

EDUCATIONAL OPPORTUNITY FOUNDATION

England & Wales · Charity number 314286

Details

Other names THE BRITISH AND FOREIGN SCHOOL SOCIETY

Status Registered

Legal form Other

Registered 1964-04-06

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

Contact

Address Canopi
82 Tanner Street
London
SE1 3GN

Phone 07356007655

Website educationalopportunity.org.uk

Activities

Objects: TO ADVANCE EDUCATION FOR THE BENEFIT OF THE PUBLIC IN PARTICULAR BY PROVIDING EDUCATIONAL OPPORTUNITY FOR CHILDREN AND YOUNG PEOPLE IN THE UK AND OVERSEAS, IN ACCORDANCE WITH THE ABOVE PRINCIPLES AND OBJECTS, IT IS ACKNOWLEDGED THAT THE AIM OF THE SOCIETY HAS CONSTANTLY BEEN TO DEVELOP THE THE PHYSICAL, MORAL AND MENTAL NATURE OF THE PUPILS HISTORICALLY IN ITS OWN SCHOOLS AND COLLEGES BY GIVING THE BEST SECULAR INSTRUCTION AND TRAINING, BY USING THE HOLY SCRIPTURES WITHOUT ANY CATECHISM OR FORMERLY DISTINCTIVE OF ANY RELIGIOUS DENOMINATION, AND MORE RECENTLY IN OTHER WAYS AND IN OTHER EDUCATIONAL ESTABLISHMENTS.

Activities: The Foundation seeks to enhance the lives of people throughout the world by promoting the advancement of opportunity for education, that is the physical, intellectual, moral, religious and spiritual development of the whole person regardless of ethnicity, nationality or religious belief. It makes grants for educational projects principally to organisations and institutions.

Classification

- **How:** Makes Grants To Organisations
- **What:** Education/training
- **Who:** Children/young People, Other Charities Or Voluntary Bodies

Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£625,565	£1,710,089	£26,376,800	4
2023-12-31	£620,437	£1,614,538	£25,455,989	5
2022-12-31	£679,665	£1,336,955	£24,870,741	4
2021-12-31	£649,678	£1,142,258	£29,566,992	3
2020-12-31	£647,027	£1,011,317	£26,920,571	3

Trustees

Name	Role	Appointed
JANE CREASY	Chair	2017-05-18
Annette Foster		2026-05-19
Anood Al-Samerai		2021-05-14
Charlotte Cashman		2019-05-17
David Crowther		2023-05-12
Janice Miller		2020-07-01
Jeanette Brady		2024-05-07
Kerry Dinnie		2025-05-13
Nicholas Tesseyman		2023-05-12
Richard Thurston		2026-05-19
Robert Spencer		2024-05-07
Saurav Tamang		2025-05-13

Linked charities

- SAFFRON WALDEN GOVERNORS' FUND (314286-1)
- THE WILMSLOW BRITISH SCHOOL ENDOWMENT FUND (314286-2)
- THE ALFRED BOURNE TRUST FUND (314286-3)
- THE BRITISH SCHOOL CHARITY (314286-4)
- SOUTH CHURCH EDUCATIONAL FUND (314286-5)
- BERRIDGE TRUST FUND (314286-6)

EDUCATIONAL OPPORTUNITY FOUNDATION

England & Wales - Charity number 314286

Accounts



**Educational Opportunity
Foundation**

IMPROVING LIFE CHANCES WORLDWIDE SINCE 1808

Educational Opportunity Foundation



ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2024

Annual Report and Financial Statements for the year ended 31 December 2024

Educational Opportunity Foundation

Established 1808 – Incorporated by Royal Charter 1906

The Two Hundred and Eighteenth Report

Educational Opportunity Foundation

PRESIDENT

The Rt Hon the Baroness Morris of Yardley

VICE-PRESIDENT

Emeritus Professor John Furlong OBE

COUNCILLORS

Chair of Council

Jane Creasy

Vice-Chair of Council

Professor Joy Palmer Cooper (until May 2024)

Charlotte Cashman (from May 2024)

Treasurer

David Baron (until May 2024)

Robert Spencer (from May 2024)

Suela Aksoy

Anood Al-Samerai

Jeanette Brady (from May 2024)

David Crowther

Davinder Dosanjh (from May 2024)

Alex McDonald (from May 2024)

Janice Miller

Nicholas Tesseyman

VOLUNTEER INVESTMENT ADVISER

Ian Richley

Director and principal office address:

Joanne Knight

Canopi, 82 Tanner Street, London SE1 3GN

Website: educationalopportunity.org.uk

Registered charity no: 314286

The Council of Educational Opportunity Foundation presents its report along with the financial statements of Educational Opportunity Foundation and the other charitable trusts for which the Foundation is responsible, for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in the Notes to the Financial Statements below and comply with Educational Opportunity Foundation's Charter and applicable law.

Cover photo courtesy of CodeBrave:
schoolchildren enjoy coding and
robotics lessons in Lebanon

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Message from our Chair

I hope you will find this annual report both informative and interesting. It reflects a year with considerable activity in a context which is perhaps the most complex and challenging that most of us can remember.

In this report, you will read of some of the achievements of the year and particularly examples of positive impacts of our grant-giving. It is heartening to read of how much our Grant Partners are achieving for children and young people, sometimes in the most inhospitable conditions. The climate crisis and conflict both feature as strong themes. Taken together, the challenges they present to educators across the globe, now and in the future, make our work ever more important, albeit more challenging.

The Trustee Strategy Day this year focused on how climate-induced crises were affecting some of our Grant Partners, in order to help us think about how our strategy can make a positive contribution. It was sobering and inspiring to learn from some of the case studies, and we are resolute in continuing to strive for a

On the left:

Photo courtesy of Mwezi Foundation:

a girl with a solar light which enables pupils to complete homework on dark evenings

better future through education for the young people we support and the planet they will inhabit. This includes ensuring the management of our investment funds follows ethical and environmentally-sustainable principles.

We had some major change on the Trustee board in 2024, as the Treasurer, David Baron, and the Chair of Grants Committee and Vice-Chair of the Board, Joy Palmer-Cooper, reached the end of their terms of office. David had served six years and Joy eight years, and had both brought extraordinary commitment, wisdom and clarity of purpose to our work. On a personal note, I would like to record my sincere thanks to both of them for the generous way in which they supported me in my first year as Chair; they made the world of difference. The Foundation as a whole owes them an enormous debt of gratitude: Joy's annual reviews of our work were exceptionally helpful; as was David's meticulous oversight of our financial affairs.

I was delighted, therefore, when we were able to secure the services of Trustee Charlotte Cashman as Vice-Chair and Chair of Grants, and new Trustee Robert Spencer as our Treasurer. They bring exceptional experience and expertise to their roles, as well as marvellous personal qualities. We are indeed lucky to have them. We also welcomed three new Trustees, Jeanette Brady, Davinder Dosanjh, and Alex McDonald, all of whom are bringing extremely valuable perspectives and levels of commitment.

Finally, I would like to express my admiration of and gratitude to our Grant Partners, who are doing such important work. I would also like to thank all the Trustees and small team of staff who, under Jo Knight's leadership, ensure that our contribution to educational opportunity for young people from some of the most marginalised communities is as significant as it can possibly be. Together we are helping to enable skilled professionals around the world to transform lives.

Jane Creasy

Chair of Educational
Opportunity Foundation



1 Our values: reflecting past and present

During our first year under our new name in 2024, our values and heritage remained more relevant than ever.

It was these values that inspired us to transition from the British and Foreign School Society to the Educational Opportunity Foundation, a name that more accurately reflects our commitment to inclusivity and our belief in equality of opportunity.





Since the early 19th century, we have been dedicated to expanding access to education. Rooted in Joseph Lancaster’s monitorial system, the British and Foreign School Society ran charitable schools where older students, known as monitors, taught younger pupils. This system considerably reduced the cost of teacher salaries and minimised the financial barrier to providing mass education for all. Today, we continue this mission through our grant giving programme, supporting inclusive and effective learning, teacher training, and the sharing of best practice from across the UK and worldwide.

We can no longer overlook the growing evidence that climate change is severely impacting the education and future prospects of millions of young people globally. Advancing our vision of educational opportunity for all now requires us to ensure we are playing our part in addressing environmental challenges. Our values were revised in 2024 and are now firmly grounded in the need to consider environmental responsibility in everything we do.

Our values:

We believe in the right of children and young people to be able to access high-quality education as a driver for personal development, wellbeing, and equality of opportunity. Building on the heritage of the British and Foreign School Society, we value effective teaching and learning, and the sharing of good practice. We are committed to inclusivity, integrity, environmental responsibility and to valuing and respecting others in everything we do.

On the left:

Photo courtesy of Child Rescue Nepal:
parents awareness programme

On the right:

Photo courtesy of EdUKaid:
a young man writing in class Tanzania

To the right:
Photo courtesy of Sub-Saharan Advisory Panel:
carer with a pupil at
school in Uganda

2 Highlights of 2024

- We changed our name to **Educational Opportunity Foundation** to better reflect our vision and commitment to inclusivity.
- **Another year with a high grant spend:** £746,515 awarded to 17 new main fund projects with a record £1,400,731 paid to new and ongoing grants from restricted and unrestricted funds.
- Our **first full year working to our new main fund UK grant priorities**, which now only focus on projects supporting care experienced young people.
- **Conducted an analysis of our grant giving since 2019 to identify how climate change is affecting the delivery of our projects** (mostly international), and how organisations are mitigating against these changes and working to prevent further climate harm. This provided evidence for our decision-making on how to ensure our grant giving and other activities are underpinned by the need to consider environmental responsibility in the future.
- **We moved our everyday banking to a 'green' bank** and selected new investment managers to move to in 2025 to ensure our funds are always working to protect the environment while generating maximum financial support for our work.



Our year in numbers

Shared learning



179

Members

Grant giving

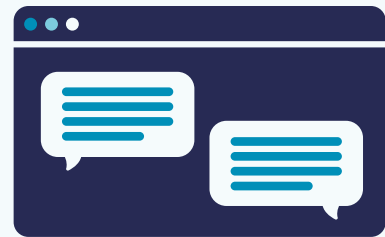


Project grants
(from unrestricted funds)

£746,515

awarded to

17 projects



170

Online Forum participants



51

Delegates attended our
Grants Workshop

16,245
Young people
supported

500
Displaced young
people supported

869
Educational
professionals
supported

5,793
Girls supported
in projects
exclusively for girls



3

Newsletters shared
with Members

3 Shared learning

Our 2024 Grants Workshop once again proved to be an important opportunity to discuss challenges and learn from each other, and focused on successful ways charities have responded to change. Lara McIvor of Seenaryo shared insights from their teacher training project for refugee communities and how they adapted when conflict in south Lebanon led to school closures. Discussions which followed showed that some issues came up repeatedly as challenges to navigate including staff changes, finances and shifting power. Members and Grant Partners also networked and discussed their work with others.

After hearing from several new CEOs about the challenges they faced at the Grants Workshop, we set up a CEO Network on WhatsApp. Here CEOs, new and experienced, can post questions and share insights. It has made a great start with much sharing of practical tips and support. We also surveyed Members as part of a review into our Online Forum and found most tend to visit after events when we share presentations and discussion notes. Many reported the Forum enables them to learn from others well or very well; and half that it helps them to engage with our work.

Brunel University maintains our extensive Archives, which offer an opportunity to learn from our history. It is probably the most important collection in the world on 19th-century elementary education and teacher training, and in 2024 continued to receive enquiries from around the world.

Above:

Photo courtesy of Child Rescue Nepal:
group work during teacher training



4 Our grant giving

Grant giving to other charities to support projects which maximise educational opportunity for children and young people in the UK and internationally is our core activity and means of delivering public benefit. We adopt a grant funding approach that favours small-to-medium charities with an annual income of less than £2.5 million.

4.1 Main Fund

It has been another year of exceptional quality applications from charities and we are delighted to have funded 17 new projects, awarding a total of £746,515 to a broad range of organisations who are new to us or are trusted Grant Partners, having already successfully completed grants with us.

The variety of projects that we have funded in 2024 has been thematically broad, including projects which focus on early years, disability, displaced young people, libraries, school buildings and training for teachers and other staff, and community-based numeracy interventions. This includes Hub Heroes which brings literacy and numeracy education to out-of-school children in refugee settlements in Uganda (Hello World) and a screening project for 2,400 early years children in Ghana to identify young children with disabilities or special educational needs at an early age, in order to ensure that they get support to access education and thrive in school (Chance for Childhood).

Teacher training remains a significant focus for many projects which we fund. This has included a three-year programme to support school leaders in Cambodia to embed a learning culture and deepen impact (See Beyond



Above:

Photo courtesy of EdUKaid:
craftwork in class in rural Tanzania.

Borders) and a project in Nepal which aims to work with local governments and 20 schools to strengthen existing structures and develop school improvement plans (International Nepal Fellowship).

Internationally we have continued to focus on displaced young people throughout 2024: we funded projects including accelerated learning for persecuted Yazidi young people in Iraq which enables them to pass their exams and gain accredited qualifications, which are key to a positive future (Mosaic Middle East). In Thailand, we supported a project that provides mobile education to migrant children who are often transient and unable to receive continuous education; this project pilots a model where educational staff meet the children in various locations and provide continuity as they travel to meet them (Safe Child Thailand).

Another focus area has been girls' education. This has included supporting schools to create a welcoming and supporting environment for child mothers and sexual violence survivors in Uganda (Awamu) and providing gender appropriate sanitation facilities alongside reusable sanitary products in Tanzania (Made with Hope).

In the UK we have partnered with Hull FC Rugby Community Sports and Education Foundation for the third time as they continue to reach care experienced young people aged 16-18 through the medium of sport, using this as a catalyst to complete accredited qualifications in employability and functional skills. Acknowledging that the issues that care experienced young people face within the education system are extremely complex, we also funded an online project focusing on supporting adoptive families and carers to understand the educational rights of their young people, helping them to navigate the system and advocate for those in their care (We Are Family).

Climate Crisis: Impact on Grant Partners and their response

We conducted a review of 92 grants awarded between 2020 and 2024 across 24 countries to determine the impact of the Climate Crisis on Grant Partners and the work that they are doing in addressing this. The evidence demonstrated a direct impact on young people's education: extreme temperatures making it impossible for children to focus and causing school closures; flooding, landslides and droughts leading to student displacement, inaccessible schools and power cuts; cyclones causing mass destruction of educational buildings; and cholera epidemics leading to further school closures.

Over half of our Grant Partners were being proactive in responding to the Climate Crisis, often adapting their projects in response to climate changes as well as building in resilience to mitigate further harm. Some of the areas which we can learn from and invest further in include teacher training on climate awareness, environmentally responsible vocational training and investing in the green economy, sustainable construction and empowering young people as agents of change.

To reflect on this learning, we will be increasing the environmental lens to our grant making priorities and policies in order to support the critical goal of enabling more young people to access quality education despite the growing challenges caused by climate change.

Below:
Photo reproduced under Creative Commons licence 1.0:
bush fire in Malaysia.



Aims of our grants

UK

Improve access to educational opportunity – including support for care experienced young people to attend and engage in mainstream school life; increasing the number of education professionals able to understand their needs; equipping carers to understand the education system and support and advocate for the young people in their care, engaging with trauma-informed support; improving access to out of school support and educational activities.

Improve educational outcomes – including enabling care experienced young people to learn in ways that works for them; supporting a broad range of activities that develop confidence and mental health in order to improve educational outcomes.

Improve life chances – including improving support for care experienced young people (aged 16–25) to access further education, employment or training opportunities and improving support for them to remain engaged with these opportunities.

International

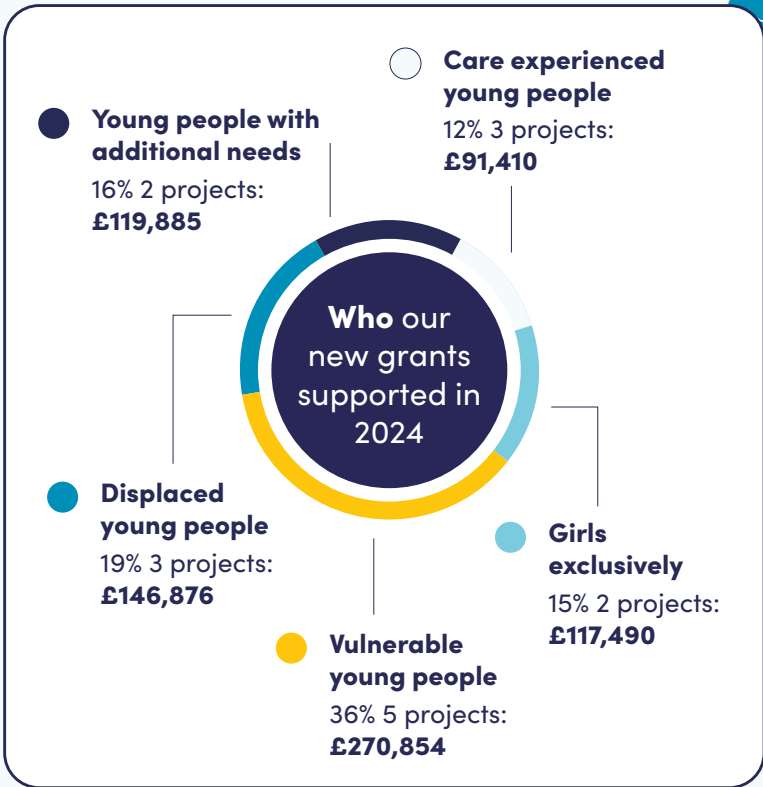
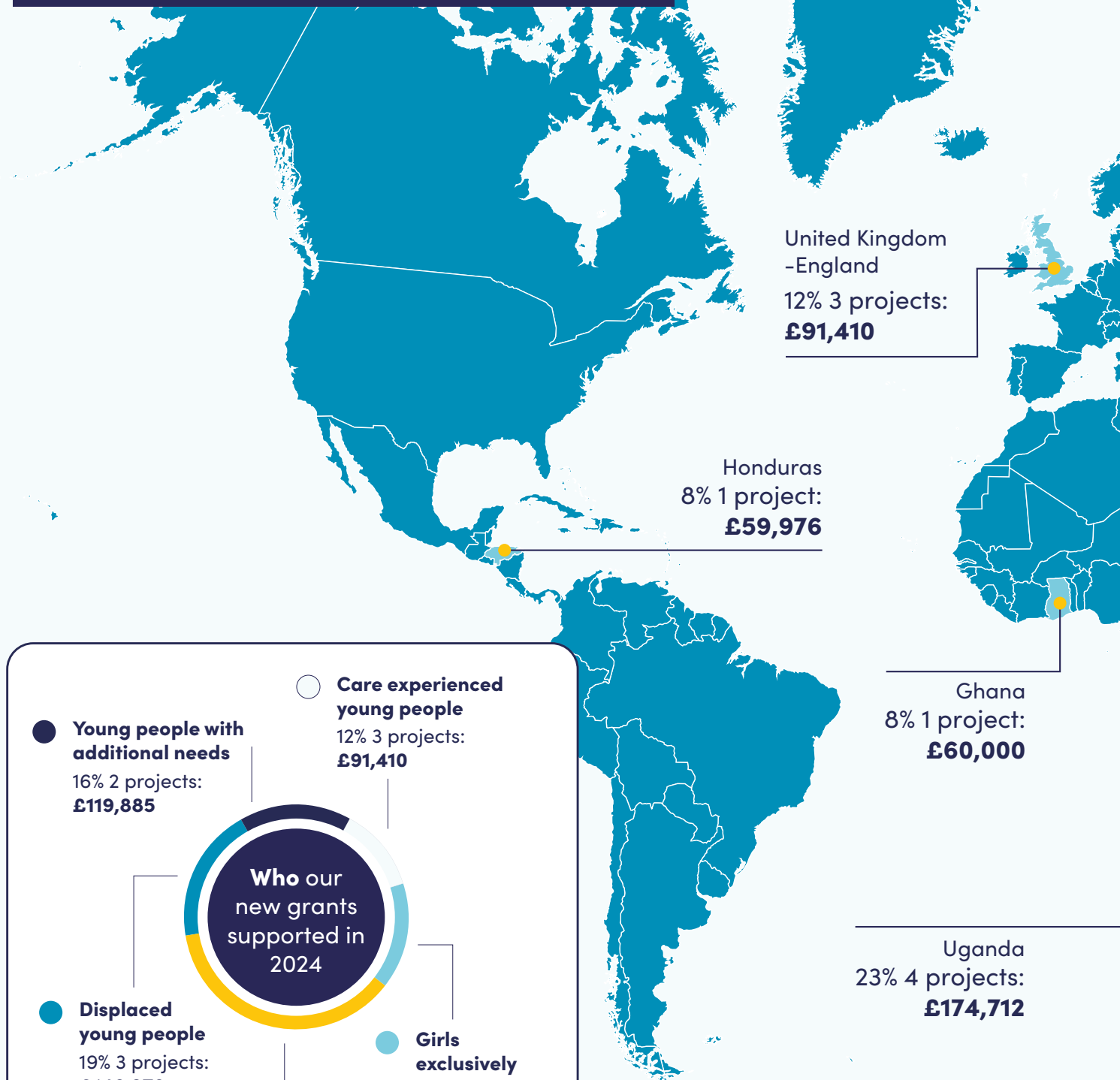
Improve access to education – including increasing the number of educational opportunities, especially for girls, (including construction of classrooms or latrines), increasing the number of qualified teachers trained in inclusive practices, and improving community attitudes to children who are often excluded or overlooked.

Improve the quality of education – including enhancing the quality of teaching and learning, improving access to extra-curricular support, increasing child friendly resources, and increasing access to aspirational vocational training opportunities including STEM and IT. For displaced young people particularly, this includes having a safe space to learn and a stable, trusted adult presence, being able to learn in their own language, and receiving post-trauma support in order to heal, learn and thrive.

Improve the sustainability of education projects – including encouraging educational projects with integrated community management or ownership, self-generating income and minimising their environmental impact.

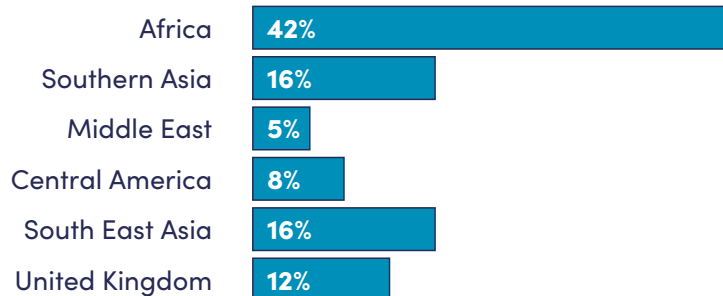
Whilst every project we fund must support the education or learning of young people, from 2025 we will only fund charities that are committed to minimising their impact on the environment, and projects where climate change adaptation and/or mitigation has been given strong consideration.

