(39,860)	(4,062)	**64,935**

ALLOCATION OF THE NET ASSETS BETWEEN FUNDS 2020

	Tangible fixed assets £'000	Investments £'000	Net current assets / (liabilities) £'000	Long term liabilities £'000	Pension fund liability £'000	**Total £'000**
Consolidated:						
General funds	-	16,344	11,219	(27,563)	-	**-**
Designated funds:						
Tangible fixed assets reserve	55,275	-	-	(7,781)	-	**47,494**
Endowed funds	-	2,108	-	-	-	**2,108**
Restricted funds	-	1,972	610	-	-	**2,582**
Pension scheme fund	-	-	-	-	(5,675)	**(5,675)**
	55,275	20,424	11,829	(35,344)	(5,675)	**46,509**

14. FUNDS 2021

	Balance 31 July 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Investment gains / (losses) £'000	**Balance 31 July 2021 £'000**
Undesignated general reserves	-	43,904	(31,965)	(15,226)	3,287	**-**
Designated funds:						
Tangible fixed assets reserve	47,494	-	-	15,431	-	**62,925**
Total unrestricted funds	47,494	43,904	(31,965)	205	3,287	**62,925**
Restricted funds:						
Prizes	467	5	(4)	-	94	**562**
Scholarships and bursaries	1,405	16	(24)	-	283	**1,680**
Other	100	1	(1)	-	20	**120**
Donations other	610	310	(170)	(205)	-	**545**
Donations Business Hub	-	426	-	-	-	**426**
Donations Wei Music Fund	-	200	-	-	-	**200**
	2,582	958	(199)	(205)	397	**3,533**
Endowed funds:						
Prizes	474	5	(5)	-	95	**569**
Scholarships and bursaries	1,553	18	(11)	-	313	**1,873**
Other	81	1	(1)	-	16	**97**
	2,108	24	(17)	-	424	**2,539**
Pension scheme fund	(5,675)	-	334	-	1,279	**(4,062)**
	46,509	44,886	(31,847)	-	5,387	**64,935**

14. *FUNDS 2020*

	Balance 31 July 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Investment gains / (losses) £'000	**Balance 31 July 2020 £'000**
Undesignated general reserves	-	31,264	(31,324)	(958)	1,018	**-**
Designated funds:						
Tangible fixed assets reserve	*46,203*	-	-	1,291	-	**47,494**
Total unrestricted funds	*46,203*	31,264	(31,324)	333	1,018	**47,494**
Restricted funds:						
Prizes	*442*	4	(3)	(5)	29	**467**
Scholarships and bursaries	*1,427*	182	(245)	(53)	94	**1,405**
Other	*94*	-	-	6	-	**100**
Donations	*144*	717	(1)	(250)	-	**610**
	2,107	903	(249)	(302)	123	**2,582**
Endowed funds:						
Prizes	*448*	5	(3)	(5)	29	**474**
Scholarships and bursaries	*1,476*	15	(10)	(25)	97	**1,553**
Other	*77*	1	(1)	(1)	5	**81**
	2,001	21	(14)	(31)	131	**2,108**
Pension scheme fund	*(5,252)*	-	307	-	(730)	**(5,675)**
	45,059	32,188	(31,280)	-	542	**46,509**

14. FUNDS (CONTINUED)

The Tangible Fixed Asset reserve incorporates the Reinstated Property net book value of School buildings erected since 1974 that until 2000 were written off in the year of acquisition.

The restricted prizes, scholarships and bursaries funds are a consolidated fund of numerous individual gifts to provide prizes, scholarships and bursaries to enable pupils to attend the School.

The donations fund includes restricted funds donated in the year for which the expenditure has not yet been incurred. The Wei Music restricted fund is for a bursary for a exceptional musician and the Business hub is for a capital conversion of an existing space at the School.

£205k was transferred between restricted and unrestricted funds during the year to reimburse the unrestricted fund mainly for capital expenditure, scholarships, bursaries and prizes.

The endowed funds arose from legacies received for the permanent benefit of the School and £17k was drawn down during the year mainly for scholarships, bursaries and prizes.

15. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £'000	*2020 £'000*
Net income from operations	**13,039**	908
Investment income and interest received	**(281)**	(396)
Investment manager and cash management fee	**161**	140
Depreciation	**2,668**	1,932
(Gain) on sale of tangible fixed assets	**(860)**	(36)
Gift of Edgeborough Educational Trust assets	**(8,824)**	-
Gift of Charterhouse Club assets	**(204)**	-
Pension scheme net finance costs	**74**	101
Contributions to the Charterhouse Retirement Benefit Scheme	**(408)**	(408)
Decrease in stocks	**72**	69
(Increase) in debtors	**(420)**	(41)
Increase / (Decrease) in creditors	**4,794**	(186)
Increase/(Decrease) in Advance Fee Scheme	**677**	(846)
Net cash inflow from operations	**10,488**	1,237

Analysis of changes in net debt	**1 August 2020 £'000**	**Cash flows £'000**	**31 July 2021 £'000**
Cash in bank	**6,279**	**6,485**	**12,764**
Cash in hand	**114**	**2,356**	**2,470**
Notice deposits	**15,320**	**(6,992)**	**8,328**
Cash and cash equivalents	**21,713**	**1,849**	**23,562**
Bank loans falling due after less than one year	**-**	**1,459**	**1,459**
Bank loans falling due after more than one year	**35,000**	**3,541**	**38,541**
Total borrowings	**35,000**	**5,000**	**40,000**
Net debt	**13,287**	**3,151**	**16,438**

16. COMMITMENTS

Capital Expenditure
During the year the School worked on various projects including a new café and boarding houses and £3.148m at year-end is contracted for but not accrued in respect of these; (2020: £2.603m).

Operating Lease Commitments	**Vehicles & Equipment 2021 £'000**	*2020 £'000*
The future minimum lease payments under non-cancellable operating leases which are all payable as follows:		
Within one year	**181**	*163*
Between two and five years	**58**	*183*

17. PENSION FUNDS

All members of the teaching staff are members of the Government scheme for the teaching profession, to which the school is a contributor. Some of the support staff are deferred members of the Charterhouse Retirement Benefits Scheme, a defined benefits scheme that was closed to new entrants on 31 July 2002. The actuarial valuation at 31 July 2018 indicated that the assets of the fund represented 66% of its liabilities. The position will be kept under review. From 1 August 2002 new members of the support staff were able to join a defined contribution scheme.

Governments Teachers' Pension Defined Benefits Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1.717m (2020: £1.699m) and at the year-end £3k (2020 - £223k) was accrued in respect of contributions to this scheme.

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

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

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

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

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June 2021 on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

17. PENSION FUNDS (CONTINUED)

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

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

The Charterhouse Retirement Benefits Scheme
The School operates a scheme for its non-teaching staff, The Charterhouse Retirement Benefits Scheme, which is a defined benefits scheme. The Scheme is shared with Charterhouse Club Limited. However, the share of assets and liabilities of this organisation are not material to the Scheme. The actuarial valuation does not separately identify the School's share of the underlying assets and liabilities of the Scheme. The Scheme was closed to new entrants on 31 July 2002. From 1 August 2002 new members of the support staff were able to join a defined contribution scheme.

The assets of the Scheme are held separately from those of the School. The Scheme is funded by contributions from the employees and employers.

The most recent formal actuarial valuation of the Scheme was carried out as at 31 July 2018. The following summarises the accrued funding position as at that date on the basis that the Scheme continues to operate as a going concern and is not wound up:

Value of Scheme assets	£ 7,655,000
Value of accrued liabilities	£11,550,000
Shortfall	£ 3,895,000
Funding level	66%

Principal Actuarial Assumptions

- Discount rate after retirement	3.70%
- Discount rate before retirement	3.70%
- Future Retail Price Inflation	3.30%
- Future Consumer Price Inflation	2.50%
- Pension increases (RPI limited to 5%pa)	3.20%
- Pension increases (CPI limited to 3%pa)	2.25%
- Pension increases (RPI limited to 2.5%pa)	2.35%
- Deferred pension revaluation (CPI limited to 5%pa)	2.55%
- Deferred pension revaluation (CPI limited to 2.5%pa)	2.50%

The value of accrued liabilities represented the Scheme Actuary's estimate of the sum required at the date of valuation to meet all future benefit payments in respect of members' service up to 31 July 2018.

17. PENSION FUNDS (CONTINUED)

To eliminate the funding shortfall the Trustees and the School have agreed that the School will pay contributions of £408,000 per annum into the Scheme. These contributions will be used to reduce the funding shortfall. It is expected that the deficit will be entirely cleared by 30 April

2030. The agreed contributions are set out in a Recovery Plan and Schedule of Contributions dated June 2019.

Despite these contributions it is possible that the funding position of the Scheme might not develop as well as expected if the experience of the Scheme subsequent to the valuation date, particularly the investment returns, is unfavourable compared to the actuarial assumptions used for the valuation. Contributions will therefore be subject to review at future actuarial valuations.