Where our new grants went in 2024



Iraq
5% 1 project:
£40,365

17 projects in 11 countries



Ethiopia
2% 1 project:
£17,642

Kenya
6% 1 project:
£46,511

Tanzania
2% 1 project:
£16,651

Thailand
8% 1 project:
£60,000

Nepal
16% 2 projects:
£119,728

Cambodia
8% 1 project:
£59,520

4.2 Subsidiary trusts

In addition to the grants awarded from our unrestricted income Educational Opportunity Foundation is responsible for several smaller subsidiary trusts which provide restricted funds for educational activities in specific locations and for particular purposes. In 2024, £40,071 was awarded through 7 grants (2023:11, £31,966) from restricted income. Our approach is to work with partners with the experience and local knowledge to make sure grant giving is effective and meets the individual requirements of each fund. We are currently working with the following:

- **The British School Charity** in Saffron Walden has an active locally based Committee. The charity supports individuals in need of financial help to succeed in their education and local community organisations working with young people.
- To support the work of the **Berridge Trust** we work with **The Food Centre** which provides training to food technology teachers.
- **The South Church Educational Fund** contributes to an after-school club run by the Auckland Youth and Community Centre.
- **The Old British School Charity** is restricted to the Bratton and the surrounding area in Wiltshire. **The Community Foundation** for Wiltshire distributes the funds to individuals with Special Educational Needs and Disabilities in their pursuit of learning. This work is also supported by the **Alfred Bourne Trust** which is designed to support individuals with their learning.



Image:

Photo courtesy of Mwezi Foundation:
dancing at a school in Kenya



5 Our impact

The projects we fund improve educational opportunity for young people in some of the most marginalised or low-income communities, transforming their life chances, as the following reports show.



Image:

Photo Courtesy of Hull FC Rugby Community Sports and Education Foundation:
a tutor delivers a course to a learner

Raising aspirations through sport

Hull FC Rugby Community Sports and Education Foundation uses sport as a catalyst to change lives in a deprived city in England. We awarded the Foundation £25,950 over three years to work with care experienced teenagers, who have had their home life and family relationships disrupted.

The Positive Ambitions project worked with 73 young people aged 13–16 studying and working for a Level 2 Community Sports Leadership qualification. The course promotes physical and mental wellbeing, underpinned by teamwork and social action. Staff liaised with fostering agencies and volunteers, and all participants had an individual learning plan to follow to support their development.

Impact

The project has achieved fantastic results. As well as **more than 90% securing a qualification**:

- **81%** of participants report **increased physical activity levels**
- **69.7%** demonstrate **better educational behaviour and attitude to learning**
- **62.9%** show **greater resilience/ mental wellbeing**
- **77%** report **enhanced happiness/ life satisfaction**
- **91%** report **higher levels of confidence/ self-esteem**

“Positive Ambitions has been a lifeline to me... It’s probably been the first time in a long time that I have felt listened to and had people that were looking out for my best interests. I’ve enjoyed coming to the sessions and meeting other people. We’ve formed quite a close friendship group, some of us, and we see each other outside of the project too, keeping each other strong and solid.”

– **Sadie**, aged 15

Helping street children into school

We funded a three-year project to help some of the most marginalised young people, who had limited or no formal education, to successfully integrate into mainstream schools in Mombasa.

With a grant of £44,181, Consortium for Street Children developed a lauded catch-up curriculum, offered at their 'Safe Space centre'. They worked with schools to facilitate enrolment and understanding of street children's needs, and added initiatives to enhance environmental resilience and make the initiative more sustainable.

Through the project the children also gained access to safe shelter either with their own families, foster care, independent living or kinship care. Most have further benefitted from therapy sessions, rebuilt relationships with their families, and participated in the local community through sports in the community or school, which has helped to break down barriers.

Environmental impact was minimised and mitigated by efficient use of energy and water. Consortium for Street Children installed gutters to harvest rainwater, promoted environmentally responsible procurement, reduced waste as far as practicable, and raised awareness of their environmental activities to promote good practice.

The educational resources created have been praised by education department officials and ensure a lasting legacy.

Impact

More than 400 young people improved their basic numeracy and literacy levels, enhancing their self-esteem and improving their chances of survival. This included some young adults too old for school, who enrolled in vocational skills training so they could take exams and earn money to support themselves.

Overall:

- Essential catch-up education was given to **304 street-connected children** and children from low- or no-income homes
- **104 children** enrolled in formal schooling
- **69 children** studied and passed their national exams

"Thank you. Now, NGO's will have a guide because sincerely we struggle to teach these children. We know the problem but do not know how to go about it. This has answered our how."

– Project partner

Image:
Photo courtesy of Consortium
for Street Children:
school books show progress
in literacy



COMPETENCE BASED CURRICULUM MONITORING LEARNER'S PROGRESS PRE- PRIMARY 1 LITERACY ACTIVITIES

NAME _____

DATE _____

Listening and speaking

1. How are you? *I am fine*
2. Who is your best friend? *yes*
3. Which food do you like? *me*
4. You use your _____ gives us eggs
5. A _____ to see

READING

read sounds

n e s
h

b c u

f r y

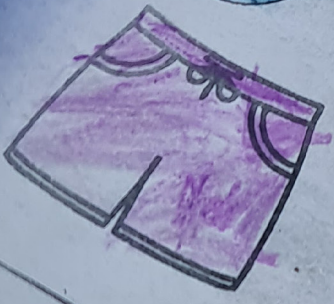
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i p

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read pictures



A



Image:
Photo courtesy of CodeBrave:
coding and robotics lessons in Lebanon

Delivering education in a war zone

In response to the conflict in the region CodeBrave quickly adapted their programme in Lebanon, to ensure children continued to receive an education despite the enormous disruption. CodeBrave provide coding and robotics programmes for young people from marginalised communities, to help them secure work in a country where youth unemployment is over 40%. We awarded CodeBrave Foundation £55,124 for a two-year-project starting in late 2023, to train teachers in coding, robotics and AI, benefitting 1,000 children, half of them girls.

When the war in south Lebanon escalated in 2024, CodeBrave continued coaching teachers; switched to online teacher training; and added emergency education classes, sending teachers into temporary shelters to run classes for children.

Impact

- **79%** increase in **technical skills & knowledge**
- **750 students**
- **387 girls**
- **76%** passed their digital test

After just the first year eight teachers had completed their training and there was a **79% increase in their technical skills and knowledge**. Through their lessons, the teachers **reached 750 students** in Grades 3–8, **including 387 girls**. **76% of students** passed their digital skills test.

As well as a substantial increase in technical skills, the project **enhances children's skills in problem-solving, teamwork, creativity and resilience**. Their game-based coding education also allowed children a much-needed distraction from the conflict while continuing to learn.

“Coding class made us forget about how frightened we were about what’s happening. If we can still get education, we have so much to learn.”

– **Carine**, aged 12, then living in a shelter

6 Our strategy

Our charitable objects are:
“To advance education for the benefit of the public in particular by providing educational opportunity for children and young people in the UK and overseas.”

We adhere to these objects and achieve public benefit through our grant giving activities to support the education of young people from low-income and marginalised communities worldwide. The Council has referred to the Charity Commission’s guidance on public benefit when developing its vision, mission, values and objectives. We review these each year, and make sure they inform our decisions.

6.1 Our vision

Educational opportunity for all.

6.2 Our mission

We seek to achieve our vision by providing funding and support to UK-based charities for educational projects in the UK and throughout the world reflecting our history and heritage.

Below:

**Photo courtesy
of EdUKaid:**

lesson in Tanzania



6.3 Our current strategy for 2023 to 2027

Objective	Key priorities for 2025
<p>Objective 1</p>	<p>To award grants aimed at enabling young people to improve their own educational outcomes and life chances in the UK and Internationally.</p>
<p>Put systems in place to ensure consideration of the environment underpins our grant giving.</p> <p>Improve the impact of our UK grant giving.</p> <p>Offer Development Funding to existing Grant Partners whose projects have had high impact and who are looking to either significantly scale their approach at regional or national level or aiming to enable their approach to be replicated by other agencies.</p>	
<p>Objective 2</p>	<p>To support our Grant Partners and Members to build their own capacity and knowledge.</p>
<p>Facilitate further knowledge sharing on protecting the environment and mitigating climate change whilst running educational projects.</p>	
<p>Objective 3</p>	<p>To support broader social aims which have an impact on inclusive education and stay true to our heritage.</p>
<p>Support the wider social sector by sharing our grant giving data on 360Giving so it is publicly available for UK funding data analysis projects.</p> <p>Review our own carbon footprint.</p>	
<p>Objective 4</p>	<p>To continually improve our adherence to good practice in all aspects of our grant giving and governance.</p>
<p>Widen the diversity of skills and experience within the Council.</p>	
<p>Objective 5</p>	<p>To effectively use our resources.</p>
<p>Complete the transition to ensuring our Investment Policy is driven by Environmental, Social and Governance (ESG) principles.</p> <p>Further develop our long-term financial plans to protect Educational Opportunity Foundation capital.</p>	

7 Structure, governance and management

7.1 Membership

Educational Opportunity Foundation is a membership organisation. Membership is open to individuals passionate about furthering equality of opportunity through education and learning for young people from marginalised communities. The statutory role of Members is to elect the President, Vice-President and the Councillors, who act as Trustees of the charity. During 2024 and early 2025, 17 new Members joined bringing the total number of Members to 179 by 1 February 2025 when our Trustee election process for 2025 started. During 2024 an Annual General Meeting (AGM) was held online on 7 May 2024.

7.2 Governance and structure

The Foundation has a President and Vice-President, who are elected for a term of three years. Their role is to chair the Annual General Meeting or Special General Meetings. They also bring their experience and networks, provide advice to Council and help promote our work.

The Foundation is governed by a Council of Trustees drawn from and elected by Members. The Council increased to 11 members after the 2024 election, and the aim is to increase it to 12 during the 2025 election. The minimum number is six. Every year a skills audit is undertaken to prioritise skills being sought in the forthcoming Trustee election process. Whilst any Member with relevant skills or experience can apply to be a Trustee, we also openly advertise the Trustee

vacancies to widen the skills and diversity of both the Membership and Council.

There is an induction procedure for new Trustees. They are provided with relevant information on their role and responsibilities and are briefed by the Chair and Director. All Trustees are kept informed of the impact of our work by receiving updates on funded projects and attending Grant Partners' events. Trustees are encouraged to attend training events relevant to their role. The Council regularly reviews the work of individual Trustees and its sub-committees.

The Director's remuneration is set by bench marking against comparable roles, with reference to the annual Association of Charitable Foundation Salary and Operation Bench Marking Report. The Remuneration Committee reviews the salary before making a recommendation for approval to the Council.

In 2024, Council Meetings were held in March, June and November, with the annual strategy meeting in December. The subsidiary Grants Committee met six times, and the Finance and Investments Committee met twice during the year and both report to the Council.

The Foundation has a risk register, scheme of delegation and a series of policies and terms of reference, which are subject to a regular review schedule to ensure they are up to date and fit for purpose.

To the right:

Photo courtesy of Mwezi Foundation:
schoolchildren in Kenya

7.3 Robust and effective grant giving

As described in section 4, the Foundation awards grants in accordance with its Charter and within the financial limits set by Council each year. Our core grant giving activity from unrestricted funds offers response mode (bottom up) funding via an open call for project proposals from charities registered in the UK. The criteria for grant giving and success rates of previous applicants are available on our website. We operate an online grant application system; for our core grants this involves a two-stage application process to minimise the time applicants spend preparing their initial proposals.

The Grants Manager conducts an initial assessment of all stage one grant applications and invites the project proposals which meet the published criteria and are of the highest quality to submit a stage two application. After a detailed review of stage two applications, the Grants Manager and Chair of the Grants

Committee shortlist applications for review by the Grants Committee with an individual Trustee taking the lead on each application.

The Grants Committee collectively makes decisions according to the criteria set out in the Grant Giving and Management policy. At all stages of the application process the number of applications progressing to the next stage is proportional to the budget available. In 2024, 40% of the stage two applications received were funded.

We have a structured process to ensure rigorous evaluation of the impact of our grants and hold Grant Partners accountable for delivering the outputs and outcomes to which they have committed. Every grant application is required to specify three or four main outcomes, and every project must have a well-defined plan for monitoring and evaluation. The reporting



schedule is linked to the release of funds. This allows us to monitor the progress of the grants and work with Grant Partners where necessary and, if issues arise, to ensure satisfactory progress towards outcomes. Conscious of the need to minimise the burden on Grant Partners whilst still ensuring robust monitoring is undertaken, we require Grant Partners to submit a brief progress report annually for grants up to £15,000 per year and six-monthly for larger grants, in addition to the end of project report. However, trusted Grant Partners who have successfully completed a project with us within the past three years, are only required to submit annual reports for grants.

Each progress report is reviewed by the Director or Grants Manager before further funding is released. When a project is not delivering to plan, a triage system is in place to determine whether the Director or Grants Manager, Chair of the Grants Committee or the Grants Committee should make a decision on the future of the grant.

We place great emphasis on ensuring that improved educational outcomes for our beneficiaries are clearly identified. Construction projects are required to provide an additional report one year after the formal completion of the construction project, to give time for educational impacts to emerge.

The subsidiary trusts that the Foundation is responsible for provide small grants to individuals and to organisations. Given the size of these grants (usually less than £5,000) the application process is deliberately kept very simple with a one-stage application form which is reviewed by the Director, or by a local committee in the case of the British School Charity. These trusts are detailed in Note 12 to the Financial Statements.



8 Financial review

8.1 Reserves policy and funds

The entire General Reserve (£25,176,674) at 31 December 2024, (2023: £24,163,088) is an unrestricted fund and the main source of income. It would also be available to meet unexpected costs of the Foundation. The Trustees do not therefore feel it appropriate to specify a minimum level for free reserves.

In addition to the General Reserve, at 31 December 2024 Educational Opportunity Foundation held a revaluation reserve of £450,000 (2023: £175,000) derived from the revaluation during the year of the George Dent Nursery property.

During the year approval was obtained from the Charity Commission to transfer the endowment fund balances from Old British School Charity (£231,368), Alfred Bourne (£33,460) and British School Charity (£309,859) to their relevant restricted funds to give more flexibility in the timing of grant giving from these funds. In addition, approval was obtained from the Charity Commission to transfer the restricted funds of the BFSS Trust (£177,934) and Sarah Walker Spafford (£134,685) to the general fund and subsequently close these funds. This enables the funds to contribute to the distribution of larger and more impactful grants from within our core funding programme.

At 31 December 2024 the Foundation had restricted funds of £750,126 (2023: £552,151) and no longer held any endowment funds (2023: £565,750). At 31 December 2024, the total funds of Educational Opportunity Foundation stood at £26,376,800 (2023: £25,455,989).

8.2 Risk Management Policy

Educational Opportunity Foundation maintains an active risk register which encompasses all areas of our activities. This risk register is reviewed, together with risk mitigation decisions and actions, on an ongoing basis by the Council. Principal risks identified by Trustees are those associated with ensuring robust succession planning, preventing cyber-attacks, ensuring policies are up to date and compliant with relevant regulations, particularly with regard to safeguarding, and ensuring that our investment policy continues to maximise income to support the delivery of our objects in a time of increasing demand for our grant giving.

8.3 Pension Policy

Educational Opportunity Foundation continues to operate a pension scheme for its employees, providing an employer's contribution of 8% on qualifying earnings.

8.4 Financial results

The net movement in funds in the year was a surplus of £920,811, which is an improvement on the surplus of £585,248 in 2023. This was a positive result, bearing in mind grant payments made during the year were marginally higher than in 2023, and was achieved as a result of the improved performance of the investment portfolio.

To the left:

Photo courtesy of Child Rescue Nepal: monitoring of teacher training by local representatives

8.5 Expenditure

Payments made during 2024 to new grants and grants awarded in previous years amounted to £1,400,731 (2023: £1,314,963). (The majority of the grants awarded from the unrestricted fund are for multi-year projects and are therefore paid over multiple years.) This represents a 6% increase on the previous year which is a result of the timing of grant payments rather than an increase in new grants being awarded. The expenditure on support and governance costs during the year was £208,344 (2023: £209,865) and amounted to 13% (2023: 13.0%) of total expenditure including grants. Four part-time staff, equivalent to 2.2 full-time staff were employed for the full year.

8.6 Income

Educational Opportunity Foundation's main source of income is its investment portfolio, which has been managed by Rathbones since 2023, after Investec Wealth & Investment Limited and Rathbones merged. The investment policy for the portfolio, which consists principally of equities and fixed interest stocks, is managed on a total return basis to produce a regular income stream while maintaining its capital value in real terms. The performance target for the portfolio is a real return (after taking account of headline CPI or zero, whichever is greater, and deducting investment management fees) of at least 3.5% on a rolling three-year basis. Currently the investment policy does not permit investment directly in companies that have more than 10% of their business relating to either: the production or sale of tobacco products, the promotion of gambling in any form, the production or sale of weapons or armaments, or the production, distribution and retail of pornographic media. In addition, investment is prohibited in companies with evidence of human rights abuses in the

supply chain, both direct and indirect, including the use of child labour. Rathbones are also required to review its direct investment holdings to determine the degree of Environmental, Social and Governance (ESG) risks. The investment manager provides regular reports showing the ESG risk rating for its investments and the objective is to see this score improve each year.

Following a review of the investment manager and robust tender process undertaken in 2024, Trustees have decided the portfolio will be moved from Rathbones to Cazenove Capital and Meridiem Investment Management in early 2025. We believe this change will ensure our funds are always working to protect the environment while generating maximum financial support for our work.

At the end of December 2024, the value of the investment portfolio was £25,804,466 (2023: £25,072,270), which represented an actual total return after fees for the year of 9.0%, which equates to a return of 6.7% after taking into account CPI of 2.3%. The total cumulative return of the Fund for the three years was -4.3% net of investment management fees and after taking into account CPI of 5.5%.

During the year £1,450,000 (2023: £1,600,000) was withdrawn to support our grant giving activities and running costs. This amounted to approximately 5.6% of the value of the portfolio on 31 December 2024. Total income amounted to £625,565, in comparison to £620,437 in the previous year, of which £483,066 (2023: £491,589) was from investments. There was a net gain on investments of £1,730,336 which is a further improvement on the previous year which had a gain of £1,579,349 and more than offsets the reduction in investment income. Educational Opportunity Foundation Investment Policy states



Image:
Grants Workshop 2024,
photo by Educational
Opportunity Foundation

that we will normally draw between £1 million and £1.25 million each year, there is therefore an expectation that expenditure will be partly funded by investment income and partly by investment capital gains.

Educational Opportunity Foundation receives income from its investments and does not engage in public fundraising activities. As a result, we do not employ or monitor a fundraiser or a fundraising agent. No complaints were received with regards to fundraising, and Educational Opportunity Foundation is not subject to an undertaking to be bound by any voluntary scheme for regulating fundraising, or any voluntary standard of fundraising.

8.7 Property

The George Dent Nursery School in Darlington is being held by Educational Opportunity Foundation as an investment property and is leased to Darlington Local Education Authority. The property value was calculated to be £450,000 by a chartered surveyor in accordance with the RICS Valuation, Global Standards 2022 (the Red Book) during the year, which resulted in a significant uplift compared to recent years where it had been valued at ten times the annual rent receivable (2023: £175,000). Due to the increasing administrative and anticipated financial burden of being a landlord, Council made the decision to sell the property, and it was put on the open market in late 2024, a sale had not been completed by the end of the year.

8.8 Responsibilities of the Council in relation to the financial statements

The Council is responsible for preparing the Trustees' annual report and financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the applicable Charities SORP.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations, and the provisions of the Charter. They are also responsible for safeguarding the

assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

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



Jane Creasy
Chair of Educational
Opportunity Foundation

Dated: 28 March 2025

To the right:
Photo courtesy of CodeBrave:
lessons in Lebanon



9 Independent Auditor's Report to the Trustees of Educational Opportunity Foundation

9.1 Opinion

We have audited the financial statements of the Educational Opportunity Foundation (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Charities Act 2011.

9.2 Basis for opinion

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

9.3 Conclusions relating to going concern

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

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

the financial statements are authorised for issue. Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

9.4 Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

9.5 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 require us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the Trustees' report.
- Sufficient accounting records have not been kept.
- The financial statements are not in agreement with the accounting records.
- We have not received all the information and explanations we require for our audit.

9.6 Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, 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 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 cease operations, or have no realistic alternative but to do so.

9.7 Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

- Agreement of the financial statement disclosures to underlying supporting documentation to assess compliance with those laws and regulations having an impact on the financial statements and disclosure requirements. In particular, Accounting and Reporting by Charities: Statement of Recommended Practice.
- Enquiries and confirmation of management and the Trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims.

- Review of minutes of Board meetings throughout the period.
- Incorporating unpredictability into the nature, timing and/or extent of testing.
- In relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>.

This description forms part of our auditor's report.

9.9 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Begbies
Chartered Accountants
Statutory Auditors

9 Bonhill Street
London
EC2A 4DJ

April 2025

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

To the right:
**Photo courtesy of
Mwezi Foundation:**
children hold lights from
a solar light library



**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2024 £	Total Funds 2023 £
INCOME						
Donations and legacies		752	60,000	-	60,752	75,225
Investment income						
Rents receivable	5a	17,500	-	-	17,500	17,500
Investment income	7b	467,032	11,793	4,241	483,066	491,589
Interest receivable		62,463	1,412	372	64,247	36,123
Permanent endowment transfer to income	11,12	-	19,688	(19,688)	-	-
Total income		547,747	92,893	(15,075)	625,565	620,437
EXPENDITURE						
Expenditure on raising funds						
Investment managers fees	7a	89,043	1,635	1,547	92,225	87,500
Property expenditure		3,332	-	-	3,332	2,210
Expenditure on charitable activities						
Grants and costs	3	1,490,732	123,800	-	1,614,532	1,524,828
Total expenditure		1,583,107	125,435	1,547	1,710,089	1,614,538
Net expenditure and net movement in funds before net gains/(losses) on investments		(1,035,360)	(32,542)	(16,622)	(1,084,524)	(994,101)
Gross transfers between funds						
Expendable endowment transfer between funds	11,12	-	8,288	(8,288)	-	-
Permanent endowment transfer on resolution		-	574,687	(574,687)	-	-
Sarah Walker Spafford transfer for unspent income		380,572	(380,572)	-	-	-
Management charges to restricted funds	11	635	(635)	-	-	-
Net income/(expenditure) before other recognised gains and losses		(654,153)	169,226	(599,597)	(1,084,524)	(994,101)
Other recognised gains and losses						
Revaluation surplus re investment property	5	275,000	-	-	275,000	-
Net gains/(losses) on investments	7a	1,667,739	28,749	33,847	1,730,335	1,579,349
Net movement in funds		1,288,586	197,975	(565,750)	920,811	585,248
Reconciliation of funds						
Total funds brought forward		24,338,088	552,151	565,750	25,455,989	24,870,741
Total funds carried forward		25,626,674	750,126	-	26,376,800	25,455,989

The notes numbered 1 to 13 form part of these financial statements.
All amounts relate to continuing activities.

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £
INCOME					
Donations and legacies		725	74,500	-	75,225
Investment income					
Rents receivable	5a	17,500	-	-	17,500
Investment income	7b	472,272	8,746	10,571	491,589
Interest receivable		34,785	676	662	36,123
Permanent endowment transfer to income	11,12	2,639	31,117	(33,756)	-
Total income		527,921	115,039	(22,523)	620,437
EXPENDITURE					
Expenditure on raising funds					
Investment managers fees	7a	83,349	774	3,377	87,500
Property expenditure		2,210	-	-	2,210
Expenditure on charitable activities	3				
Grants and costs		1,398,779	126,049	-	1,524,828
Total expenditure		1,484,338	126,823	3,377	1,614,538
Net income/(expenditure) and net movement in funds before net losses on investments		(956,417)	(11,784)	(25,900)	(994,101)
Gross transfers between funds					
Expendable endowment transfer between funds	11,12	10,630	9,709	(20,339)	-
Permanent endowment transfer on resolution		545,523	169,783	(715,306)	-
Sarah Walker Spafford transfer for unspent income		2,500	(2,500)	-	-
Management charges to restricted funds		7,432	(7,432)	-	-
Net income/(expenditure) before other recognised gains and losses		(390,332)	157,776	(761,545)	(994,102)
Other recognised gains and losses					
Revaluation surplus re investment property		-	-	-	-
Net losses on investments	7a	1,508,186	13,156	58,007	1,579,349
Net movement in funds		1,117,854	170,932	(703,538)	585,248
Reconciliation of funds					
Total funds brought forward		23,220,234	381,219	1,269,288	24,870,741
Total funds carried forward		24,338,088	552,151	565,750	25,455,989

The notes numbered 1 to 13 form part of these financial statements.
All amounts relate to continuing activities.

**BALANCE SHEET
AT 31 DECEMBER 2024**

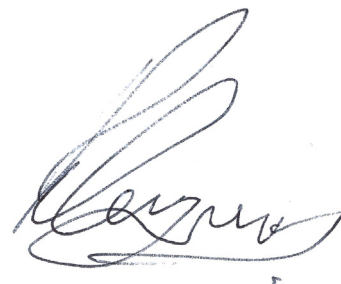
	Note	2024		2023	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	5		1,461		2,445
Investment properties	5		450,000		175,000
Investment assets	6,7		<u>25,804,465</u>		<u>25,072,270</u>
			<u>26,255,926</u>		<u>25,249,715</u>
CURRENT ASSETS					
Debtors and prepayments	8	5,250		16,257	
Cash at bank and in hand		<u>202,300</u>		<u>254,068</u>	
		207,550		270,325	
LIABILITIES					
Creditors: amounts falling due within one year	9	<u>(86,676)</u>		<u>(64,051)</u>	
NET CURRENT ASSETS			<u>120,874</u>		<u>206,274</u>
NET ASSETS			<u>26,376,800</u>		<u>25,455,989</u>
REPRESENTED BY:					
CAPITAL ACCOUNT					
Unrestricted funds					
		General reserve	25,176,674		24,163,088
		Revaluation reserve	<u>450,000</u>		<u>175,000</u>
			25,626,674		24,338,088
Restricted funds	11		750,126		552,151
Endowment funds	12		<u>-</u>		<u>565,750</u>
TOTAL CHARITY FUNDS			<u>26,376,800</u>		<u>25,455,989</u>

The notes numbered 1 to 13 form part of these financial statements.

Approved by the Council and authorised for issue on 28 March 2025 and signed on its behalf by



.....
Jane Creasy - Chair



.....
Robert Spencer - Treasurer

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

	See Note Below	2024 £	2023 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by/(used in) operating activities	1	(1,618,072)	(1,589,157)
Cash flows from investing activities:			
Dividends, interest and rents from investments		564,813	545,212
Purchase of property, plant and equipment		-	(941)
Proceeds from sale of investments		7,614,252	7,895,671
Purchase of investments		(6,695,946)	(6,681,864)
Net cash provided by/(used in) investing activities		1,483,119	1,758,078
Change in cash and cash equivalents in the reporting period		(134,953)	168,921
Cash and cash equivalents at the beginning of the reporting period	2	483,804	314,883
Cash and cash equivalents at the end of the reporting period		348,851	483,804
NOTE 1: Reconciliation of net income/(expenditure) to net cash flow from operating activities			
		2024 £	2023 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		920,811	585,248
Adjustments for:			
Depreciation charges		984	1,145
Revaluation Surplus on Investment Property		(275,000)	-
Unrealised (gains)/losses on investments		(1,668,421)	(1,532,398)
Realised (gains)/losses on investments		(61,436)	(48,877)
Dividends, interest and rents from investments		(564,813)	(545,212)
Non-cash investment income		(3,829)	(3,755)
(Increase)/decrease in debtors		11,007	(13,034)
Increase/(decrease) in creditors		22,625	(32,274)
Net cash provided by/(used in) operating activities		(1,618,072)	(1,589,157)
NOTE 2: Analysis of cash and cash equivalents			
		2024 £	2023 £
Cash in hand		116,853	168,621
Un-invested cash		146,551	229,736
Cash equivalents		85,447	85,447
Total cash and cash equivalents		348,851	483,804
NOTE 3: Reconciliation of net debt			
	Cash in hand	Un-invested cash	Cash equivalents
At the beginning of the reporting period	168,621	229,736	85,447
Cashflows	(51,768)	(83,185)	-
At the end of the reporting period	116,853	146,551	85,447

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2024

1. ACCOUNTING POLICIES

a) Basis of preparation

Educational Opportunity Foundation is an unincorporated charity registered in England and Wales, registered charity number 314286. The registered office is Canopi, 82 Tanner Street, London, SE1 3GN. The objectives and activities are as noted in the Annual Report.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these financial statements. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)) and the Charities Act 2011. The accounts are prepared in £ being the functional currency of the charity and round to the nearest £.

Educational Opportunity Foundation meets the definition of a public benefit entity under FRS 102. The Trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern because it has over £25m of investments which is more than sufficient to cover at least 12 months of expenditure.

The most significant area of adjustment and key assumption that affects items in the financial statement relates to estimating the fair value of the investment property (see note 1(c) below).

b) Fixed assets

Fixed assets, with the exception of investment properties, are included at cost and are depreciated on a straight line basis over their useful lives at the following rates:

- Furniture and equipment 33%
- Computer equipment 25%

c) Investment properties

Investment properties are included in the financial statements at fair value. The Council has formerly valued the one remaining freehold property, the George Dent Nursery in Darlington, on the basis of ten times the annual rental income, but a professional valuation was obtained for 2024. The historic cost of the property is £1 (2023: £1).

d) Investment assets

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price. The Statement of Financial Activities includes the net gains and losses arising on the revaluation and disposals throughout the year. Educational Opportunity Foundation does not acquire put options, derivatives or other complex financial instruments.

e) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequently to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

f) Donations and similar incoming resources

Donations and similar incoming resources are included in the financial statements in the year in which they are receivable.

g) Investment income

Investment income and any related income tax recoverable are included in the financial statements in the year in which they are receivable.

h) Rental income

Rental income is normally credited in the financial statements in the year to which it relates. All rental income is attributable to unrestricted funds.

i) Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is included in the statement of financial activities on an accruals basis and includes irrecoverable VAT.

j) Charitable activities

Charitable activities include grants awarded by Educational Opportunity Foundation and the associated support costs, which include costs for hosting shared learning activities for Members and Grant Partners. Grants are accounted for in the year in which the commitment is given, all relevant conditions having been fulfilled.

k) Support and governance costs

Support costs represent the cost of administering the affairs and managing and maintaining the assets of Educational Opportunity Foundation and of the other trust funds administered by the Foundation.

Governance costs comprise all costs relating to the public accountability of Educational Opportunity Foundation and its compliance with regulation and good practice. These costs include the cost of Council meetings together with statutory audit fees.

l) Fund accounting

Trust funds that are the responsibility of Educational Opportunity Foundation are included in these accounts as restricted and endowment funds and details of the nature and purpose of each fund is set out in notes 11 to 12.

m) Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

n) Financial instruments

Educational Opportunity Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

o) Debtors

Debtors are amounts owed to Educational Opportunity Foundation. They are measured on the basis of their recoverable amount.

p) Cash and cash equivalents

Cash at bank is held to meet the day to day running costs of Educational Opportunity Foundation as they fall due. Cash equivalents are short term, highly liquid investments.

q) Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of the past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that Educational Opportunity Foundation anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**NOTES TO THE FINANCIAL STATEMENTS
AT 31 DECEMBER 2024**

2. CHARITABLE EXPENDITURE - GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
International projects						
A Partner in Education	29,805	-	29,805	28,860	-	28,860
AbleChildAfrica	59,937	-	59,937	29,923	-	29,923
Advantage Africa	32,571	-	32,571	22,351	-	22,351
African Revival	7,360	-	7,360	15,207	-	15,207
AfriKids UK	17,075	-	17,075	21,863	-	21,863
Amala Education	27,825	-	27,825	-	-	-
Amazon Charitable Trust	9,568	-	9,568	20,000	-	20,000
Awamu	14,783	-	14,783	-	-	-
Carers Worldwide	-	-	-	11,093	-	11,093
Chamos - In Aid of the Children of Venezuela	12,476	-	12,476	6,960	-	6,960
Chance for Childhood	-	30,000	30,000	15,000	-	15,000
Child Rescue Nepal	29,952	-	29,952	14,976	-	14,976
Children on the Edge	30,000	15,000	45,000	30,000	30,000	60,000
CodeBrave Foundation	27,562	-	27,562	14,837	-	14,837
Consortium for Street Children (previously StreetInvest)	30,000	-	30,000	27,723	-	27,723
Disability and Development Partners	29,000	-	29,000	36,665	-	36,665
EduKaid	14,742	-	14,742	28,666	-	28,666
EduSpots	18,003	-	18,003	25,878	-	25,878
Feed the Minds	28,935	-	28,935	14,699	-	14,699
Fields of Life	6,056	-	6,056	21,047	-	21,047
Foundation for Relief and Reconciliation in the Middle East	13,455	-	13,455	-	-	-
Good Neighbours	14,978	-	14,978	-	-	-
Hands Up Foundation	30,000	-	30,000	15,000	-	15,000
Health & Hope UK	-	-	-	30,000	-	30,000
Healthprom	7,140	-	7,140	16,985	-	16,985
Hello World	29,381	-	29,381	-	-	-
Hope for Children	-	-	-	13,788	-	13,788
International Nepal Fellowship	11,031	-	11,031	-	-	-
Irise International	-	-	-	5,000	-	5,000
Joshua Orphan and Community Care	16,569	-	16,569	15,703	-	15,703
Just a Drop	14,462	-	14,462	14,462	-	14,462
Kids Club Kampala	10,580	-	10,580	-	-	-
Kyaninga CDC Trust	-	-	-	19,948	-	19,948
Learning for Life	-	-	-	33,876	-	33,876
Lyra in Africa	-	-	-	9,682	-	9,682
Made With Hope	16,651	-	16,651	-	-	-
Mobile Education Partnerships	24,118	-	24,118	9,407	-	9,407
Mondo Foundation	5,671	-	5,671	11,775	-	11,775
Money for Madagascar	24,938	-	24,938	18,300	-	18,300
Prism the Gift Fund: Refugee Youth Service Collective Fund	6,840	-	6,840	13,980	-	13,980
Raising Futures Kenya	-	-	-	11,948	-	11,948
Redearth Education	-	-	-	9,873	-	9,873
Rwanda Action	-	-	-	13,750	-	13,750
Sabre Education	-	-	-	30,000	-	30,000
Safe Child Thailand	15,000	-	15,000	-	-	-

**NOTES TO THE FINANCIAL STATEMENTS
AT 31 DECEMBER 2024**

NOTE 2 CONTINUED

See Beyond Borders	18,843	-	18,843	-	-	-
Seenaryo	29,179	-	29,179	14,989	-	14,989
Signpost International	-	15,000	15,000	-	30,000	30,000
STEP UK	14,278	-	14,278	29,450	-	29,450
Sub Saharan Advisory Panel	15,000	-	15,000	30,000	-	30,000
Tea Leaf Trust	4,325	-	4,325	12,000	-	12,000
Teach2Teach International	-	-	-	15,080	-	15,080
Teach A Man To Fish	29,983	-	29,983	-	-	-
Team Kenya	10,983	-	10,983	24,520	-	24,520
Temwa	8,213	-	8,213	9,709	-	9,709
The Hummingbird Initiative	-	-	-	-	14,000	14,000
The Mwezi Foundation	-	13,445	13,445	-	11,649	11,649
Together We Learn	17,642	-	17,642	-	-	-
Toybox	20,000	-	20,000	20,000	-	20,000
Tushinde Children's Trust	19,442	-	19,442	19,389	-	19,389
Tusome Africa	9,709	-	9,709	-	-	-
	864,061	73,445	937,506	854,362	85,649	940,011

UK projects

Afghanistan and Central Asian Association	25,462	-	25,462	14,197	-	14,197
Asylum Welcome	12,453	-	12,453	12,453	-	12,453
Bradford City of Sanctuary	12,691	-	12,691	8,630	-	8,630
Carers Trust Hillingdon	30,000	-	30,000	30,000	-	30,000
Children and Families Across Borders	45,000	-	45,000	-	-	-
Connect North Korea	26,798	-	26,798	26,460	-	26,460
Healthprom	23,881	-	23,881	24,761	-	24,761
Hitchin British Schools Trust	-	-	-	500	-	500
HUB for SUCCESS through Edinburgh Napier University	30,000	-	30,000	30,000	-	30,000
Hull FC Rugby Community Sports & Education Foundation	20,960	-	20,960	23,020	-	23,020
Opportunity Sports Foundation	29,747	-	29,747	29,358	-	29,358
Preston North End Community and Education Trust	9,720	-	9,720	-	-	-
Refugee Action Kingston	29,102	-	29,102	28,508	-	28,508
Refugee Education UK	24,986	10,434	35,420	10,435	10,434	20,869
Sheffield Young Carers	14,113	-	14,113	27,991	-	27,991
SIEVEMK Gateway	-	-	-	19,138	-	19,138
STEP UK	14,277	-	14,277	-	-	-
The Why Not? Trust for Care Experienced Young People	29,194	-	29,194	14,704	-	14,704
Voices from Care Cymru	28,669	-	28,669	14,570	-	14,570
Volunteer Tutors Organisation	14,040	-	14,040	14,040	-	14,040
We Are Family	10,750	-	10,750	-	-	-
YMCA Sutton Coldfield	-	-	-	29,182	-	29,182
	431,843	10,434	442,277	357,947	10,434	368,381

**NOTES TO THE FINANCIAL STATEMENTS
AT 31 DECEMBER 2024**

NOTE 2 CONTINUED

Grants from restricted funds to organisations

1st Chesterford Scout Group	-	-	-	-	5,000	5,000
Ashdon Primary School	-	5,435	5,435	-	4,032	4,032
Auckland Youth & Community Centre	-	-	-	-	2,500	2,500
Enterprise East Group CIC	-	4,000	4,000	-	5,000	5,000
Food Teachers Centre	-	2,000	2,000	-	-	-
Friends of Debden School	-	-	-	-	5,000	5,000
Friends of Granta School	-	-	-	-	5,000	5,000
Katherine Semar Junior School	-	-	-	-	3,990	3,990
Linton Village College	-	450	450	-	600	600
Saffron Hall Trust	-	3,000	3,000	-	-	-
Thaxted Festival Foundation	-	3,000	3,000	-	-	-
Wendens Ambo Pre-School	-	4,636	4,636	-	-	-
Wiltshire Community Foundation	-	18,000	18,000	-	-	-
	-	40,521	40,521	-	31,122	31,122
Total organisational grants	1,295,904	124,400	1,420,304	1,212,309	127,205	1,339,514
Grants from restricted funds to individuals	-	-	-	-	344	344
Total individual grants	-	-	-	-	344	344
Total grants	1,295,904	124,400	1,420,304	1,212,309	127,549	1,339,858
Less: Grants returned during the year	(18,973)	(600)	(19,573)	(23,395)	(1,500)	(24,895)
	1,276,931	123,800	1,400,731	1,188,914	126,049	1,314,963

3. CHARITABLE EXPENDITURE

	International projects £	UK projects £	Total 2024 £
Grants (see note 2)	937,506	463,225	1,400,731
Support costs			
Salaries and office costs	111,280	54,984	166,264
Shared learning expenses	5,430	2,683	8,113
Professional fees	6,160	3,044	9,204
	122,870	60,711	183,581
Governance costs			
Audit	5,036	2,488	7,524
Legal and professional costs	2,370	1,171	3,541
Investment review	7,831	3,869	11,700
Trustee training and recruitment	1,114	551	1,665
Council and Committee meetings	3,875	1,915	5,790
	20,226	9,994	30,220
	1,080,602	533,930	1,614,532

**NOTES TO THE FINANCIAL STATEMENTS
AT 31 DECEMBER 2024**

NOTE 3 CONTINUED

	International projects £	UK projects £	Total 2023 £
Grants (see note 2)	940,011	374,952	1,314,963
Support costs			
Salaries and office costs	120,691	48,141	168,832
Shared learning expenses	6,565	2,618	9,183
Professional fees	9,428	3,761	13,189
	<u>136,684</u>	<u>54,520</u>	<u>191,204</u>
Governance costs			
Audit	4,890	1,950	6,840
Legal and professional costs	2,217	884	3,101
Trustee training and recruitment	832	332	1,164
Council and Committee meetings	5,401	2,155	7,556
	<u>13,340</u>	<u>5,321</u>	<u>18,661</u>
	<u>1,090,035</u>	<u>434,793</u>	<u>1,524,828</u>

Support and governance costs have been allocated in proportion to project location.

4. STAFF COSTS & RELATED PARTY TRANSACTIONS

	2024 £	2023 £
Salaries	130,042	134,142
Social security costs	7,925	7,759
Pension contributions	8,117	8,262
Consultants fees	2,254	6,603
Accountancy services	6,950	6,586
	<u>155,288</u>	<u>163,353</u>

The average number of employees during the year was:

Management and administration	<u>4</u>	<u>5</u>
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No staff employee received remuneration amounting to more than £60,000 in the year (2023: None).

Educational Opportunity Foundation considers its key management personnel to comprise the members of the Council and the Educational Opportunity Foundation Director. The Society delegates the day-day running of the charity to its Director. The ultimate responsibility lies with the Trustees. The remuneration of the Director in the year was £58,560 (2023: £54,556) including pension and employers' National Insurance.

Educational Opportunity Foundation bought in accountancy services from Godfrey Wilson which cost £8,160 (2023: £6,348).

Consultants fees include £1,800 for a briefing paper on care experienced young people.

No remuneration was paid to any member of the Council during 2024 or 2023 and there are no related party transactions to disclose other than above. Reimbursement of expenses in relation to attendance at meetings amounted to £2,652 paid to nine Trustees in 2024 (2023: £1,792 paid to seven Trustees).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

5. FIXED ASSETS

	Freehold land & buildings £	Furniture & equipment £	Total £
COST & VALUATION			
At 1st January 2024	175,000	10,839	185,839
Additions	-	-	-
Revaluation surplus	275,000	-	275,000
Disposals	-	-	-
At 31st December 2024	450,000	10,839	460,839
DEPRECIATION			
At 1st January 2024	-	8,394	8,394
Charge for the year	-	984	984
Disposals	-	-	-
At 31st December 2024	-	9,378	9,378
NET BOOK VALUE			
At 31st December 2024	450,000	1,461	451,461
At 31st December 2023	175,000	2,445	177,445

Freehold land and buildings comprise investment properties which are not depreciated.

Council previously valued the freehold property, the George Dent Nursery in Darlington, on the basis of ten times annual rental income. During the year a professional valuation was obtained from Joe Fraser MSc, FRICS of Joe Fraser Chartered Surveyor and the property has been revalued to £450,000. The historic cost of this property is £1 (2023: £1).