The Scheme Actuary certified that, in his opinion, the rates of contributions shown in the Schedule of Contributions dated June 2019 are such that the Statutory Funding Objective could have been expected on 31 July 2018 to be met by 30 April 2030.

As required by legislation, as part of the formal valuation of the Scheme, the Scheme Actuary also estimated what the funding position would have been if the Scheme had been wound up as at 31 July 2018. The following summarises that position:

Value of Scheme assets	£7,655,000
Value of winding up liabilities	£15,191,000
Shortfall	£7,536,000
Solvency level	50%

The shortfall is an estimate of the additional sum that the School would have needed to pay to an insurance company to secure all members' benefits in full had the Scheme been wound up on 31 July 2018. Providing "winding up" information is a formal legal requirement and does not imply that the School is considering winding up the Scheme.

There has not been any payment to the School out of Scheme funds.

The allocation of fund assets is as follows:

		Allocation of fund assets		
Asset class	**31 July 2021**	31 July 2020	*31 July 2019*	*31 July 2018*
Equities	**54%**	40%	*32%*	*46%*
Bonds	**30%**	44%	*34%*	*32%*
Semi –liquid investments	**15%**	15%	-	-
Cash and cash alternatives	**1%**	1%	*34%*	*22%*

The assets of the Scheme have been included at market value and the liabilities under the FRS102 measure have been calculated using the following actuarial assumptions:

	2021	2020	2019	*2018*
Expected rate of return on scheme assets	-	-	-	-
Rate of increase in salaries	-	-	-	-
Pension increases – pre 1/9/07	**3.25%**	2.85%	3.20%	3.00%
Pension increases – post 1/9/07	**2.30%**	2.15%	2.25%	2.30%
Rate of discount	**1.60%**	1.35%	2.00%	2.70%
Inflation	**3.30%**	2.90%	3.25%	3.10%

17. PENSION FUNDS (CONTINUED)

The liabilities are determined using the projected unit method as required by FRS 102, as distinct from the aggregate method used in the triennial actuarial valuation. Under the projected unit method, the current service costs will increase as the members of the Scheme approach retirement. On this basis, the balance sheet figures in respect of the Scheme at 31 July 2021 are as follows:

	2021	*2020*
	£'000	*£'000*
Fair value of Scheme assets	**10,241**	*8,880*
Defined benefit obligation	**(14,303)**	*(14,555)*
Net liability	**(4,062)**	*(5,675)*

Reconciliation of opening and closing Scheme liabilities

	2021	*2020*
	£'000	*£'000*
Opening defined benefit obligation	**14,555**	*13,664*
Interest cost	**193**	268
Past service cost	**-**	-
Actuarial loss	**26**	1,120
Estimated benefits paid (net of transfers in)	**(471)**	(497)
Closing defined benefit obligation	**14,303**	14,555

Reconciliation of opening and closing Scheme assets

Opening fair value of Scheme assets	**8,880**	8,412
Interest income	**119**	167
Actuarial gain	**1,305**	390
Contributions by employer	**408**	408
Estimated benefits paid (net of transfers in)	**(471)**	(497)
Closing fair value of Scheme assets	**10,241**	8,880

The charge to the Statement of Financial Activities over the financial year is as follows:

Operating charge

Past service cost equalisation of ages and GMP	**-**	-
Net interest expense	**74**	101
Total operating charge	**74**	101
Total other recognised gains and losses		
Actuarial (losses) / gains	**1,279**	(730)

17. PENSION FUNDS (CONTINUED)

Amounts for current and previous periods

	31 July 2021 £'000	*31 July 2020 £'000*	*31 July 2019 £'000*	*31 July 2018 £'000*	*31 July 2017 £'000*
Defined benefits obligation	**(14,303)**	(14,555)	*(13,664)*	*(12,987)*	*(13,697)*
Scheme assets	**10,241**	8,880	*8,412*	*7,623*	*7,605*
Deficit	**(4,062)**	(5,675)	*(5,252)*	*(5,364)*	*(6,092)*
Experience adjustments on Scheme liabilities	**(26)**	(1,120)	*(448)*	*488*	*(268)*
Experience adjustments on Scheme assets	**1,305**	390	*706*	*(12)*	*(311)*

The actuary has confirmed that the valuation made above under the requirements of FRS 102 does not indicate that there is an immediate funding requirement or that there is any need to change the current funding rate that was effective from the 2012 actuarial valuation.