5a RENTS RECEIVABLE

	2024 £	2023 £
George Dent Nursery, Darlington	17,500	17,500

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

6. UNITS HELD IN POOLED INVESTMENT FUND

a) Number of units held	Units held 1 Jan 2024 No.	Units transferred No.	Units held 31 Dec 2024 No.
ENDOWMENT FUNDS			
Alfred Bourne	315	(315)	-
British School Charity	2,917	(2,917)	-
Old British School	2,161	(2,161)	-
	5,393	(5,393)	-
RESTRICTED FUNDS			
Alfred Bourne	-	315	315
BFSS Trust	1,652	(1,652)	-
Berridge Trust	344	-	344
British School Charity	-	2,917	2,917
Old British School	-	2,161	2,161
South Church Trust	389	-	389
Sarah Walker and Spafford	1,258	(1,258)	-
	3,643	2,483	6,126
UNRESTRICTED FUNDS			
Educational Opportunity Foundation	229,992	2,910	232,902
	229,992	2,910	232,902
	239,028	-	239,028

The Foundation invests the assets of all its funds into a single investment portfolio in order to minimise the costs of management. The portfolio is invested in a wide range of listed equities and fixed income holdings. In order to allocate the investments to each fund the portfolio is nominally divided into unitised holdings.

b) Value of units held	Fund market value 1 Jan 2024 £	Funds transferred in year £	Increase/ (decrease) in fund value £	Fund market value 31 Dec 2024 £
ENDOWMENT FUNDS				
Alfred Bourne	33,054	(33,460)	406	-
British School Charity	305,983	(309,859)	3,876	-
Old British School	226,713	(231,368)	4,655	-
	565,750	(574,687)	8,937	-
RESTRICTED FUNDS				
Alfred Bourne	-	33,460	560	34,020
BFSS Trust	173,246	(177,934)	4,688	-
Berridge Trust	36,031	-	1,052	37,083
British School Charity	-	309,859	5,060	314,919
Old British School	-	231,368	1,965	233,333
South Church Trust	40,819	-	1,192	42,011
Sarah Walker and Spafford	131,975	(134,685)	2,710	-
	382,071	262,068	17,227	661,366
UNRESTRICTED FUNDS				
Educational Opportunity Foundation	24,124,449	312,619	706,031	25,143,099
	24,124,449	312,619	706,031	25,143,099
	25,072,270	-	732,195	25,804,465
			732,195	25,804,465
<i>Value per unit</i>	104.89			107.96

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

7. POOLED INVESTMENT FUND	Investments	Un-invested cash	Total
	£	£	£
Opening value at 1 January 2024	24,842,534	229,736	25,072,270
FUND MOVEMENTS			
Investments acquired at cost	6,695,946	(6,695,946)	-
Proceeds of investments sold	(7,614,252)	7,614,252	-
Realised gains on sale of investments during the year	61,436		61,436
Unrealised gains on investments during the year	1,668,421		1,668,421
Exchange rate differences		477	477
Non-cash investment income	3,829		3,829
Investment income receivable		483,066	483,066
Interest receivable		56,545	56,545
Investment management fees paid		(91,579)	(91,579)
Distributions to funds during the year		(1,450,000)	(1,450,000)
NET FUND MOVEMENTS	815,380	(83,185)	732,195
CLOSING VALUE OF FUND AT 31 DECEMBER 2024	25,657,914	146,551	25,804,465
	Investments	Cash	Total
UK fixed interest	1,800,874		1,800,874
Overseas fixed interest	604,873		604,873
UK equities	2,480,324		2,480,324
European equities	2,978,550		2,978,550
US equities	11,459,430		11,459,430
Other worldwide equities	2,715,861		2,715,861
Managed funds			
Emerging economies	819,139		819,139
UK property	660,923		660,923
Infrastructure & hedge funds	1,086,868		1,086,868
Commodities	582,699		582,699
Cash on deposit	468,373	146,551	614,924
	25,657,914	146,551	25,804,465

7a. INVESTMENT RETURN

	2024	2023
	£	£
Unrealised gains on investments during the year	1,668,421	1,532,398
Exchange rate movements	479	(1,926)
Realised (losses)/gains on investment during the year	61,436	48,877
Net gains on investment assets	1,730,336	1,579,349
Investment income receivable (see note 7b))	483,066	491,589
Investment management fees paid and accrued	(92,225)	(87,500)
	2,121,177	1,983,438

The Foundation derives the majority of its income from the above investments. Whilst most of the funds held by the Foundation are available to meet expenditure, the trustees must balance the needs of current beneficiaries against those of the future. For this reason, although not a permanently endowed fund, the Foundation uses a total return basis in order to inform its budgeted expenditure across all funds.

The historic cost of investments held at the year end totalled £21,078,738.

The Trustees report includes further discussion regarding the investment policy of the Foundation.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

7b. INVESTMENT INCOME	2024	2023
	£	£
UK fixed interest	11,742	21,662
Overseas fixed interest	24,972	28,109
UK equities	104,472	165,379
European equities	39,288	24,861
US equities	75,194	60,345
Other worldwide equities	89,828	59,799
UK property	55,089	56,953
Alternative assets	68,211	63,914
Other	14,270	10,567
	483,066	491,589

8. DEBTORS AND PREPAYMENTS	2024	2023
	£	£
Due within one year		
Sundry debtors and prepayments	5,250	16,257

9. CREDITORS AND ACCRUALS	2024	2023
	£	£
Grants payable	46,910	25,600
Rent received in advance	4,385	4,375
Contributions to pension scheme	2,751	2,740
Other creditors	32,640	31,336
	86,686	64,051

10. FINANCIAL COMMITMENTS

a) Other grants

At the year end the Educational Opportunity Foundation has the intention to pay grants totalling £763,100 (2023: £1,403,065) in the future which have not been included in the accounts as they are conditional on the recipients providing satisfactory evidence that they have met the reporting requirements required by Educational Opportunity Foundation and the subsequent approval of payment.

b) Leases

Educational Opportunity Foundation is currently located in shared offices in London with an annual licence fee of £5,073. Service costs are based on usage and charged quarterly in arrears. The licence is terminable at three months notice giving a commitment of £1,268.

c) Archive

By Deed of Covenant and Gift signed on 11 December 2013 a gift of the British and Foreign School Society Archive was made to Brunel University. No further payment to Brunel University in respect of the Archive will therefore be made, nor will any further insurance costs be incurred.

d) Capital commitments

Educational Opportunity Foundation has no capital commitments at 31 December 2024 (2023: £ nil).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

**11. RESTRICTED FUNDS
TRUSTS AND OTHER FUNDS ADMINISTERED BY EDUCATIONAL OPPORTUNITY FOUNDATION**

	Total restricted funds		Richard Pain Trust		BFSS Trust		Alfred Bourne	
	2024 £	2023 £	2024 £	2023 £	2024 £	2023 £	2024 £	2023 £
Incoming resources								
Donations	60,000	74,500	60,000	74,000	-	500	-	-
Investment income								
Pooled investment fund	11,793	8,746	-	-	2,196	207	223	-
Bank interest	1,412	676	-	-	190	76	38	-
Permanent endowment transfer to income	19,688	31,117	-	-	-	9,484	1,931	2,109
Total incoming resources	92,893	115,039	60,000	74,000	2,386	10,267	2,192	2,109
Resources expended								
Direct charitable expenditure	123,800	126,049	83,879	96,083	-	-	4,000	-
Management and administration								
- investment management fees	1,635	774	-	-	474	45	30	-
- transfer from main fund	635	7,432	-	-	-	1,231	-	265
Total resources expended	126,070	134,255	83,879	96,083	474	1,276	4,030	265
Net (expenditure)/income before (losses)/gains on investments	(33,177)	(19,216)	(23,879)	(22,083)	1,912	8,991	(1,838)	1,844
Expendable endowment transfer	8,288	9,709	-	-	-	-	-	-
Transfers to unrestricted funds	(380,572)	(2,500)	-	-	(208,728)	-	-	-
Transfers from permanent endowment	574,687	169,783	-	-	-	169,783	33,460	-
Net gains/(losses) on investments	28,749	13,156	-	-	10,365	-	303	-
Net movement in funds	197,975	170,932	(23,879)	(22,083)	(196,451)	178,774	31,925	1,844
Fund balances brought forward	552,151	381,219	69,939	92,022	196,451	17,677	6,064	4,220
Fund balances carried forward	750,126	552,151	46,060	69,939	-	196,451	37,989	6,064

Restricted funds represent the income of other charitable trusts which are administered by Educational Opportunity Foundation and unavailable for general charitable expenditure or donations which have been received for a specified purpose.

Name of Fund

Richard Pain Trust

The British & Foreign School Society Trust (BFSS Trust)
(Charity number 312516)

The Alfred Bourne Trust Fund
(subsidiary of Charity number 314286)

Purpose of Fund

A restricted fund created by grants from the Richard Pain Trust allocated to specific beneficiaries.

To provide financial assistance or award scholarships or grants to persons in the London Boroughs of Bermondsey, Bethnal Green, Poplar, Southwark and Stepney in connection with their education. During the year the Charity Commission approved a resolution to transfer the restricted fund to general funds, to enable the distribution of larger and more effective grants.

To provide financial assistance to persons undertaking education up to the age of 30.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

11. RESTRICTED FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY EDUCATIONAL OPPORTUNITY FOUNDATION (continued)

Berridge Trust		British School Charity		South Church Educational Fund		Sarah Walker and Spafford Memorial Fund		Old British School	
2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
£	£	£	£	£	£	£	£	£	£
-	-	-	-	-	-	-	-	-	-
694	707	2,068	-	786	800	1,457	2,587	4,369	4,445
82	50	354	-	92	56	145	182	511	312
-	-	17,757	19,524	-	-	-	-	-	-
776	757	20,179	19,524	878	856	1,602	2,769	4,880	4,757
2,000	-	19,921	27,466	-	2,500	-	-	14,000	-
132	126	281	-	149	142	361	461	208	-
298	289	-	2,449	337	327	-	1,056	-	1,815
2,430	415	20,202	29,915	486	2,969	361	1,517	14,208	1,815
(1,654)	342	(23)	(10,391)	392	(2,113)	1,241	1,252	(9,328)	2,942
-	-	-	-	-	-	-	-	8,288	9,709
-	-	-	-	-	-	(171,844)	(2,500)	-	-
-	-	309,859	-	-	-	-	-	231,368	-
2,486	2,273	2,805	-	2,816	2,571	7,896	8,312	2,078	-
832	2,615	312,641	(10,391)	3,208	458	(162,707)	7,064	232,406	12,651
40,127	37,512	14,115	24,506	48,364	47,906	162,707	155,643	14,384	1,733
40,959	40,127	326,756	14,115	51,572	48,364	-	162,707	246,790	14,384

Name of Fund

The Berridge Trust (subsidiary of Charity number 314286)

The British School Charity
(subsidiary of Charity number 314286)

The Sarah Walker and Spafford Memorial Fund
(administered under Charity number 314286)

South Church Educational Fund (subsidiary of
Charity number 314286)

Old British School (Charity number 309444)

Purpose of Fund

To promote the training of cookery teachers.

To promote the education of persons under the age of 25 in the
neighbourhood of Saffron Walden.

To provide grants for educational travel for young people. During the year
the Charity Commission approved a resolution to transfer the restricted
fund to general funds, to enable the distribution of larger and more
effective grants.

To promote education in the area of the District of the Wear Valley

To promote the education of persons under the age of 25 who are in need
of financial assistance and live within a radius of 20 miles from Bratton,
Wiltshire, preference being given to those resident in Bratton.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

**12. ENDOWMENT FUNDS
TRUSTS AND OTHER FUNDS ADMINISTERED BY EDUCATIONAL OPPORTUNITY FOUNDATION**

	Total endowment funds		Wilmslow		Darlington	
	2024 £	2023 £	2024 £	2023 £	2024 £	2023 £
Incoming resources						
Investment income						
Permanent endowment pooled investment fund	4,241	10,571	-	-	-	-
Permanent endowment bank interest	372	662	-	-	-	-
Permanent endowment transfer to income	(19,688)	(33,756)	-	-	-	-
Total incoming resources	(15,075)	(22,523)	-	-	-	-
Resources expended						
Investment management fees	1,547	3,377	-	429	-	383
Net expenditure before gains/(losses) on investments	(16,622)	(25,900)	-	(429)	-	(383)
Expendable endowment transfer between funds	(8,288)	(20,339)	-	(5,610)	-	(5,020)
Transfer (to)/from restricted funds	(574,687)	(169,783)	-	-	-	-
Transfers to unrestricted funds	-	(545,523)	-	(244,754)	-	(219,011)
Net gains(losses) on investments	33,847	58,007	-	7,343	-	6,570
Net movement in funds	(565,750)	(703,538)	-	(243,450)	-	(217,844)
Endowment fund balances brought forward	565,750	1,269,288	-	243,450	-	217,844
Endowment fund balances carried forward	-	565,750	-	-	-	-

Endowment funds represent capital amounts held by the charity for the longer term to generate income for the charity or the other trusts which are administered by Educational Opportunity Foundation. Endowment funds share in the total return from the investment funds. This allows trustees to invest endowment funds to maximise total return and to apply an appropriate proportion of the total return to income for the year and so be available for expenditure. Educational Opportunity Foundation has two types of endowment fund, permanent and expendable endowment funds.

Expendable endowments income can be spent as unrestricted funds, unless the charity is restricted to the areas in which the income and capital can be spent. Where the charity holds permanent endowments there is no ability to spend the original capital funds. Having reviewed the needs of the Educational Opportunity Foundation and its beneficiaries, over 2023 and 2024 the endowments funds have been transferred to general or restricted funds. The Charity Commission has given approval for the transfers in all cases. At the balance sheet date no endowment funds remained.

Name of Fund

Wilmslow British School Endowment Fund (subsidiary of Charity number 314286)

Darlington College Building Fund

Purpose of Fund

The fund was an expendable endowment, however the capital was restricted.

The fund was an expendable endowment, however the capital was restricted.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

**12. ENDOWMENT FUNDS
TRUSTS AND OTHER FUNDS ADMINISTERED BY EDUCATIONAL OPPORTUNITY FOUNDATION (continued)**

Alfred Bourne		British School Charity		Old British School		West Street		BFSS Trust	
2024 £	2023 £	2024 £	2023 £	2024 £	2023 £	2024 £	2023 £	2024 £	2023 £
413	648	3,828	5,999	-	-	-	734	-	3,190
36	46	336	421	-	-	-	32	-	163
(1,931)	(2,109)	(17,757)	(19,524)	-	-	-	(2,639)	-	(9,484)
(1,482)	(1,415)	(13,593)	(13,104)	-	-	-	(1,873)	-	(6,131)
90	115	837	1,067	620	791	-	144	-	448
(1,572)	(1,530)	(14,430)	(14,171)	(620)	(791)	-	(2,017)	-	(6,579)
-	-	-	-	(8,288)	(9,709)	-	-	-	-
(33,460)	-	(309,859)	-	(231,368)	-	-	-	-	(169,783)
-	-	-	-	-	-	-	(81,758)	-	-
1,978	2,081	18,306	19,274	13,563	14,281	-	2,453	-	6,005
(33,054)	551	(305,983)	5,103	(226,713)	3,781	-	(81,322)	-	(170,357)
33,054	32,503	305,983	300,880	226,713	222,932	-	81,322	-	170,357
-	33,054	-	305,983	-	226,713	-	-	-	-

Name of Fund

The Alfred Bourne Trust Fund (subsidiary of Charity number 314286)

Purpose of Fund

The fund was a permanent endowment. The income of the endowment was restricted as detailed in note 11. During the year the Charity Commission approved a resolution to transfer the endowment to restricted funds, to enable the distribution of larger and more effective grants.

The British School Charity (subsidiary of Charity number 314286)

The charity incorporated a permanent endowment. The income of the endowment was restricted as detailed in note 11. During the year the Charity Commission approved a resolution to transfer the endowment to restricted funds, to enable the distribution of larger and more effective grants.

Old British School (Charity number 309444)

The Old British School was an expendable endowment. The income of the endowment was restricted as detailed in note 11. During the year the Charity Commission approved a resolution to transfer the endowment to restricted funds, to enable the distribution of larger and more effective grants.

West Street Old British School, Wareham (subsidiary of Charity number 314286)

The fund was a permanent endowment.

The British & Foreign School Society Trust (BFSS Trust) (Charity number 312516)

The charity incorporated a permanent endowment. The income of the endowment was restricted as detailed in note 11.

**NOTES TO THE FINANCIAL STATEMENTS
AT 31 DECEMBER 2024**

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets and investment property	Pooled funds	Net current assets	2024
	£	£	£	£
Endowment funds				
All transferred to other funds	-	-	-	-
	-	-	-	-
Restricted funds				
Richard Pain Trust	-	-	46,060	46,060
Alfred Bourne	-	34,020	3,969	37,989
Berridge Trust	-	37,083	3,876	40,959
British School Charity	-	314,919	11,837	326,756
South Church Trust	-	42,011	9,561	51,572
Old British School	-	233,333	13,457	246,790
	-	661,366	88,760	750,126
Unrestricted funds				
Educational Opportunity Foundation	451,461	25,143,099	32,114	25,626,674
	451,461	25,804,465	120,874	26,376,800

	Tangible fixed assets and investment property	Pooled funds	Net current assets	Total 2023
	£	£	£	£
Endowment funds				
Alfred Bourne - permanent endowment	-	33,054	-	33,054
British School Charity - permanent endowment	-	305,983	-	305,983
Old British School- expendable endowment	-	226,713	-	226,713
	-	565,750	-	565,750
Restricted funds				
Richard Pain Trust	-	-	69,939	69,939
BFSS Trust	-	173,246	23,205	196,451
Alfred Bourne	-	-	6,064	6,064
Berridge Trust	-	36,031	4,096	40,127
British School Charity	-	-	14,115	14,115
South Church Trust	-	40,819	7,545	48,364
Sarah Walker and Spafford	-	131,975	30,732	162,707
Old British School	-	-	14,384	14,384
	-	382,071	170,080	552,151
Unrestricted funds				
Educational Opportunity Foundation	177,445	24,124,449	36,194	24,338,088
	177,445	25,072,270	206,274	25,455,989

Educational Opportunity Foundation

Members of the Grants Committee

Prof Joy Palmer Cooper (Chair until May 2024)
Charlotte Cashman (Chair from May 2024)
Suela Aksoy
Jeanette Brady (from May 2024)
Jane Creasy

David Crowther
Davinder Dosanjh (from May 2024)
Alex McDonald (from May 2024)
Janice Miller
Nicholas Tesseyman

Members of the Finance and Investments Committee

David Baron (Chair until May 2024)
Robert Spencer (Chair from May 2024)
Jane Creasy

Janice Miller
Nicholas Tesseyman

Delegates of Restricted Funds

The Alfred Bourne Trust Fund
Berridge Trust
The British School Charity

Officers of Educational Opportunity Foundation
Officers of Educational Opportunity Foundation
Diana Hoy (Chair)
Claire Cameron
Ann Geeves
Alison Stewart
Nicholas Tesseyman

Sarah Walker & Spafford Memorial Fund

Officers of Educational Opportunity Foundation
(until the fund closed July 2024)

South Church Educational Fund

Officers of Educational Opportunity Foundation

Trustees of The BFSS Trust

Educational Opportunity Foundation Council (until the trust closed November 2024)

Trustees of the Old British School

Educational Opportunity Foundation Council

Representatives serving on outside bodies

Trustees

Caroline Lindley's Educational Foundation, Norwich	Christopher Watt Jenny Houlton
Great and Little Leighs Educational Charity, Essex	Paul Cooke
Prior's Charity, Chesham	Kevin Patrick
Steeple Bumpstead Educational Charity	Rosemarie O'Hare

Governors

Isleworth and Syon School for Boys	Dr Emily Tomlinson David Grindley
------------------------------------	--------------------------------------

Professional Advisors

Investment Manager

Rathbones – Incorporating Investec
Wealth & Investment (UK)
30 Gresham Street
London EC2V 7QN

Bankers

The Co-operative Bank
PO Box250
Skelmersdale
WN8 6WT

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill, West Mailing
Kent ME19 4JQ

Independent Auditor

Begbies Chartered Accountants
and Registered Auditors
9 Bonhill Street
London EC2A 4DJ

Accountant

Godfrey Wilson Ltd
5th Floor, Mariner House
62 Prince Street
Bristol BS1 4QD

Solicitors

Knights
Lakeside House
FieldsKingfisher Way
Stockton-On-Tees
TS18 3NB

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



Above:
Photo courtesy of Together we Learn:
reviewing a library construction site



**Educational Opportunity
Foundation**

IMPROVING LIFE CHANCES WORLDWIDE SINCE 1808

Educational Opportunity Foundation

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London

SE1 3GN

Web: educationalopportunity.org.uk

Tel: 07356 007655

Email: grants@educationalopportunity.org.uk

LinkedIn: [linkedin.com/company/educational-opportunity](https://www.linkedin.com/company/educational-opportunity)

April 2025

Registered Charity no. 314286

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EDUCATIONAL OPPORTUNITY FOUNDATION

England & Wales - Charity number 314286

Accounts

BFSS

BRITISH & FOREIGN SCHOOL SOCIETY
Educational Opportunity for All



ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2023

Charity registration number: 314286

ANNUAL REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2023

British & Foreign School Society

ESTABLISHED 1808 - INCORPORATED BY ROYAL CHARTER 1906

THE TWO HUNDRED AND SEVENTEENTH REPORT

British & Foreign School Society

PRESIDENT

The Rt Hon Mr David Lammy MP (until May 2023)

The Rt Hon the Baroness Morris of Yardley (from May 2023)

VICE-PRESIDENT

Emeritus Professor John Furlong OBE

COUNCILLORS

Chair of Council

Peter Miller (until May 2023)

Jane Creasy (from May 2023)

Vice-Chair of Council

Professor Joy Palmer Cooper

Treasurer

David Baron

Suela Aksoy (from May 2023)

Anood Al-Samerai

Amy Barnecliff (until Aug 2023)

Charlotte Cashman

Vic Craggs OBE (until May 2023)

David Crowther (from May 2023)

John Kanyaru (until Dec 2023)

Janice Miller

Nicholas Tesseyman (from May 2023)

VOLUNTEER INVESTMENT ADVISER

Ian Richley

Director and principal office address

Joanne Knight

7-14 Great Dover Street, London SE1 4YR

Website: bfss.org.uk

Registered Charity No. 314286

The BFSS Council present their report along with the financial statements of the British & Foreign School Society (BFSS) and the other charitable trusts for which BFSS is responsible, for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in the Notes to the Financial Statements and comply with the BFSS Charter and applicable law.

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Message from our Chair

As I approach the end of my first year as Chair, it gives me a lot of pleasure to introduce this Annual Report, which reflects a productive year, in ever-more challenging circumstances.

Before outlining some of the key achievements, I would like to record my deep appreciation for all that my predecessor, Peter Miller, did for the BFSS. In his ten years in office he set us on a very firm footing for our next phases of development. I know I am not alone in wishing to thank him and wish him well.

I am also delighted that, at the same time as I took over as Chair, we welcomed Estelle Morris as our President. Few figures in education carry such respect for their commitment, capability and integrity, and we are fortunate to have her interest and involvement. She took over from Rt Hon David Lammy, who stepped back after 10 years of superb support to the BFSS. We are deeply indebted to him.

I should say something about the most public change to the BFSS, our name. Back in 2022, there was agreement that the BFSS name no longer reflected our values or the work we do. Following extensive consultation with Members and Grant Partners, Council decided in 2023 that **Educational Opportunity Foundation** was the name that best described what we are and do. As we have a Royal Charter, the process of changing the name has required Charity Commission and Privy Council assent, and we were delighted when this was given in February 2024.

It is vital to us that we honour our heritage and the legacy of Joseph Lancaster, the visionary who sought to bring educational opportunity to all in the early C19th and whose influence continues to inform our work. For that reason, we have chosen a strapline, **'Improving life chances worldwide since 1808'**. Lancaster's zeal and innovative practices influenced education in England and numerous countries worldwide. Without him, and the commitment of the people who followed him and established BFSS, we would not be able to support life-changing educational projects around the world today.

Last year was marked by a harsh external environment; global instability and economic shocks combined to increase the demand for our support and undermine the resources we work with.

In the face of these increasing pressures and risks, we are proud of our £1 million Displacement Education Fund, which has been used to support some outstanding projects. It has provided learning about what might be most helpful in volatile contexts and we will use that to inform our future work.

Our portfolio was hit by the financial shock in Autumn 2022, although there was some limited recovery towards the end of 2023. Our funds are still in good health, as you will see in this report, and we have a plan for rebuilding our assets over the next few years.

I would like to conclude with thanks to the people who have achieved so much over the year. Firstly, I want to express profound admiration and thanks to our Grant Partners, who share our commitment to empowering young people through inclusive education and who live that commitment in the work they do, some of which we are able to support through grants. Our annual Grant Partners' Workshop provides us as funders with an opportunity to learn more about the practical implementation of some wonderful projects and meet some of the people involved. All at BFSS were inspired and uplifted by the occasion. We also recognise our responsibility to help Grant Partners engage with, and learn from, one another so that they too can gain fresh ideas and be reinvigorated in their work.

I would finally like to thank my colleague Trustees and our excellent professional team for all they have done during the year. I cannot speak highly enough about the ways in which our small executive team manage the responsibilities and activities of our organisation, nor the commitment and support shown by our Trustees. Together, Trustees and the executive have taken strategic decisions about our future work, including our ongoing commitment to addressing disadvantage and our desire to work closely with Grant Partners for longer-term impact. We aim to support learning between Grant Partners and, by delivering on the legacy of Joseph Lancaster, improve the life chances of disadvantaged young people through education.



Jane Creasy
Chair of BFSS

1. Our values and heritage

The BFSS heritage defines our values and activities today. We believe in the right of children and young people to access high quality education as a driver for personal development, wellbeing, and equality of opportunity.

The BFSS was formed in 1808 by Christian social reformers to carry on the work of Joseph Lancaster, a pioneer of school and teacher education. Joseph Lancaster was a Quaker who became concerned that young people from low-income communities in the UK were denied the opportunity of education in the late 18th century. As a result, he became involved in founding charitable schools based on his monitorial system, through which the basic teaching of younger children was undertaken by older ones, called monitors. Given the cost of teachers, his system removed a key barrier to providing mass education.

Joseph Lancaster travelled the world establishing monitorial schools, whilst BFSS continued to run and set-up schools in the UK until the Education Reform Act was passed in 1870, which for the first time made education a fundamental right for every child. As schools gradually became a government responsibility, BFSS continued improving the quality of

education by establishing charitable teacher training colleges. In the 1970s, teacher education sector reform resulted in these local colleges either closing or merging with other educational institutions. By the mid-1980s, all BFSS teacher training colleges and schools had closed and BFSS then continued to pursue its mission through educational grant giving. With such a long history, BFSS has necessarily adapted over the years, but our heritage continues to direct our priorities as we remain committed to promoting inclusive and effective learning, teacher training, and the sharing of good practice through our grant giving programme in the UK and around the world.

Conserving our physical heritage continues to be important to us, too. Brunel University London maintains our extensive archives and makes sure they are accessible for research. The British Schools Museum in Hitchin is a key partner for BFSS as we recognise its importance in ensuring Joseph Lancaster's work is visibly accessible for current and future generations to appreciate. The museum houses an 1837 monitorial schoolroom, the only one of its kind left in the world, as well as three other historic classrooms, the Headmaster's house and a collection of 47,000 objects.



Photo courtesy of Simon Maddison for British Schools Museum: Joseph Lancaster's great, great, great, great grandsons (left to right) Ricardo, Francisco and Rodrigo Lopez-Portillo y Lancaster-Jones



Archivist Tace Fox in the BFSS Archive at Brunel University London. Photo by BFSS

2. Highlights of the year

This was another exciting year for BFSS in terms of awarding £1,115,991 in new grants, which although less than in 2022 is still our second highest year ever for new awards.

Strategically we made some significant steps forward by selecting a new name and gaining approval from the Privy Council to adopt that new name, Educational Opportunity Foundation.

We also publicly confirmed our commitment towards preventing further climate damage by signing up to the Funders Commitment on Climate Change. This commitment gives us a framework to track our progress against as we work towards making all BFSS activities more environmentally sustainable, whilst we also joined a network of other funders to explore ideas with and learn from.

3. Shared learning

We continued our drive towards shared learning among Grants Partners and Members by hosting two in-person events. Charities shared a range of inspiring projects to overcome barriers to learning at our Annual Conference in June and in the autumn the Grant Partners' Workshop focused on the theme of 'How to successfully work with decision-makers'. Both featured opportunities to network and discuss successful work with charities operating in the UK and around the world.

The online BFSS Forum is also gaining traction with a 30% increase in the number of participants during the year. There have been particular peaks in use after events, when Members can find key resources and contact details for other attendees. Helpful shared learning posted by Members and Grant Partners included tips on tools to assess organisations' carbon footprint.



4. Our grant giving

In 2023, new grants were awarded to 25 projects with a total value of £1,115,991 (2022: 29, £1,571,015) through our core grant giving activity from unrestricted income. We also continued to make payments on grants awarded in previous years as detailed in the Financial Review and Note 2 of the Financial Statements. We have separate priorities for UK and International projects and continue to adopt a grant funding approach that favours small-to-medium not-for-profit organisations, with an annual income of less than £2.5 million.

4.1 UK grant giving

Supporting high-quality projects in the UK is central to our heritage and future; it is our aim for around 30% of our grants to support UK based projects. In 2023 we continued to fund projects which improve educational outcomes and life chances for care experienced young people or young carers under the age of 25, by offering grants of up to £90,000 over three years. As part of the Displacement Education Fund, our UK grant giving in 2023 also included projects which worked with displaced young people within the UK.

Aims of our UK grants for 2023

Improved educational outcomes — enabling care experienced young people and young carers to attend and engage in mainstream school life, improving their access to out of school support and increasing the number of education professionals able to understand their needs.

Improved life chances — enabling care experienced young people and young carers (aged 16-24) to access further education, employment or training opportunities and improving support for them to remain engaged with these opportunities.

Improved access to educational opportunity — enabling displaced young people to learn in their own language, to access post-trauma support and receive support to access further education or training for employment.

We also conducted a review of our UK grant giving strategy. This was the first of a new series of reviews which aims to provide in-depth analysis of a specific fund or theme of grants to help us to learn and consider if and how we could reshape future grant giving to support more young people to thrive.

The review analysed 26 grants for UK projects aimed at either young carers or care experienced young people. Specific approaches produced a strong impact, including projects which focused on: one to one support; the provision of non-formal learning environments; tutoring that collaborates closely with schools; bringing service providers together; prioritising young people in the design and delivery of projects; and training education professionals in trauma-informed approaches.

Working directly with schools was found to be an excellent vehicle for success for many young people. Organisations that build genuine partnerships with schools to ensure the young person's individual needs are being met are seeing strong results. However, there were consistent challenges with this approach, including difficulties in high staff turnover and ensuring that schools genuinely want and need a specific intervention. Projects working with schools require significant investment in dedicated staff and administration to be successful.

The review also highlighted the importance of wellbeing and mental health. Projects which focused on wellbeing and confidence can lead to direct improvements in attainment and attendance at school. Although quantitative evidence for this was lean, significant amounts of feedback from staff and parents showed that projects which focus on mental health and build confidence, bring increased resilience in the classroom and improved school attendance. To reflect on this learning, we will be revising our UK grant giving criteria from 2024.

Photo courtesy of Children on the Edge: lessons in a refugee settlement in Uganda





Photo courtesy of Child Rescue Nepal: teachers on a training day



Photo courtesy of Children on the Edge: playtime for Rohingya refugee children in Bangladesh

4.2 International grant giving

To ensure that we deliver our mission internationally we fund projects that improve access to and the quality of education, or improve the sustainability of educational provision, for young people under the age of 25, by offering grants of up to £60,000 over three years. We ensure that our grant giving delivers long-term improvement through the involvement of local communities, the capability and availability of teaching staff and fit-for-purpose infrastructure. Wherever possible, we fund projects that also deliver benefits to the wider community and which will be sustainable after our grant ends.

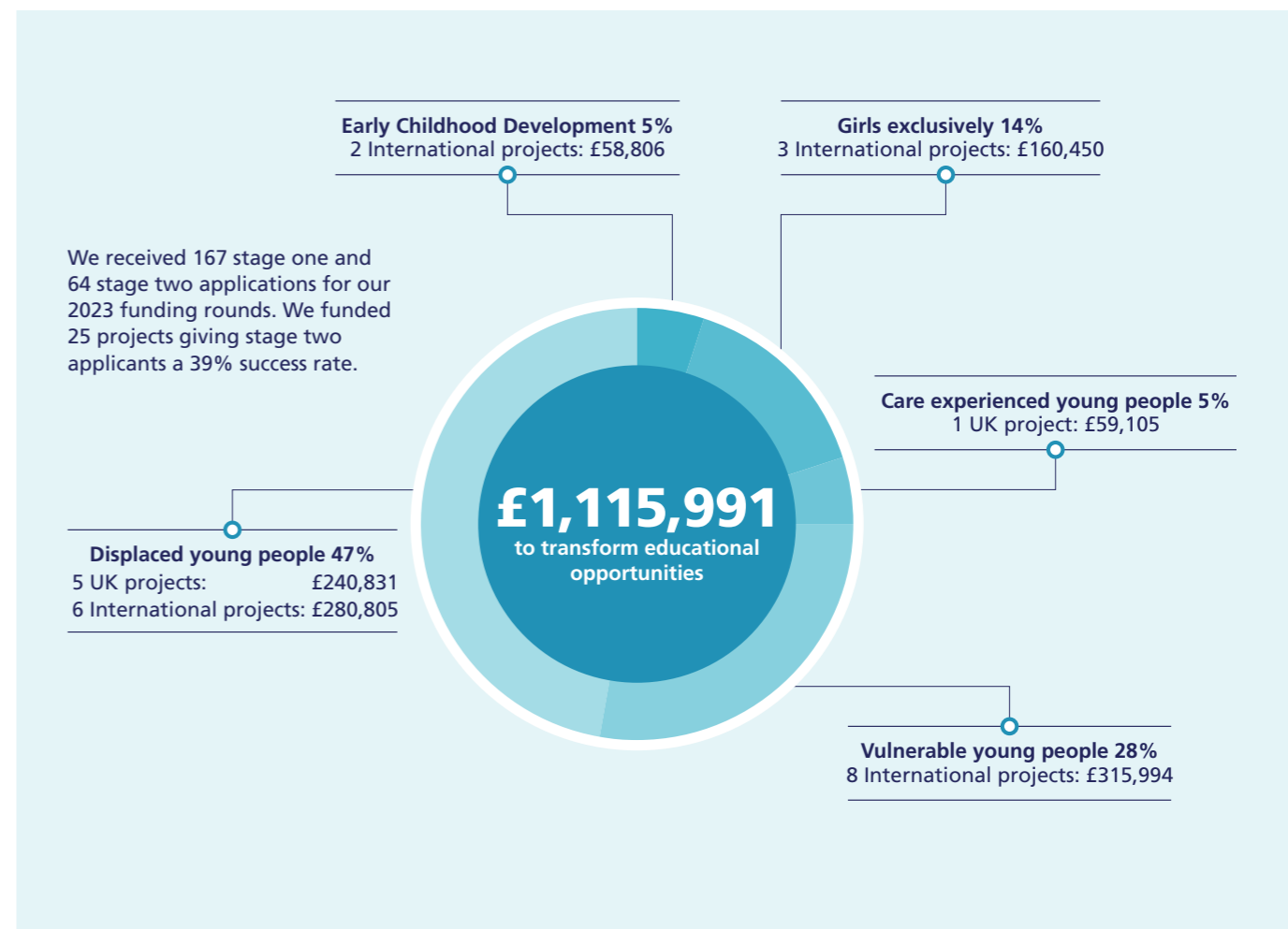
Aims of our International grants for 2023

Improved access to education — including increasing the number of educational opportunities, especially for girls and displaced young people, (including construction of classrooms or latrines), increasing the number of qualified teachers trained in inclusive, non-discriminatory practices and improving community attitudes to educating children who are often excluded or overlooked.

Improved quality of education — including enhancing the quality of teaching and learning, improving access to extra-curricular support, increasing child friendly resources, and increasing access to aspirational vocational training opportunities including STEM and IT.

Improved sustainability of education projects — including encouraging educational projects with integrated community management or ownership, self-generating income and minimising their environmental impact.

Who our new grants in 2023 supported



4.3 Displacement Education Fund

In 2022 we launched a new one-off £1million Displacement Education Fund to support the education of young people impacted by conflict, with grants available for both international and UK based projects. Whilst prompted by the conflict in Ukraine, the fund was designed to be available for all young people who have had to flee conflict regardless of their location.

The fund met a clear funding need in the sector. In total, we received 96 applications, and funded 21 very high quality applications to a value of £978,625. Of these, 9 grants (£370,788) were awarded for UK projects and 12 grants (£607,837) for international projects.

Most projects are still ongoing so the impact of the fund has not yet been assessed. However, continuing instability in the Middle East has caused challenges for projects operating in this region and these are being monitored carefully. Projects are needing to adapt their approach, including in some instances the geographic region they are operating in. Our commitment and willingness to be a flexible and trusting funder is proving highly valuable to our Grant Partners working in fragile settings. Although the distribution of the Displacement Education Fund was completed in 2023, its legacy continues. As a result of the clear need for funding in this area, we have incorporated Displaced Young People as one of our priority areas for our ongoing international grant giving.

Where our new grants went in 2023

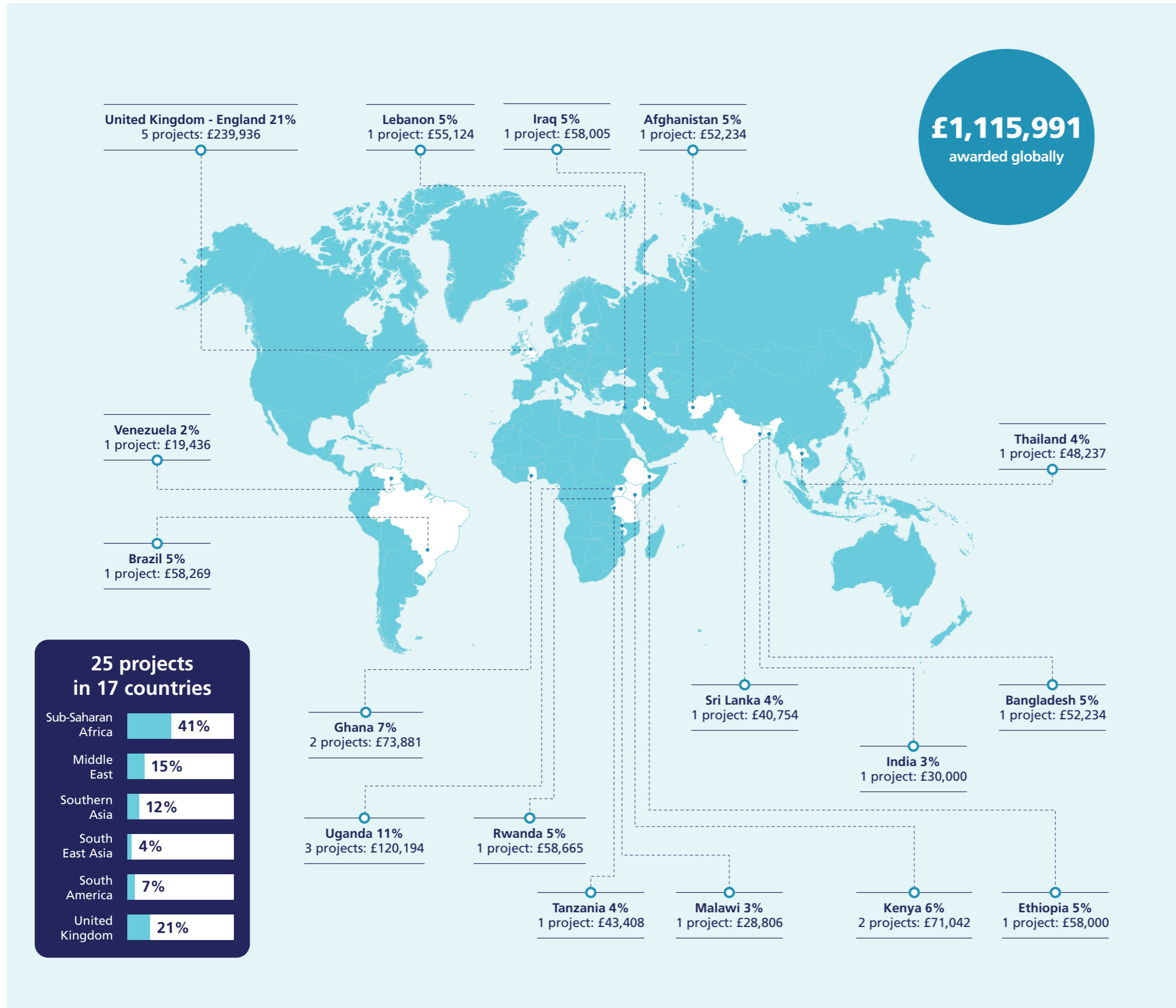


Photo courtesy of Ashdon Primary School: new mindfulness room created with British School Charity grant



4.4 Subsidiary trusts

In addition to the grants awarded from our unrestricted income BFSS is responsible for a number of smaller subsidiary trusts which provide restricted funds for educational activities in specific locations and for particular purposes. In 2023, £31,966 was awarded through 11 grants (2022:10, £36,000) from restricted income. Our approach is to work with partners with the experience and local knowledge to make sure grant giving is effective and meets the individual requirements of each fund. We are currently working with the following:

- The British School Charity in Saffron Walden has an active locally-based committee. The charity supports individuals in need of financial help to succeed in their education and local community organisations working with young people.
- To support the work of the Berridge Trust we work with The Food Centre which provides training to food technology teachers.
- The South Church Educational Fund contributes to an after-school club run by the Auckland Youth and Community Centre.
- The Old British School Charity is restricted to the Bratton and the surrounding area in Wiltshire. The Community Foundation for Wiltshire distributes the funds to individuals with Special Educational Needs and Disabilities in their pursuit of learning. This work is also supported by the Alfred Bourne Trust which is designed to support individuals with their learning.
- The Sarah Walker and Spafford Memorial Fund is usually distributed via our core grant giving for projects which have an element of educational travel.
- No grants were awarded from the BFSS Trust again in 2023, as we are currently reviewing how its income can be distributed for maximum impact.

5. Our impact

The projects we fund improve educational opportunity for young people in some of the most marginalised or low-income communities, transforming their life chances, as these reports show.

Improving life chances after Covid

Learning for Life ran a project in Bangladesh which has not only helped pupils catch-up and negate the devastating impact of Covid school closures, but also has increased support for girls' schooling.

After lockdowns were lifted, the charity found that in the Nikli district there were more than 5,000 children out of school, and often hard-pressed families preferred them to work. With a BFSS grant of £30,500, Learning for Life ran a community-wide school re-enrolment campaign, along with out of school catch-up classes and online learning sessions. Training for teachers and leaders on quality education, online learning and safeguarding was also provided. A key focus was life skills and re-enrolment of girls.



Photo courtesy of Learning for Life: life changing lessons for young women

Impact

The two-year project made remarkable strides in education, safeguarding vulnerable children, bridging the digital divide, and empowering adolescent girls. Learning for Life convinced families of the value of education so parents and guardians came to believe it was in their best interests for pupils to re-enrol. 98% of target children returned to school after lockdowns, and all 5,378 of these pupils passed their annual examinations. Introducing online education for more than 300 students helped ensure they could continue their studies even when classrooms were shut due to monsoon flooding.

A standout achievement is that educational and awareness initiatives effectively stopped child marriages in the area, allowing students to continue their studies. In addition, regular sessions focusing on life skills, family laws, government measures related to women's

protection, and menstrual hygiene have empowered adolescent girls, enabling them to advocate for themselves and their futures. The project helped minimise the disparities in boys' and girls' enrolment.

Together these achievements represent a shift in attitudes which will have a crucial impact on shaping the education and future development of the region's children.

'I never thought I would be going to school, enjoying school life and friends around me.'

Touhida Akter, pupil.

Extending support through tutoring

The Volunteer Tutor's Organisation (VTO) provides additional educational support to young people who need it most, primarily in Glasgow. BFSS gave them £85,404 for a three-year project, *Learning Beyond Covid-19*, to improve the education of care experienced and kinship care young people throughout Scotland.

The project aimed to design, test and refine a range of interventions in two pilot areas, building on their experience of supporting young people and extensive work done in partnership with Glasgow's Care Experienced Team. In the first 30 months of this project, VTO has supported nearly 250 young people living outside of Glasgow with one-to-one tutor support and Learning Hubs, running four Learning Hubs in Perth & Kinross and Edinburgh, with a fifth due to launch in 2024.



Photo courtesy of Volunteer Tutor's Organisation: older pupils offer one-to-one support for learning

Impact

VTO aimed for at least 70% of young people to show improvement in literacy, numeracy, confidence and engagement with education. They have surpassed these targets: after two years 80% of the tutored young people show measured improvements in reading, and 75% show measured improvements in maths and numeracy. In addition, they have made great strides in building strong relationships with local stakeholders in education services, schools and social work.

'I am finding school hard just now. I enjoy learning with my tutor - I feel I learn more with her than in school. I don't feel as anxious, and she makes it fun.' **Pupil**

'R's engagement with the VTO tutor was the first kind of learning she had done in some time as she does not attend school. I know she is looking forward to starting with a new tutor. I believe it has helped with her desire to learn. She is now also working with our school outreach teachers twice a week in the local library which is going very well.'

Teacher

Training teachers for inclusive education

Young people with deafblindness are often excluded from education in Peru partly because many teachers don't feel equipped to teach them. BFSS gave Sense International £39,903 over two years to develop and deliver a teacher training programme and improve learning resources in order to improve access and the quality of education for young people across eight regions of Peru.

In two years, 499 teachers completed the courses, drawn from mainstream schools and special education centres. Sense International built six sensory rooms, which help students with deafblindness and other sensory impairments learn to process sight and sound, as well as developing their motor skills. 103 teachers received special training in sensory stimulation techniques, to help them get the most from the new rooms with their students.



Photo courtesy of Sense International: support in the classroom

Impact

Already in special education centres, the sensory rooms have benefited 354 children with deafblindness and multiple disabilities, who now have better access to a quality education.

And the wider impact is substantial: the Universal Design for Learning approach, which Sense International promote, helps teachers meet the individual needs of all their students, if they have a disability or not. Some teachers have cascaded knowledge to colleagues as well. So the charity estimate 2,997 children with disabilities will indirectly benefit from their teachers being trained, in the special education schools alone.

As well as benefitting students and teachers today, this work helped demonstrate to the Peruvian Ministry of Education how children with deafblindness can and should be included in education. This has meant a module on deafblindness is now included in the Ministry's special education teacher training; and the Ministry funded 20 sensory rooms at schools in Lima in the past year, with plans for more across the country.