The actuary has excluded from both assets and liabilities items which have neutral effect on the Scheme's financial position i.e. additional voluntary contributions, annuities secured in respect of pensions in payment and insurance contracts for death in service benefits.

18. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £'000	Endowed Funds £'000	Restricted Funds £'000	Year ended 31 July 2020 £'000
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Fees receivable	2	28,347	-	-	28,347
Foundation income		440	-	-	440
Charitable trading income	3b	68	-	-	68
Other trading activities					
Income of trading subsidiaries	3a	694	-	-	694
Voluntary sources					
Donations		33	-	884	917
Investment and interest income	4a	356	21	19	396
Other income	4b	1,290	-	-	1,290
Gain on disposal of fixed assets		36	-	-	36
Total income and endowments		31,264	21	903	32,188
EXPENDITURE ON	5,6				
Raising funds					
Trading subsidiaries		677	-	-	677
Financing costs		1,279	-	-	1,279
Investment management		112	14	14	140
Fundraising		345	-	1	346
Total deductible costs		2,413	14	15	2,442
Charitable activities					
School and grant making		28,604	-	234	28,838
Total expenditure	6	31,017	14	249	31,280
Net income from operations		247	7	654	908
Net gain on investment assets	8	1,018	131	123	1,272
NET INCOME for the year		1,265	138	777	2,180
Transfer between funds	14	333	(31)	(302)	-
Actuarial (Loss) /Gain	17	(730)	-	-	(730)
Net movement in funds for the year		868	107	475	1,450
Balances brought forward at 1 August 2019		40,951	2,001	2,107	45,059
BALANCES CARRIED FORWARD AT 31 JULY 2020		41,819	2,108	2,582	46,509

19. RELATED PARTY TRANSACTIONS

There were no related party transactions during the current or prior year other than those stated in note 3 in relation to the trading subsidiaries.

20. TRANSFER OF ASSETS AND LIABILITIES

Edgeborough Educational Trust

On 31 July 2021 Edgeborough School gifted its net assets and operations to Charterhouse. Edgeborough is a co-educational preparatory school for children set in a 50 acres of beautiful countryside outside Farnham in Surrey. The school has around 360 pupils and a gross fee income in the region of £5.2m per annum. The schools share a similar educational philosophy and both will benefit from the combination of outstanding staff and facilities allowing continuity of education throughout a children's primary and secondary education.

The main assets of the Edgeborough (the buildings and land) were valued by Savills in January 2021 and this value has been used. Other assets have been valued at fair value. The details of the assets and liabilities transferred to Charterhouse are as follows:

	Note	Book value £'000	Adjustments £'000	Fair Value £'000
Tangible fixed Assets	7	**5,713**	**3,010**	**8,723**
Stock		**10**	**-**	**10**
Debtors		**66**	**-**	**66**
Cash at bank and in hand		**931**	**-**	**931**
Creditors		**(906)**	**-**	**(906)**
Total net assets		**5,814**	**3,010**	**8,824**

Fixed Assets have been reviewed for fair value on a line by line basis, in the area of land and buildings and freehold land and building improvements a red book valuation has confirmed the current market value as £8.5m and therefore an adjustment of £3.010m has been made to reflect this. Stock has been reviewed on a line by line basis and is considered resaleable at cost. Debtors are considered to be collectible.

20. TRANSFER OF ASSETS AND LIABILITIES

Charterhouse Club

On 31 July 2021 Charterhouse purchased Charterhouse Club for £1 and was gifted its net assets. Charterhouse Club was a charity set up to provide sports facilities to Charterhouse pupils and to the local community. Unfortunately due to financial issues brought on by Covid-19 the trustees of the Club decided to wind-up the charity. This meant releasing the lease of the Queen's Sport Centre to Charterhouse who now run the building and passing the community membership to Charterhouse Enterprises Limited. In this way the aims of the Charterhouse Club will be continued.

The Club had limited assets which have been valued by fair value. The details of the assets and liabilities transferred to Charterhouse are as follows:

	Note	Book Value £'000	Adjustments £'000	Fair value £'000
Fixed Assets	7	144	-	144
Stock		1	-	1
Debtors		13	-	13
Cash and Bank Balances		94	-	94
Creditors		(177)	129	(48)
Total net assets		75	129	204

Fixed Assets have been reviewed for fair value on a line by line basis and considered that the Fair Value is the same as the net book value. Obsolete stock lines were written off during the year and the remaining stock is considered saleable at cost. Debtors are considered to be collectable.