'I think the most important part was to understand the functional assessment. We did group work and prepared an assessment for Nicol, a student with multiple disabilities including low vision. She is already nine. Next year, when Nicol returns to school, she will have a proper individual education plan. During the course, we also learnt new strategies to work with parents, teaching them how to support progress made in school.' **Jessica, special education teacher, Tumbes**

6. Our strategy

Our charitable objects are: "To advance education for the benefit of the public in particular by providing educational opportunity for children and young people in the UK and overseas." We adhere to these objects and achieve public benefit through our grant giving activities to support the education of young people from low-income and marginalised communities worldwide. The Council has referred to the Charity Commission's guidance on public benefit when developing its vision, mission, values and objectives. We review these each year, and make sure they inform our decisions.

6.1 Our vision

Educational opportunity for all.

6.2 Our mission

We seek to achieve our vision by providing funding and support to UK-based charities for educational projects in the UK and throughout the world reflecting our history and heritage.

6.3 Our values

We believe in the right of children and young people to access high quality education as a driver for personal development, wellbeing, and equality of opportunity. Building on the heritage of our founder Joseph Lancaster, we value effective teaching and learning, and the sharing of good practice. We are committed to inclusivity, integrity, and to valuing and respecting others in everything we do.



Photo courtesy of Learning for Life: lessons for young women in Bangladesh

6.4 Our objectives

Our current strategy for 2023 to 2027 is based on 5 objectives:

1. To award grants aimed at enabling young people to improve their own educational outcomes and life chances in the UK and Internationally.
2. To support our Grant Partners and Members to build their own capacity and knowledge.
3. To support broader social aims which have an impact on inclusive education and stay true to our heritage.
4. To continually improve our adherence to good practice in all aspects of our grant giving and governance.
5. To effectively use our resources.

6.5 Future plans

In 2024 we will continue to implement of our 5-year strategic plan and key priorities for the year will include:

Objective 1:

- Complete the review of our UK grant giving, which aims to maximise impact.

Objective 2:

- Encourage further knowledge sharing via the online BFSS Forum and our annual Grant Partners Workshop.

Objective 3:

- Implement the change of our name from BFSS to Educational Opportunity Foundation.

- Support the wider social sector by sharing our grant giving data on 360Giving so it is publicly available for UK funding data analysis projects.

Objective 4:

- Widen the diversity of skills and experience within the BFSS Council.
- Appoint and induct a new Treasurer and Vice-Chair.

Objective 5:

- Further develop our long-term financial plans and investment strategy to protect BFSS capital whilst honouring our commitment to protecting the environment.

7. Structure, governance and management

7.1 Membership

BFSS Membership is open to individuals passionate about furthering the education and life chances of marginalised young people. It brings together a community committed to supporting the BFSS to deliver its vision of educational opportunity for all. The statutory role of Members is to elect the President, Vice-President and the Councillors who act as Trustees of the charity. During 2023 and early 2024, 19 new Members joined bringing the total number of Members to 170 by 1 February 2024 when our Trustee election process for 2024 started. During 2023 an Annual General Meeting was held virtually on 12 May 2023, and a Special General Meeting was held virtually on 7 November 2023. The latter was to enable Members to vote in person or via proxy on a proposed resolution to change the BFSS name to Educational Opportunity Foundation, which was approved.



Shared learning at BFSS Conference 2023. Photo by BFSS

7.2 Governance and structure

The BFSS President and Vice-President are elected for a term of three years. At the 2023 Annual General Meeting the Rt Hon David Lammy MP stood down as the President and the Rt Hon the Baroness Morris of Yardley was elected as his successor. Professor John Furlong continues as Vice-President; his current term ends in 2024 when he can stand for re-election.

BFSS is governed by a Council of Trustees drawn from and elected by Members. The Council reduced to nine members during the year after two Trustees stood down mid-term, but the aim is to increase it to 12 during the 2024 and 2025 elections. The minimum number is six. Every year a skills audit is undertaken to prioritise skills being sought in the forthcoming Trustee election process. Whilst any Member with relevant skills or experience can apply to be a Trustee, we also openly advertise the Trustee vacancies to widen the skills and diversity of both the Membership and Council.

BFSS has an induction procedure for new Trustees. They are provided with relevant information on their role and responsibilities and are briefed by the Chair and Director. All Trustees are kept informed of the impact of BFSS through reports on funded projects. The Council regularly reviews the work of individual Trustees and its sub-committees.

The Director's remuneration is set by a process which includes a review of performance against objectives by the Remuneration Committee which then makes a recommendation for approval to the Council.

In 2023 Council Meetings were held in March, June and November, with the annual strategy meeting in December. There are two subsidiary committees, the Grants Committee and the Finance and Investments Committee, both of which meet at least twice a year and report to the Council.

The BFSS has a risk register, scheme of delegation and a series of policies and terms of reference, which are subject to a regular review schedule to ensure they are up to date and fit for purpose.



Photo courtesy of Child Rescue Nepal: teachers on a training day

7.3 Robust and effective grant-giving

As described in section 4, BFSS makes grants in accordance with its Charter and within the financial limits set by Council each year. Our core grant giving activity from unrestricted funds offers response mode (bottom up) funding via an open call for project proposals from not-for-profit organisations registered in the UK. The criteria for grant giving and success rates of previous applicants are available on the BFSS website. We operate an online grant application system, for our core grants this involves a two-stage application process to minimise the time applicants spend preparing their initial proposals.

The Grants Manager conducts an initial assessment of all stage one grant applications and invites the project proposals which meet the criteria and are of the highest quality to submit a stage two application. Following a detailed review of stage two applications in consultation with the Chair of the Grants Committee, applications which are considered suitable are selected for review by the Grants Committee with an individual Trustee taking the lead on each application.

The Grants Committee collectively makes decisions according to the criteria set out in the BFSS Grant Giving and Management policy. In 2023, 39% of the stage two applications received were funded.

We have a structured process to ensure rigorous evaluation of the impact of our grants, and hold Grant Partners accountable for delivering the outputs and outcomes to which they have committed. Every grant application is required to specify three or four main outcomes, and every project must have a well-defined plan for monitoring and evaluation. The reporting schedule is linked to the release of funds. This allows BFSS to monitor the progress of the grants and work with partners where necessary if issues arise, to ensure satisfactory progress towards outcomes. The grant monitoring process was reviewed during 2023 to reduce the burden on Grant Partners whilst still ensuring robust monitoring is undertaken. Subsequently, Grant Partners are now required to submit a brief progress report annually for grants up to £15,000 per year and six-monthly for larger grants, in addition to the end of project report. However, trusted Grant Partners who have successfully completed a BFSS funded project within the past three years, are only required to submit annual reports for grants.

Each progress report is reviewed by the Director or Grants Manager before further funding is released. When a project is not delivering to plan, a triage system is in place to determine whether the Director or Grants Manager, Chair of the Grants Committee or the Grants Committee should make a decision on the future of the grant.

BFSS places great emphasis on ensuring that improved educational outcomes for our beneficiaries are clearly identified. Construction projects are required to provide an additional report one year after the formal completion of the construction project, to give time for impacts to emerge.

The subsidiary trusts that BFSS is responsible for providing small grants to individuals and to organisations. Given the size of these grants (usually less than £5,000) the application process is deliberately kept very simple with a one-stage application form which is reviewed by the Director, or by a local committee in the case of the British School Charity. These trusts are detailed in Note 12 to the Financial Statements.

8. Financial review

8.1 Reserves policy

The entire General Reserve (£24,163,088) at 31 December 2023, (2022: £23,045,234) is an unrestricted fund which would be available to meet unexpected costs of the charity. The Trustees do not therefore feel it appropriate to specify a minimum level for free reserves.

In addition to the General Reserve, at 31 December 2023 BFSS held a revaluation reserve of £175,000 (2022: £175,000) derived from the fair value of the George Dent Nursery.

During the year approval was obtained from the Charity Commission to transfer the expendable endowment fund balances from Wilmslow British School Endowment Fund, Darlington College Building Fund and West Street Old British School, totalling £545,523 to the general reserve for general purposes. In addition, approval was obtained from the Charity Commission to transfer the permanent endowment fund balance of £169,783 of the BFSS Trust to Restricted Funds, to enable the distribution of larger and more effective grant giving. At 31 December 2023 there were endowment funds of £565,750 (2022: £1,269,288) and restricted funds of £552,151 (2022: £381,219). At 31 December 2023, the total funds of the BFSS stood at £25,455,989 (2022: £24,870,741).

8.2 Risk Management Policy

BFSS maintains an active risk register which encompasses all areas of our activities. This risk register is reviewed, together with risk mitigation decisions and actions, on an ongoing basis by the BFSS Council. Other principal risks identified by Trustees were those associated with ensuring robust succession planning, ensuring policies are up to date and compliant with relevant regulations, particularly with regard to safeguarding, and ensuring that our investment policy continues to maximise income to support the delivery of our objects in a time of increasing demand for our grant giving.

8.3 Pension Policy

BFSS continues to operate a pension scheme for its employees, providing an employer's contribution of 8% of qualifying earnings.



Photo courtesy of Children on the Edge: playtime for Rohingya refugee children in Bangladesh

8.4 Financial results

The net movement in funds in the year was a surplus of £585,248, compared to a deficit of £4,696,251 in 2022. This was a positive result, bearing in mind increased grant giving in the year. It was achieved as a result of a significant improvement in the performance of the investment portfolio following a very poor year in 2022.

Payments made during 2023 to the new grants and grants awarded in previous years amounted to £1,314,963 (2022: £1,046,568). (The majority of the grants awarded from the unrestricted fund are for multi-year projects and are therefore paid over multiple years.) This represents a 26% increase on the previous year, as a result of an additional

£978,615 of new grants having been awarded through the Displacement Education Fund during 2022 and 2023. Subsequently the net expenditure of £994,101 (2022: £657,290) is a 51% increase on the previous year mainly reflecting the increase in grant payments. Investment income reduced for a second year running, by £43,461 or 8% (2022: £94,212 or 15%). There was a net gain on investments of £1,579,349 in the year compared to a net loss of £4,053,961 in the previous year. The BFSS Investment Policy states that the Trustees will normally draw between £1 million and £1.25 million each year, there is therefore an expectation that the grant giving programme will be partly funded by investment income and partly by capital gains on those investments.



Photo courtesy of Lyra in Africa: digital learning led by women

Photo courtesy of Learning for Life: learning on tablets enhances skills



8.5 Income

BFSS's main source of income is its investment portfolio, which is managed by Rathbones since 2023, after Investec Wealth & Investment Limited and Rathbones merged. Its investment policy is for the portfolio, consisting principally of equities and fixed interest stocks, to be managed on a total return basis to produce a regular income stream while maintaining its capital base in real terms. BFSS has used the total return basis since 2007 at which point the permanent endowment values were established. The two permanent endowments held at the year end have an unapplied total return of £68,315. During 2023 the performance target for the portfolio was reduced from a real return (after taking account of headline CPI or zero, whichever is greater, and investment management fees) of at least 4.0% to 3.5% on a rolling three-year basis. This reflects the changing global financial trends. The BFSS Investment Policy does not permit investment directly in companies that have more than 10% of their business relating to either; the production or sale of tobacco products, the promotion of gambling in any form, the production or sale of weapons or armaments, or the production, distribution and retail of pornographic media. In addition, investment is prohibited in companies with evidence of human rights abuses in the supply chain, both direct and indirect, including the use of child labour. Rathbones are also required to review its direct investment holdings to determine the degree of Environmental, Social and Governance (ESG) risks. The investment manager provides regular reports showing the ESG risk rating for its investments and the objective is to see this score reduce each year.

At the end of December 2023, the value of the investment portfolio was £25,072,270 (2022: £24,654,134), which represented an actual total return after fees for the year of 8.7%, which equates to a return of 5.4% after taking into account CPI of 3.3%. The total cumulative return of the Fund for the three years was -3.7% net of investment management fees and after taking into account CPI of 6.4%.

During the year £1,600,000 (2022: £1,080,000) was withdrawn to support our grant giving activities and running costs. This amounted to approximately 6.4% of the value of the portfolio on 31 December 2023. Total income amounted to £620,437, in comparison to £679,665 in the previous year, of which £491,589 (2022: £535,050) was from investments.

BFSS receives income from its investments and does not engage in public fundraising activities. As a result, we do not employ or monitor a fundraiser or a fundraising agent. No complaints were received with regards to fundraising, and BFSS is not subject to an undertaking to be bound by any voluntary scheme for regulating fundraising, or any voluntary standard of fundraising.

8.6 Property

The George Dent Nursery School in Darlington continues to be held by BFSS as an investment property and is leased to Darlington Local Education Authority. The property is valued at ten times rental value and as the annual rent receivable is currently £17,500, the value of the investment property is £175,000 (2022: £175,000).

8.7 General expenditure other than grants

The expenditure on support and governance costs during the year was £209,865 (2022: £196,912 and amounted to 13.0% (2022: 14.7%) of total expenditure including grants. The increased cost was predominantly due to a temporary increase in staffing to support the Displacement Education Fund, together with the increased cost of hosting in-person events for shared learning among Members and Grant Partners. However, the percentage spend on running costs was lower than in the previous year due to the increased grant spend. Five part-time staff, equivalent to 2.4 full-time staff were employed for the first 8 months of the year before reducing to four part-time staff, equivalent to 2.2 full time staff.

8.8 Responsibilities of the Council in relation to the financial statements

The BFSS Council is responsible for preparing the Trustees' annual report and financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the applicable Charities SORP.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations, and the provisions of the Charter. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

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

Jane Creasy
Chair of BFSS

Dated: 27 March 2024

9. Independent Auditor's Report to the Trustees of The British & Foreign School Society

9.1 Opinion

We have audited the financial statements of The British & Foreign School Society (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Charities Act 2011.

9.2 Basis for opinion

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

9.3 Conclusions relating to going concern

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

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

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

9.4 Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

9.5 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 require us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the Trustees' report.
- Sufficient accounting records have not been kept.
- The financial statements are not in agreement with the accounting records.
- We have not received all the information and explanations we require for our audit.



9.6 Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, 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 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 cease operations, or have no realistic alternative but to do so.

9.7 Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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



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

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

- Agreement of the financial statement disclosures to underlying supporting documentation to assess compliance with those laws and regulations having an impact on the financial statements and disclosure requirements. In particular, Accounting and Reporting by Charities: Statement of Recommended Practice.
- Enquiries and confirmation of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims.
- Review of minutes of Board meetings throughout the period.
- Incorporating unpredictability into the nature, timing and/or extent of testing.
- In relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

<http://www.frc.org.uk/auditorsresponsibilities>.

This description forms part of our auditor's report.

9.9 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Begbies

Chartered Accountants
Statutory Auditors
9 Bonhill Street
London EC2A 4DJ

May 2024

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

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME						
Donations and legacies		725	74,500	-	75,225	125,351
Investment income						
Rents receivable	5a	17,500	-	-	17,500	16,000
Investment income	7b	472,272	8,746	10,571	491,589	535,050
Interest receivable		34,785	676	662	36,123	3,264
Permanent endowment transfer to income	11,12	2,639	31,117	(33,756)	-	-
Total income		527,921	115,039	(22,523)	620,437	679,665
EXPENDITURE						
Expenditure on raising funds						
Investment managers fees	7a	83,349	774	3,377	87,500	90,925
Property expenditure		2,210	-	-	2,210	2,550
Expenditure on charitable activities						
Grants and costs	3	1,398,779	126,049	-	1,524,828	1,243,480
Total expenditure		1,484,338	126,823	3,377	1,614,538	1,336,955
Net expenditure and net movement in funds before net gains/(losses) on investments		(956,417)	(11,784)	(25,900)	(994,101)	(657,290)
Gross transfers between funds						
Expendable endowment transfer between funds	11,12	10,630	9,709	(20,339)	-	-
Permanent endowment transfer on resolution		545,523	169,783	(715,306)	-	-
Sarah Walker Spafford transfer for unspent income		2,500	(2,500)	-	-	-
Management charges to restricted funds	11	7,432	(7,432)	-	-	-
Net income/(expenditure) before other recognised gains and losses		(390,332)	157,776	(761,545)	(994,101)	(657,290)
Other recognised gains and losses						
Revaluation surplus re investment property	5	-	-	-	-	15,000
Net gains/(losses) on investments	7a	1,508,186	13,156	58,007	1,579,349	(4,053,961)
Net movement in funds		1,117,854	170,932	(703,538)	585,248	(4,696,251)
Reconciliation of funds						
Total funds brought forward		23,220,234	381,219	1,269,288	24,870,741	29,566,992
Total funds carried forward		24,338,088	552,151	565,750	25,455,989	24,870,741

The notes numbered 1 to 14 form part of these financial statements.
All amounts relate to continuing activities.

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £
INCOME					
Donations and legacies		378	124,973	-	125,351
Investment income					
Rents receivable	5a	16,000	-	-	16,000
Investment income	7b	513,058	9,295	12,697	535,050
Interest receivable		3,145	50	69	3,264
Permanent endowment transfer to income	11,12	3,525	21,835	(25,360)	-
Total income		526,106	156,153	(12,594)	679,665
EXPENDITURE					
Expenditure on raising funds					
Investment managers fees	7a	85,486	758	4,681	90,925
Property expenditure		2,550	-	-	2,550
Expenditure on charitable activities					
Grants and costs	3	1,164,808	78,672	-	1,243,480
Total expenditure		1,252,844	79,430	4,681	1,336,955
Net income/(expenditure) and net movement in funds before net losses on investments		(716,738)	76,723	(17,275)	(657,290)
Gross transfers between funds					
Expendable endowment transfer between funds	11,12	9,930	4,799	(14,729)	-
Sarah Walker Spafford transfer for unspent income		2,500	(2,500)	-	-
BFSS Trust transfer to permanent endowments		-	(202,667)	202,667	-
Management charges to restricted funds		7,175	(7,175)	-	-
Net income/(expenditure) before other recognised gains and losses		(697,133)	(130,820)	170,663	(657,290)
Other recognised gains and losses					
Revaluation surplus re investment property	5	15,000	-	-	15,000
Net losses on investments	7a	(3,811,482)	(33,770)	(208,709)	(4,053,961)
Net movement in funds		(4,493,615)	(164,590)	(38,046)	(4,696,251)
Reconciliation of funds					
Total funds brought forward		27,713,849	545,809	1,307,334	29,566,992
Total funds carried forward		23,220,234	381,219	1,269,288	24,870,741

The notes numbered 1 to 14 form part of these financial statements.
All amounts relate to continuing activities.

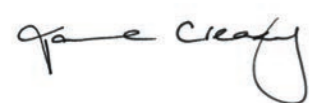
BALANCE SHEET

AT 31 DECEMBER 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible fixed assets	5	2,445	2,649
Investment properties	5	175,000	175,000
Investment assets	6,7	25,072,270	24,654,134
		25,249,715	24,831,783
CURRENT ASSETS			
Debtors and prepayments	8	16,257	3,223
Cash at bank and in hand		254,068	132,060
		270,325	135,283
LIABILITIES			
Creditors: amounts falling due within one year	9	(64,051)	(96,325)
NET CURRENT ASSETS		206,274	38,958
NET ASSETS		25,455,989	24,870,741
REPRESENTED BY:			
CAPITAL ACCOUNT			
Unrestricted funds			
General reserve		24,163,088	23,045,234
Revaluation reserve		175,000	175,000
		24,338,088	23,220,234
Restricted funds	11	552,151	381,219
Endowment funds	12	565,750	1,269,288
TOTAL CHARITY FUNDS		25,455,989	24,870,741

The notes numbered 1 to 14 form part of these financial statements.

Approved by the Council and authorised for issue on _____ and signed on its behalf by _____



Jane Creasy - Chair



David Baron - Treasurer

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

	See Note Below	2023 £	2022 £	
CASH FLOWS FROM OPERATING ACTIVITIES				
Net cash provided by (used in) operating activities	1	(1,589,157)	(1,201,920)	
Cash flows from investing activities:				
Dividends, interest and rents from investments		545,212	554,315	
Purchase of property, plant and equipment		(941)	(2,940)	
Proceeds from sale of investments		7,895,671	11,694,990	
Purchase of investments		(6,681,864)	(11,175,094)	
Net cash provided by/(used in) investing activities		1,758,078	1,071,271	
Change in cash and cash equivalents in the reporting period		168,921	(130,649)	
Cash and cash equivalents at the beginning of the reporting period	2	314,883	445,532	
Cash and cash equivalents at the end of the reporting period		483,804	314,883	
NOTE 1: Reconciliation of net income/(expenditure) to net cash flow from operating activities				
		2023 £	2022 £	
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		585,248	(4,696,251)	
Adjustments for:				
Depreciation charges		1,145	2,495	
Revaluation Surplus on Investment Property		-	(15,000)	
Unrealised (gains)/losses on investments		(1,532,398)	3,186,897	
Realised (gains)/losses on investments		(48,877)	885,767	
Dividends, interest and rents from investments		(545,212)	(554,315)	
Non-cash investment income		(3,755)	(2,919)	
(Increase)/decrease in debtors		(13,034)	(704)	
Increase/(decrease) in creditors		(32,274)	(7,890)	
Net cash provided by/(used in) operating activities		(1,589,157)	(1,201,920)	
NOTE 2: Analysis of cash and cash equivalents				
		2023 £	2022 £	
Cash in hand		168,621	132,060	
Un-invested cash		229,736	182,823	
Cash equivalents		85,447	-	
Total cash and cash equivalents		483,804	314,883	
NOTE 3: Reconciliation of net debt				
		Cash in hand	Un-invested cash	Cash equivalents
At the beginning of the reporting period		132,060	182,823	-
Cashflows		36,561	46,913	85,447
At the end of the reporting period		168,621	229,736	85,447

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

a) Basis of preparation

The British and Foreign Society is an unincorporated charity registered in England and Wales, registered charity number 314286. The registered office is 7-14 Great Dover Street, London SE1 4YR. The objectives and activities are as noted in the Annual Report.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these financial statements. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)) and the Charities Act 2011. The accounts are prepared in £ being the functional currency of the charity and round to the nearest £.

The British & Foreign School Society meets the definition of a public benefit entity under FRS 102. The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern because BFSS has over £25m of investments which is more than sufficient to cover at least 12 months of expenditure.

The most significant area of adjustment and key assumption that affects items in the financial statement relates to estimating the fair value of the investment property (see note 1(c) below).

b) Fixed assets

Fixed assets, with the exception of investment properties, are included at cost and are depreciated on a straight line basis over their useful lives at the following rates:

- Furniture and equipment 33%
- Computer equipment 25%

c) Investment properties

Investment properties are included in the financial statements at fair value. The Council has formerly valued the one remaining freehold property, the George Dent Nursery in Darlington, on the basis of ten times the annual rental income. The historic cost of the property is £1 (2022: £1).

d) Investment assets

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price. The Statement of Financial Activities includes the net gains and losses arising on the revaluation and disposals throughout the year. BFSS does not acquire put options, derivatives or other complex financial instruments.

e) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequently to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

f) Donations and similar incoming resources

Donations and similar incoming resources are included in the financial statements in the year in which they are receivable.

NOTES TO THE FINANCIAL STATEMENTS (continued)

g) Investment income

Investment income and any related income tax recoverable are included in the financial statements in the year in which they are receivable.

h) Rental income

Rental income is normally credited in the financial statements in the year to which it relates. All rental income is attributable to unrestricted funds.

i) Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is included in the statement of financial activities on an accruals basis and includes irrecoverable VAT.

j) Charitable activities

Charitable activities include grants by BFSS and the associated support costs. Grants are accounted for in the year in which the commitment is given, all relevant conditions having been fulfilled.

k) Support and governance costs

Support costs represent the cost of administering the affairs and managing and maintaining the assets of BFSS and of the other trust funds administered by BFSS.

Governance costs comprise all costs relating to the public accountability of BFSS and its compliance with regulation and good practice. These costs include the cost of Council meetings together with statutory audit fees.

l) Fund accounting

Trust funds that are the responsibility of BFSS are included in these accounts as restricted and endowment funds and details of the nature and purpose of each fund is set out in notes 11 to 12.

m) Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

n) Financial instruments

BFSS only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

o) Debtors

Debtors are amounts owed to BFSS. They are measured on the basis of their recoverable amount.

p) Cash and cash equivalents

Cash at bank is held to meet the day to day running costs of BFSS as they fall due. Cash equivalents are short term, highly liquid investments.

q) Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of the past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that BFSS anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. CHARITABLE EXPENDITURE - GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
International projects						
A Partner in Education	28,860	-	28,860	18,585	-	18,585
Able Child Africa	29,923	-	29,923	29,924	-	29,924
Advantage Africa	22,351	-	22,351	8,704	-	8,704
African Adventures Foundation	-	-	-	3,301	-	3,301
African Revival	15,207	-	15,207	12,792	-	12,792
AfriKids UK	21,863	-	21,863	12,925	-	12,925
Amala Education	-	-	-	11,025	-	11,025
Amazon Charitable Trust	20,000	-	20,000	-	-	-
Carers Worldwide	11,093	-	11,093	23,548	-	23,548
Chamos - In Aid of the Children of Venezuela	6,960	-	6,960	-	-	-
Chance for Childhood	15,000	-	15,000	30,000	-	30,000
Child Rescue Nepal	14,976	-	14,976	14,976	-	14,976
ChildHope UK	-	-	-	18,743	-	18,743
Children on the Edge	30,000	30,000	60,000	-	15,000	15,000
CodeBrave Foundation	14,837	-	14,837	-	-	-
Consortium for Street Children (previously StreetInvest)	27,723	-	27,723	27,164	-	27,164
Diapalante	-	-	-	6,323	-	6,323
Disability and Development Partners	36,665	-	36,665	15,415	-	15,415
EduKaid	28,666	-	28,666	15,765	-	15,765
EduSpots	25,878	-	25,878	-	-	-
Entraide (Mutual Aid)	-	-	-	10,000	-	10,000
Feed the Minds	14,699	-	14,699	14,699	-	14,699
Fields of Life	21,047	-	21,047	23,944	-	23,944
Hands Up Foundation	15,000	-	15,000	15,000	-	15,000
Health & Hope UK	30,000	-	30,000	-	-	-
Healthprom	16,985	-	16,985	9,845	-	9,845
Hope for Children	13,788	-	13,788	-	-	-
inhive	-	-	-	7,294	-	7,294
Irise International	5,000	-	5,000	38,000	-	38,000
Joshua Orphan and Community Care	15,703	-	15,703	15,610	-	15,610
Just a Drop	14,462	-	14,462	-	-	-
Kidasha	-	-	-	10,740	-	10,740
Kyanninga CDC Trust	19,948	-	19,948	18,669	-	18,669
Learning for Life	33,876	-	33,876	13,017	-	13,017
Lyra in Africa	9,682	-	9,682	19,241	-	19,241
Made With Hope	-	-	-	-	15,933	15,933
Mobile Education Partnerships	9,407	-	9,407	8,876	-	8,876
Mondo Foundation	11,775	-	11,775	12,104	-	12,104
Money for Madagascar	18,300	-	18,300	5,062	-	5,062
Pamoja Leo	-	-	-	7,041	-	7,041
Prism the Gift Fund: Refugee Youth Service Collective Fund	13,980	-	13,980	7,140	-	7,140
Raising Futures Kenya	11,948	-	11,948	11,427	-	11,427
Redearth Education	9,873	-	9,873	20,574	-	20,574
Rwanda Action	13,750	-	13,750	16,250	-	16,250
Sabre Education	30,000	-	30,000	14,860	-	14,860
Seenaryo	14,989	-	14,989	14,990	-	14,990
Sense International	-	-	-	19,972	-	19,972
Signpost International	-	30,000	30,000	11,222	-	11,222
Standing Voice	-	-	-	4,096	-	4,096
STEP UK	29,450	-	29,450	-	-	-
Sub Saharan Advisory Panel	30,000	-	30,000	15,000	-	15,000
Tea Leaf Trust	12,000	-	12,000	-	-	-
Teach2Teach International	15,080	-	15,080	16,900	-	16,900
Team Kenya	24,520	-	24,520	13,538	-	13,538
Temwa	9,709	-	9,709	-	6,543	6,543
The Hummingbird Initiative	-	14,000	14,000	-	-	-
The Mwezi Foundation	-	11,649	11,649	-	5,001	5,001
Toybox	20,000	-	20,000	20,000	-	20,000
Tushinde Children's Trust	19,389	-	19,389	9,951	-	9,951
Women's Education Partnership	-	-	-	23,384	-	23,384
	854,362	85,649	940,011	697,636	42,477	740,113

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. CHARITABLE EXPENDITURE - GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
NOTE 2 CONTINUED						
UK projects						
Academy Transformation Trust	-	-	-	8,716	-	8,716
Afghanistan and Central Asian Association	14,197	-	14,197	14,198	-	14,198
Asylum Welcome	12,453	-	12,453	12,454	-	12,454
Bradford City of Sanctuary	8,630	-	8,630	-	-	-
Carers Trust Hillingdon	30,000	-	30,000	15,000	-	15,000
Children and Families Across Borders	-	-	-	15,000	-	15,000
Finding Rhythms	-	-	-	7,250	-	7,250
Hatfield Primary Academy - Astrea Academy Trust	-	-	-	13,700	-	13,700
Healthprom	24,761	-	24,761	-	-	-
Hitchin British Schools Trust	500	-	500	-	-	-
HUB for SUCCESS through Edinburgh Napier University	30,000	-	30,000	15,000	-	15,000
Hull FC Rugby Community Sports & Education Foundation	23,020	-	23,020	15,710	-	15,710
Jericho Foundation	-	-	-	9,975	-	9,975
Connect: North Korea	26,460	-	26,460	-	-	-
Opportunity Sports Foundation	29,358	-	29,358	-	-	-
Passion for Learning CIO	-	-	-	10,000	-	10,000
Refugee Action Kingston	28,508	-	28,508	-	-	-
Refugee Education UK	10,435	10,434	20,869	10,684	-	10,684
Royal Caledonian Education Trust	-	-	-	8,019	-	8,019
Sheffield Young Carers	27,991	-	27,991	13,877	-	13,877
SIEVEMK Gateway	19,138	-	19,138	17,257	-	17,257
The Why Not? Trust for Care Experienced Young People	14,704	-	14,704	14,705	-	14,705
Voices from Care Cymru	14,570	-	14,570	14,570	-	14,570
Volunteer Tutors Organisation	14,040	-	14,040	28,743	-	28,743
YMCA Sutton Coldfield	29,182	-	29,182	28,594	-	28,594
	357,947	10,434	368,381	273,452	-	273,452
Grants from restricted funds to organisations						
1st Chesterford Scout Group	-	5,000	5,000	-	-	-
Ashdon Primary School	-	4,032	4,032	-	500	500
Auckland Youth & Community Centre	-	2,500	2,500	-	2,500	2,500
Enterprise East Group CIC	-	5,000	5,000	-	-	-
Food Teachers Centre	-	-	-	-	2,000	2,000
Friends of Debden School	-	5,000	5,000	-	-	-
Friends of Granta School	-	5,000	5,000	-	-	-
Katherine Semar Junior School	-	3,990	3,990	-	-	-
Linton Village College	-	600	600	-	-	-
R A Butler Academy School	-	-	-	-	5,000	5,000
Saffron Hall Trust	-	-	-	-	5,000	5,000
Saffron Walden County High School	-	-	-	-	5,000	5,000
Saffron Walden Playgroup	-	-	-	-	1,000	1,000
Wiltshire Community Foundation	-	-	-	-	14,000	14,000
	-	31,122	31,122	-	35,000	35,000
Total organisational grants	1,212,309	127,205	1,339,514	971,088	77,477	1,048,565
Grants from restricted funds to individuals						
	-	344	344	-	1,000	1,000
Total individual grants	-	344	344	-	1,000	1,000
Total grants	1,212,309	127,549	1,339,858	971,088	78,477	1,049,565
Less: Grants returned during the year	(23,395)	(1,500)	(24,895)	(2,997)	-	(2,997)
	1,188,914	126,049	1,314,963	968,091	78,477	1,046,568

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. CHARITABLE EXPENDITURE

	International projects £	UK projects £	Total 2023 £
Grants (see note 2)	940,011	374,952	1,314,963
Support costs			
Salaries and office costs	120,691	48,141	168,832
Shared learning expenses	6,565	2,618	9,183
Professional fees	9,428	3,761	13,189
	<u>136,684</u>	<u>54,520</u>	<u>191,204</u>
Governance costs			
Audit			
Legal and professional costs			
Trustee training	4,890	1,950	6,840
Council and Committee meetings	2,217	884	3,101
	832	332	1,164
	<u>5,401</u>	<u>2,155</u>	<u>7,556</u>
	<u>13,340</u>	<u>5,321</u>	<u>18,661</u>
	<u>1,090,035</u>	<u>434,793</u>	<u>1,524,828</u>
	International projects £	UK projects £	Total 2022 £
Grants (see note 2)	740,113	306,455	1,046,568
Support costs			
Salaries and office costs	108,440	44,902	153,342
Shared learning expenses	5,027	2,081	7,108
Professional fees	14,161	5,863	20,024
	<u>127,628</u>	<u>52,846</u>	<u>180,474</u>
Governance costs			
Audit	4,837	2,003	6,840
Legal and professional costs	2,020	836	2,856
Trustee training	177	73	250
Council and Committee meetings	4,591	1,901	6,492
	<u>11,625</u>	<u>4,813</u>	<u>16,438</u>
	<u>879,366</u>	<u>364,114</u>	<u>1,243,480</u>

Support and governance costs have been allocated in proportion to project location.

4. STAFF COSTS & RELATED PARTY TRANSACTIONS

	2023 £	2022 £
Salaries	134,142	117,033
Social security costs	7,759	6,643
Pension contributions	8,262	6,849
Consultants fees	6,603	14,864
Accountancy services	6,586	5,160
	<u>163,353</u>	<u>150,549</u>

The average number of employees during the year was:

Management and administration	<u>5</u>	<u>4</u>
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No staff employee received remuneration amounting to more than £60,000 in the year (2022: None).

BFSS considers its key management personnel to comprise the members of the Council and the BFSS Director. The Society delegates the day-day running of the charity to its Director. The ultimate responsibility lies with the Trustees. The remuneration of the Director in the year was £54,556 (2022: £53,373) including pension and employers' National Insurance.

BFSS bought in accountancy services from Godfrey Wilson which cost £6,348 (2022: £5,160).

Consultants fees include £1,876 to construct a new website and £4,400 in conference event planning.

No remuneration was paid to any member of the Council during 2023 or 2022 and there are no related party transactions to disclose other than above. Reimbursement of expenses in relation to attendance at meetings amounted to £1,792 paid to seven Trustees in 2023 (2022: £1,036 paid to nine Trustees).

During the year a grant of £28,860 was paid to A Partner In Education, a charity of which A Barnecutt was previously Chief Executive. A Barnecutt did not have overall control of A Partner In Education, and was no longer Chief Executive when the grant was decided.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. FIXED ASSETS	Freehold land & buildings £	Furniture & equipment £	Total £
COST & VALUATION			
At 1st January 2023	175,000	13,364	188,364
Additions	-	941	941
Revaluation surplus	-	-	-
Disposals	-	(3,466)	(3,466)
At 31st December 2023	<u>175,000</u>	<u>10,839</u>	<u>185,839</u>
DEPRECIATION			
At 1st January 2023	-	10,715	10,715
Charge for the year	-	1,145	1,145
Disposals	-	(3,466)	(3,466)
At 31st December 2023	<u>-</u>	<u>8,394</u>	<u>8,394</u>
NET BOOK VALUE			
At 31st December 2023	<u>175,000</u>	<u>2,445</u>	<u>177,445</u>
At 31st December 2022	175,000	2,649	177,649

Freehold land and buildings comprise investment properties which are not depreciated.

Council values the freehold property, the George Dent Nursery in Darlington, on the basis of ten times annual rental income. A new lease was agreed with the tenant from 25 December 2022 with a rent of £17,500 per annum, the property is therefore valued at £175,000. The historic cost of this property is £1 (2022: £1).

5a RENTS RECEIVABLE

	2023 £	2022 £
George Dent Nursery, Darlington	<u>17,500</u>	16,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

6. UNITS HELD IN POOLED INVESTMENT FUND

a) Number of units held	Units held 1 Jan 2023 No.	Units transferred No.	Units held 31 Dec 2023 No.
ENDOWMENT FUNDS			
Wilmslow British School Endowment Fund	2,360	(2,360)	-
Darlington College Building Fund	2,112	(2,112)	-
Alfred Bourne	315	-	315
British School Charity	2,917	-	2,917
Old British School	2,161	-	2,161
West Street Old British School	788	(788)	-
BFSS Trust	1,652	(1,652)	-
	<u>12,305</u>	<u>(6,912)</u>	<u>5,393</u>
RESTRICTED FUNDS			
BFSS Trust	-	1,652	1,652
Berridge Trust	344	-	344
South Church Trust	389	-	389
Sarah Walker and Spafford	1,258	-	1,258
	<u>1,991</u>	<u>1,652</u>	<u>3,643</u>
UNRESTRICTED FUNDS			
British & Foreign School Society	224,732	5,260	229,992
	<u>224,732</u>	<u>5,260</u>	<u>229,992</u>
	<u>239,028</u>	<u>-</u>	<u>239,028</u>

The charity invests the assets of all its funds into a single investment portfolio in order to minimise the costs of management. The portfolio is invested in a wide range of listed equities and fixed income holdings. In order to allocate the investments to each fund the portfolio is nominally divided into unitholdings.

b) Value of units held

	Fund market value 1 Jan 2023 £	Funds transferred in year £	Increase/ (decrease) in fund value £	Fund market value 31 Dec 2023 £
ENDOWMENT FUNDS				
Wilmslow British School Endowment Fund	243,450	(244,754)	1,304	-
Darlington College Building Fund	217,844	(219,011)	1,167	-
Alfred Bourne	32,503	-	551	33,054
British School Charity	300,880	-	5,103	305,983
Old British School	222,932	-	3,781	226,713
West Street Old British School	81,322	(81,758)	436	-
BFSS Trust	170,357	(169,783)	(574)	-
	<u>1,269,288</u>	<u>(715,306)</u>	<u>11,768</u>	<u>565,750</u>
RESTRICTED FUNDS				
BFSS Trust	-	169,783	3,463	173,246
Berridge Trust	35,429	-	602	36,031
South Church Trust	40,139	-	680	40,819
Sarah Walker and Spafford	129,774	-	2,201	131,975
	<u>205,342</u>	<u>169,783</u>	<u>6,946</u>	<u>382,071</u>
UNRESTRICTED FUNDS				
British & Foreign School Society	23,179,504	545,523	399,422	24,124,449
	<u>23,179,504</u>	<u>545,523</u>	<u>399,422</u>	<u>24,124,449</u>
	<u>24,654,134</u>	<u>-</u>	<u>418,136</u>	<u>25,072,270</u>
<i>Value per unit</i>	<i>103.14</i>			<i>104.89</i>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7. POOLED INVESTMENT FUND	Investments £	Un-invested	Total £
		cash £	
Opening value at 1 January 2023	24,471,311	182,823	24,654,134
FUND MOVEMENTS			
Investments acquired at cost	6,681,864	(6,681,864)	-
Proceeds of investments sold	(7,895,671)	7,895,671	-
Realised gains on sale of investments during the year	48,877	-	48,877
Unrealised gains on investments during the year	1,532,398	-	1,532,398
Exchange rate differences	-	(1,163)	(1,163)
Non-cash investment income	3,755	-	3,755
Investment income receivable	-	491,589	491,589
Interest receivable	-	29,573	29,573
Investment management fees paid	-	(86,893)	(86,893)
Distributions to funds during the year	-	(1,600,000)	(1,600,000)
NET FUND MOVEMENTS	371,223	46,913	418,136
CLOSING VALUE OF FUND AT 31 DECEMBER 2023	24,842,534	229,736	25,072,270
	Investments	Cash	Total
UK fixed interest	1,381,316	-	1,381,316
Overseas fixed interest	620,442	-	620,442
UK equities	3,732,095	-	3,732,095
European equities	2,974,822	-	2,974,822
US equities	8,104,345	-	8,104,345
Other worldwide equities	3,351,097	-	3,351,097
Managed funds:			
Emerging economies	1,194,384	-	1,194,384
UK property	1,139,600	-	1,139,600
Infrastructure	1,592,898	-	1,592,898
Commodities	558,535	-	558,535
Cash on deposit	193,000	229,736	422,736
	24,842,534	229,736	25,072,270

7a. INVESTMENT RETURN	2023 £	2022 £
Unrealised gains/(losses) on investments during the year	1,532,398	(3,186,897)
Exchange rate movements	(1,926)	18,703
Realised gains/(losses) on investment during the year	48,877	(885,767)
Net gains on investment assets	1,579,349	(4,053,961)
Investment income receivable (see note 7b))	491,589	535,050
Investment management fees paid and accrued	(87,500)	(90,925)
	1,983,438	(3,609,836)

The charity derives the majority of its income from the above investments. Whilst most of the funds held by the charity are available to meet expenditure, the trustees must balance the needs of current beneficiaries against those of the future. For this reason, although largely not a permanently endowed fund, the charity uses a total return basis in order to inform its budgeted expenditure across all funds.

The historic cost of investments held at the year end totalled £22,028,962.

The trustees report includes further discussion regarding the investment policy of the charity.

The trustees budgeted to spend from the investment returns detailed above £1,787,647 (2022: £1,222,243) to cover the spending requirements of the charity in the year. The remainder of the investment returns are to remain invested.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7b. INVESTMENT INCOME	2023 £	2022 £
UK fixed interest	21,662	11,049
Overseas fixed interest	28,109	12,743
UK equities	165,379	231,433
European equities	24,861	20,479
US equities	60,345	50,000
Other worldwide equities	59,799	65,032
UK property	56,953	55,700
Alternative assets	63,914	74,326
Other	10,567	14,288
	491,589	535,050

8. DEBTORS AND PREPAYMENTS Due within one year	2023 £	2022 £
Sundry debtors and prepayments	16,257	3,223

9. CREDITORS AND ACCRUALS	2023 £	2022 £
Grants payable	25,600	56,404
Rent received in advance	4,375	4,000
Contributions to pension scheme	2,740	-
Other creditors	31,336	35,921
	64,051	96,325

10. FINANCIAL COMMITMENTS

a) Other grants

At the year end the BFSS has the intention to pay grants totalling £1,403,065 (2022: £1,623,862) in the future which have not been included in the accounts as they are conditional on the recipients providing satisfactory evidence that they have met the reporting requirements required by BFSS and the subsequent approval of payment.

b) Leases

BFSS is currently located in shared offices in London with an annual licence fee of £4,976. Service costs are based on usage and charged quarterly in arrears. The licence is terminable at three months notice giving a commitment of £1,244.

c) Archive

By Deed of Covenant and Gift signed on 11 December 2013 BFSS made a gift of the Archive to Brunel University. No further payment to Brunel University in respect of the Archive will therefore be made, nor will any further insurance costs be incurred.

d) Capital commitments

BFSS has no capital commitments at 31 December 2023 (2022: £ nil).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11. RESTRICTED FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS

	Total restricted funds		Richard Pain Trust		BFSS Trust		Alfred Bourne	
	2023	2022	2023	2022	2023	2022	2023	2022
	£	£	£	£	£	£	£	£
Incoming resources								
Donations	74,500	124,973	74,000	124,973	500	-	-	-
Investment income								
Pooled investment fund	8,746	9,295	-	-	207	-	-	-
Bank interest	676	50	-	-	76	-	-	-
Permanent endowment transfer to income	31,117	21,835	-	-	9,484	7,385	2,109	1,408
Total incoming resources	115,039	156,153	74,000	124,973	10,267	7,385	2,109	1,408
Resources expended								
Direct charitable expenditure	126,049	78,672	96,083	42,477	-	-	-	2,000
Management and administration								
- investment management fees	774	758	-	-	45	-	-	-
- transfer from main fund	7,432	7,175	-	-	1,231	1,312	265	250
Total resources expended	134,255	86,605	96,083	42,477	1,276	1,312	265	2,250
Net (expenditure)/income before gains/(losses) on investments	(19,216)	69,548	(22,083)	82,496	8,991	6,073	1,844	(842)
Expendable endowment transfer	9,709	4,799	-	-	-	-	-	-
Sarah Walker Spafford transfer for unspent income	(2,500)	(2,500)	-	-	-	-	-	-
BFSS transfer (to)/from permanent endowment	169,783	(202,667)	-	-	169,783	(202,667)	-	-
Net gains/(losses) on investments	13,156	(33,770)	-	-	-	-	-	-
Net movement in funds	170,932	(164,590)	(22,083)	82,496	178,774	(196,594)	1,844	(842)
Fund balances brought forward	381,219	545,809	92,022	9,526	17,677	214,271	4,220	5,062
Fund balances carried forward	552,151	381,219	69,939	92,022	196,451	17,677	6,064	4,220

Restricted funds represent the income of other charitable trusts which are administered by BFSS and unavailable for general charitable expenditure or donations which have been received for a specified purpose.

Name of Fund	Purpose of Fund
Richard Pain Trust	A restricted fund created by grants from the Richard Pain Trust allocated to specific projects.
The British & Foreign School Society Trust (BFSS Trust) (Charity number 312516)	To provide financial assistance or award scholarships or grants to persons in the London Boroughs of Bermondsey, Bethnal Green, Poplar, Southwark and Stepney in connection with their education. During the year the Charity Commission approved a resolution to transfer the endowment to restricted funds, to enable the distribution of larger and more effective grants.
The Alfred Bourne Trust Fund (subsidiary of Charity number 314286)	To provide financial assistance to persons undertaking education up to the age of 30.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11. RESTRICTED FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS (continued)

Berridge Trust		British School Charity		South Church Educational Fund		Sarah Walker and Spafford Memorial Fund		Old British School	
2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
£	£	£	£	£	£	£	£	£	£
-	-	-	-	-	-	-	-	-	-
707	770	-	-	800	871	2,587	2,816	4,445	4,838
50	4	-	-	56	5	182	15	312	26
-	-	19,524	13,042	-	-	-	-	-	-
757	774	19,524	13,042	856	876	2,769	2,831	4,757	4,864
-	2,000	27,466	17,695	2,500	2,500	-	-	-	12,000
126	131	-	-	142	148	461	479	-	-
289	273	2,449	2,316	327	309	1,056	999	1,815	1,716
415	2,404	29,915	20,011	2,969	2,957	1,517	1,478	1,815	13,716
342	(1,630)	(10,391)	(6,969)	(2,113)	(2,081)	1,252	1,353	2,942	(8,852)
-	-	-	-	-	-	-	-	9,709	4,799
-	-	-	-	-	-	(2,500)	(2,500)	-	-
-	-	-	-	-	-	-	-	-	-
2,273	(5,834)	-	-	2,571	(6,600)	8,312	(21,336)	-	-
2,615	(7,464)	(10,391)	(6,969)	458	(8,681)	7,064	(22,483)	12,651	(4,053)
37,512	44,976	24,506	31,475	47,906	56,587	155,643	178,126	1,733	5,786
40,127	37,512	14,115	24,506	48,364	47,906	162,707	155,643	14,384	1,733

Name of Fund	Purpose of Fund
The Berridge Trust (subsidiary of Charity number 314286)	To promote the training of cookery teachers.
The British School Charity (subsidiary of Charity number 314286)	To promote the education of persons under the age of 25 in the neighbourhood of Saffron Walden.
The Sarah Walker and Spafford Memorial Fund (administered under Charity number 314286).	To provide grants for educational travel for young people. Under the terms of the fund, the trustees can transfer unspent income to the main fund at their discretion.
South Church Educational Fund (subsidiary of Charity number 314286)	To promote education in the area of the District of the Wear Valley.
Old British School (Charity number 309444)	To promote the education of persons under the age of 25 who are in need of financial assistance and live within a radius of 20 miles from Bratton, Wiltshire, preference being given to those resident in Bratton.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. ENDOWMENT FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS

	Total endowment funds		Wilmslow		Darlington	
	2023	2022	2023	2022	2023	2022
	£	£	£	£	£	£
Incoming resources						
Investment income						
Permanent endowment pooled investment fund	10,571	12,697	-	-	-	-
Permanent endowment bank interest	662	69	-	-	-	-
Permanent endowment transfer to income	(33,756)	(25,360)	-	-	-	-
Total incoming resources	(22,523)	(12,594)	-	-	-	-
Resources expended						
Investment management fees	3,377	4,681	429	898	383	803
Net expenditure before gains/(losses) on investments	(25,900)	(17,275)	(429)	(898)	(383)	(803)
Expendable endowment transfer between funds	(20,339)	(14,729)	(5,610)	(5,241)	(5,020)	(4,689)
BFSS transfer (to)/from restricted funds	(169,783)	202,667	-	-	-	-
Transfers to unrestricted funds	(545,523)	-	(244,754)	-	(219,011)	-
Net gains/(losses) on investments	58,007	(208,709)	7,343	(40,031)	6,570	(35,820)
Net movement in funds	(703,538)	(38,046)	(243,450)	(46,170)	(217,844)	(41,312)
Endowment fund balances brought forward	1,269,288	1,307,334	243,450	289,620	217,844	259,156
Endowment fund balances carried forward	565,750	1,269,288	-	243,450	-	217,844

Endowment funds represent capital amounts held by the charity for the longer term to generate income for the charity or the other trusts which are administered by BFSS. Endowment funds share in the total return from the investment funds. This allows trustees to invest endowment funds to maximise total return and to apply an appropriate proportion of the total return to income for the year and so be available for expenditure. BFSS has two types of endowment fund, permanent and expendable endowment funds.

Expendable endowments income can be spent as unrestricted funds, unless the charity is restricted to the areas in which the income and capital can be spent. Where the charity holds permanent endowments there is no ability to spend the original capital funds. Having considered their obligations under the duty of even-handedness the trustees made a transfer of £20,339 of the total return from the expendable endowment funds to income funds and a transfer of £33,756 of the total return from the permanent endowment funds to income funds. In making these decisions the trustees have taken into account the current investment climate, the return on investment for the year and the income needs of BFSS.

Name of Fund	Purpose of Fund
Wilmslow British School Endowment Fund (subsidiary of charity number 314286)	The fund was an expendable endowment, however the capital was restricted. During the year the Charity Commission approved a resolution to transfer the endowment to be used for BFSS general purposes.
Darlington College Building Fund	The fund was an expendable endowment, however the capital was restricted. During the year the Charity Commission approved a resolution to transfer the endowment to be used for BFSS general purposes.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. ENDOWMENT FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS (continued)

Alfred Bourne		British School Charity		Old British School		West Street		BFSS Trust	
2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
£	£	£	£	£	£	£	£	£	£
648	705	5,999	6,530	-	-	734	1,765	3,190	3,697
46	4	421	36	-	-	32	10	163	19
(2,109)	(1,408)	(19,524)	(13,042)	-	-	(2,639)	(3,525)	(9,484)	(7,385)
(1,415)	(699)	(13,104)	(6,476)	-	-	(1,873)	(1,750)	(6,131)	(3,669)
115	120	1,067	1,110	791	822	144	300	448	628
(1,530)	(819)	(14,171)	(7,586)	(791)	(822)	(2,017)	(2,050)	(6,579)	(4,297)
-	-	-	-	(9,709)	(4,799)	-	-	-	-
-	-	-	-	-	-	-	-	(169,783)	202,667
-	-	-	-	-	-	(81,758)	-	-	-
2,081	(5,342)	19,274	(49,474)	14,281	(36,657)	2,453	(13,372)	6,005	(28,013)
551	(6,161)	5,103	(57,060)	3,781	(42,278)	(81,322)	(15,422)	(170,357)	170,357
32,503	38,664	300,880	357,940	222,932	265,210	81,322	96,744	170,357	-
33,054	32,503	305,983	300,880	226,713	222,932	-	81,322	-	170,357

Name of Fund	Purpose of Fund
The Alfred Bourne Trust Fund (subsidiary of charity number 314286)	The fund is a permanent endowment. The income of the endowment is restricted as detailed in note 11.
The British School Charity (subsidiary of charity number 314286)	The charity incorporates a permanent endowment. The income of the endowment is restricted as detailed in note 11.
Old British School (Charity number 309444)	The Old British School is an expendable endowment. The income of the endowment is restricted as detailed in note 11.
West Street Old British School, Wareham (subsidiary of charity number 314286)	The fund was a permanent endowment. During the year the Charity Commission approved a resolution to transfer the endowment to be used for BFSS general purposes.
The British & Foreign School Society Trust (BFSS Trust) (Charity number 312516)	The charity incorporated a permanent endowment. The income of the endowment is restricted as detailed in note 11. During the year the Charity Commission approved a resolution to transfer the endowment to restricted funds, to enable the distribution of larger and more effective grants.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets and investment property	Pooled funds	Net current assets	Total 2023
	£	£	£	£
Endowment funds				
Wilmslow British School Endowment Fund - expendable endowment	-	-	-	-
Darlington College Building Fund - expendable endowment	-	-	-	-
Alfred Bourne- permanent endowment	-	33,054	-	33,054
British School Charity - permanent endowment	-	305,983	-	305,983
Old British School - expendable endowment	-	226,713	-	226,713
West Street Old British School - permanent endowment	-	-	-	-
BFSS Trust - permanent endowment	-	-	-	-
	-	565,750	-	565,750
Restricted funds				
Richard Pain Trust	-	-	69,939	69,939
BFSS Trust	-	173,246	23,205	196,451
Alfred Bourne	-	-	6,064	6,064
Berridge Trust	-	36,031	4,096	40,127
British School Charity	-	-	14,115	14,115
South Church Trust	-	40,819	7,545	48,364
Sarah Walker and Spafford	-	131,975	30,732	162,707
Old British School	-	-	14,384	14,384
	-	382,071	170,080	552,151
Unrestricted funds				
British & Foreign School Society	177,445	24,124,449	36,194	24,338,088
	177,445	25,072,270	206,274	25,455,989
	Tangible fixed assets and investment property	Pooled funds	Net current assets	Total 2022
	£	£	£	£
Endowment funds				
Wilmslow British School Endowment Fund - expendable endowment	-	243,450	-	243,450
Darlington College Building Fund - expendable endowment	-	217,844	-	217,844
Alfred Bourne- permanent endowment	-	32,503	-	32,503
British School Charity- permanent endowment	-	300,880	-	300,880
Old British School- expendable endowment	-	222,932	-	222,932
West Street Old British School- permanent endowment	-	81,322	-	81,322
BFSS Trust - permanent endowment	-	170,357	-	170,357
	-	1,269,288	-	1,269,288
Restricted funds				
Richard Pain Trust	-	-	92,022	92,022
BFSS Trust	-	-	17,677	17,677
Alfred Bourne	-	-	4,220	4,220
Berridge Trust	-	35,429	2,083	37,512
British School Charity	-	-	24,506	24,506
South Church Trust	-	40,139	7,767	47,906
Sarah Walker and Spafford	-	129,774	25,869	155,643
Old British School	-	-	1,733	1,733
	-	205,342	175,877	381,219
Unrestricted funds				
British & Foreign School Society	177,649	23,179,504	(136,919)	23,220,234
	177,649	24,654,134	38,958	24,870,741

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. TOTAL RETURN

Endowment funds represent capital amounts held by the charity for the longer term to generate income for the charity or the other trusts which are administered by BFSS. Endowment funds share in the total return from the investment funds. This allows trustees to invest endowment funds to maximise total return and to apply an appropriate proportion of the total return to income for the year and so be available for expenditure. BFSS has two types of endowment fund, permanent and expendable endowment funds.

Where the charity holds permanent endowments there is no ability to spend the original capital funds. In 2007 the charity obtained permission to use the total return basis for the investment of the permanent endowments held. The trustees are obliged to balance the income requirements to apply to current expenditure on charitable objects with the need for long term capital growth. In order to achieve these two aims the charity must consider the unapplied total return available for transfer to the income funds.

	Alfred Bourne	British School Charity	West Street	BFSS Trust	Total
	£	£	£	£	£
Total permanent endowment balance at 1 January 2007	26,393	244,329	66,037	138,341	475,100
Value of the fund as at 31st December 2022	32,503	300,880	81,322	170,357	585,062
Unapplied total return brought forward	6,110	56,551	15,285	32,016	109,962
Transfers out to general funds	-	-	(15,285)	(32,016)	(47,301)
Increase/ (decrease) in fund value	551	5,103	-	-	5,654
Unapplied total return at 31 December 2023	6,661	61,654	-	-	68,315
Value of the fund as at 31st December 2023	33,054	305,983	-	-	339,037

During the year the Charity Commission gave approval for the permanent endowments of West Street Old British School, Wareham, to be transferred to the main unrestricted fund and The British & Foreign School Trust (BFSS Trust) to be transferred to restricted funds, to enable the distribution of larger and more effective grants.

British & Foreign School Society

MEMBERS OF THE GRANTS COMMITTEE

Prof Joy Palmer Cooper (Chair)	David Crowther (from May 2023)
Suela Aksoy (from May 2023)	John Kanyaru (until December 2023)
Amy Barneclutt (until August 2023)	Janice Miller
Charlotte Cashman	Peter Miller (until May 2023)
Vic Craggs (until May 2023)	Nicholas Tesseyman (from May 2023)
Jane Creasy	

MEMBERS OF THE FINANCE AND INVESTMENTS COMMITTEE

David Baron (Chair)	Janice Miller
Suela Aksoy (from May 2023)	Peter Miller (until May 2023)
Jane Creasy (from June 2022)	Nicholas Tesseyman (from May 2023)
John Kanyaru (until May 2023)	

DELEGATES OF BFSS RESTRICTED FUNDS

The Alfred Bourne Trust Fund Officers of BFSS

Berridge Trust Officers of BFSS

The British School Charity Diana Hoy (Chair)
Claire Cameron
Ann Geeves
Alison Stewart

Sarah Walker & Spafford Memorial Fund Officers of BFSS

South Church Educational Fund Officers of BFSS

TRUSTEES OF THE BFSS TRUST

BFSS Council

TRUSTEES OF THE OLD BRITISH SCHOOL

BFSS Council

REPRESENTATIVES SERVING ON OUTSIDE BODIES

Trustees

Caroline Lindley's Educational Foundation, Norwich	Christopher Watt Jenny Hoult
Great and Little Leighs Educational Charity, Essex	Paul Cooke
Prior's Charity, Chesham	Kevin Patrick
Steeple Bumpstead Educational Charity	Rosemarie O'Hare

GOVERNORS

Isleworth and Syon School for Boys	Dr Emily Tomlinson David Grindley
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PROFESSIONAL ADVISORS

Investment Manager

Rathbones – Incorporating Investec Wealth & Investment (UK)
30 Gresham Street
London EC2V 7QN

Bankers

Barclays Bank plc 6 Clarence Street Kingston upon Thames KT1 1NY	CCLA One Angel Lane London EC4R 3AB	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Mailing Kent ME19 4JQ
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Independent Auditor

Begbies Chartered Accountants and Registered Auditors
9 Bonhill Street
London EC2A 4DJ

Accountant

Godfrey Wilson Ltd
5th Floor, Mariner House
62 Prince Street
Bristol BS1 4QD

Property Consultant

Sanderson Weatherall
Robert House
Westpoint Road
Stockton TS17 6BA

Solicitors

Knights Lakeside House Kingfisher Way Stockton-On-Tees TS18 3NB	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH
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April 2024

Registered Charity no. 314286

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EDUCATIONAL OPPORTUNITY FOUNDATION

England & Wales - Charity number 314286

Accounts

BFSS

BRITISH & FOREIGN SCHOOL SOCIETY
Educational Opportunity for All



ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2022

Charity registration number: 314286

ANNUAL REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2022

British & Foreign School Society

ESTABLISHED 1808 - INCORPORATED BY ROYAL CHARTER 1906

THE TWO HUNDRED AND SIXTEENTH REPORT

British & Foreign School Society

PRESIDENT

Rt Hon David Lammy MP

VICE-PRESIDENT

Emeritus Professor John Furlong OBE

COUNCILLORS

Chair of Council

Peter Miller

Vice-Chair of Council

Professor Joy Palmer Cooper

Treasurer

David Baron

Anood Al-Samerai Jane Creasy

Jane Creasy

Tim Andrew (until May 2022)

Karen Hughes (until May 2022)

Amy Barnecliff (from May 2022)

John Kanyaru (from May 2022)

Charlotte Cashman

Janice Miller

Vic Craggs OBE

Leslie Stephen (until May 2022)

VOLUNTEER INVESTMENT ADVISER

Ian Richley

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Registered Charity No. 314286

The BFSS Council present their report along with the financial statements of the British & Foreign School Society (BFSS) and the other charitable trusts for which BFSS is responsible, for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in the Notes to the Financial Statements and comply with the BFSS Charter and applicable law.

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Message from our Chair

As I prepare to step down from the BFSS Council after 10 years as a Trustee and most recently as Chair, it is an opportunity to review activity in 2022, but also to reflect on the progress of the charity during this period.

Grant-giving resulting in measurable outcomes lies at the core of our work at BFSS. Back in 2013 our annual grant giving was £471k but in 2022 amounted to £1.5 million as our managed assets have grown enabling us to spend more. Over the decade, the number of young people directly benefitting from the support provided by BFSS has exceeded one million, with perhaps five times as many indirect beneficiaries including family members and the wider communities.

Throughout, our focus as a charity has remained constant, namely to support disadvantaged young people with educational opportunities to transform life chances.

We have retained an emphasis on providing help where education has been disrupted by natural disasters, by war and civil unrest. We have always encouraged applications to support the education of girls and young women and have a particular interest in teacher training programmes. About 70% of our funding has been awarded to projects in the least developed countries and in particular to sub-Saharan Africa and South Asia – this continues.

Recognising the legacy of our founder, Joseph Lancaster, who did so much to establish the UK education system in the early 19th century, we took a bold decision in 2019 to allocate about 30% of our annual grant-giving to UK projects, with a specific focus on projects dedicated to providing equality of opportunity to care experienced young people as well as young carers. During 2022 we implemented a new Displacement Education Fund to address the specific challenges children and young people who have been displaced by conflict face in accessing quality education.



Peter Miller
Chair of BFSS 2018 to 2023

Over the 10 years we have worked hard to innovate and modernise the way in which the charity operates and as a result BFSS is recognised as a well-run and effective funding organisation. We hear this through feedback from our annual Grant Partner Workshop and Annual Conference, which continue to be highlights of the BFSS year.

None of these accomplishments would have been possible without the hard work and commitment of our small Staff team and the support of a committed and engaged Trustee Board. I want to thank them and say it's been a privilege to be a part of this chapter of the life of BFSS.

The end of my term as a member of the BFSS Council coincides with the decision of our President, David Lammy MP to step down. David has been in this role for 10 years and has been a caring and highly supportive President and I would like to thank him on behalf of BFSS for all he has done.

In 2022 the BFSS Council made some far-reaching decisions about how to modernise BFSS and make it more relevant to current times whilst celebrating its illustrious heritage. This will be the work of the new Chair, Staff and BFSS Council who are committed to the continual renewal and evolution of BFSS to benefit even more young people in the future.

1. Our heritage that guides us

The heritage that underpins BFSS remains important and relevant to our activities and decisions and is embedded in our charitable objects. The BFSS was formed in 1808 by Christian social reformers to carry on the work of Joseph Lancaster, a pioneer of school and teacher education. BFSS was then known as "The Society for Promoting the Royal British or Lancasterian System for the Education of the Poor". It changed its name to The British & Foreign School Society in 1814, was granted a Royal Charter in 1906, and its Royal Charter, Statutes and Byelaws were most recently updated in 2014.

With such a long history, BFSS has necessarily adapted over the years, but our heritage continues to define us and our priorities. Joseph Lancaster was a Quaker who became concerned that young people from low-income communities were denied the opportunity of education in the late 18th century. As a result, he was involved in the founding of schools throughout the UK and in many overseas countries with tuition based on his monitorial system. The BFSS today continues that work through our grant funding by seeking to ensure young people from marginalised communities across the world have access to quality education. From 1870 BFSS focused on teacher training, and we continue to recognise the critical impact of teachers and make teacher training a priority area for funding.

Conserving our physical heritage continues to be important to us. Brunel University London maintains our extensive archives and makes sure they are accessible for research. The British Schools Museum in Hitchin is a key partner for BFSS as we recognise its importance in ensuring Joseph Lancaster's work is visibly accessible for current and future generations to appreciate. The museum houses an 1837 Monitorial Schoolroom, the only one of its kind left in the world, three other historic classrooms, the Headmaster's House and a collection of 47,000 objects.

2. Embedding Inclusion, Diversity, Equity & Access

Whilst remaining true to our heritage, we also feel it is important for BFSS to be led by current day principles. In 2022 we took a long hard look at ourselves through the lens of Inclusion, Diversity, Equity and Access (IDEA) and consequently spent time reviewing the language, images and storytelling within our work to ensure they comply with best practice. We have advertised for new Members to attract more diversity into the Membership and subsequently the Council. We have also made the bold decision to commence the process of changing our name to better reflect the work we currently do. We recognise we still have much work to do in this area.

Photo courtesy of Child Hope: teaching fractions using Maths Mastery approach, Uganda



3. Our Strategy

Our charitable objects are: "To advance education for the benefit of the public in particular by providing educational opportunity for children and young people in the UK and overseas." We adhere to these objects and achieve public benefit through our grant giving activities to support the education of young people from low-income and marginalised communities worldwide. The Council has referred to the Charity Commission's guidance on public benefit when developing its vision, mission, values and objectives. We review these each year, and make sure they inform our decisions.

3.1. Vision

Educational opportunity for all.

3.2. Mission

We seek to achieve our vision by providing funding and support to UK-based charities for educational projects in the UK and throughout the world reflecting our history and heritage.

3.3. Values

We believe in the right of children and young people to access high quality education as a driver for personal development, well-being, and equality of opportunity. Building on the heritage of our founder Joseph Lancaster, we value effective teaching and learning, and the sharing of good practice. We are committed to inclusivity, integrity, and to valuing and respecting others in everything we do.

3.4. Objectives

Following a review in 2022 our current strategy is based on 5 objectives:

1. To award grants aimed at enabling young people to improve their own educational outcomes and life chances in the UK and Internationally.
2. To support our Grant Partners and Members to build their own capacity and knowledge.
3. To support broader social aims which have an impact on inclusive education and stay true to our heritage.
4. To continually improve our adherence to good practice in all aspects of our grant giving and governance.
5. To effectively use our resources.

4. Our work in 2022

In 2022 we topped all records by awarding new grants totalling over £1.5 million. We launched our new Displacement Education Fund to help alleviate the impact of conflict on the education of refugees, asylum seekers and internally displaced people. The £1 million Fund was established in response to the continued plight of young people in Syria, Yemen, Afghanistan, Ukraine and many other parts of the world where communities are being displaced from their homes to seek safety. With a rolling application process the Fund had an excellent start in 2022 and is already enabling over 10,000 young people to continue their education by providing a safe space to learn, opportunities to learn in their own language, and the post-trauma support that they need in order to heal and thrive.

Our Main Fund continued to support projects to improve the educational outcomes and life chances of young carers or care experienced young people in the UK, and projects to improve the quality, sustainability, and access to education for young people within international marginalised and vulnerable communities.

In addition to grant-giving we made a concerted effort to increase shared learning opportunities by hosting our first-ever hybrid conference for Members and Grant Partners on 13 May 2022 alongside our AGM. It was an inspirational day of presentations and discussions on how to build resilience into education in a post-covid world. At the conference we launched our new online Forum which allows Members and Grant partners to continue their discussions beyond the conference and provides a platform for advice to be sought on any topic, or news shared whenever the need arises throughout the year. In November we were thrilled our Grant Partners' Workshop could return as an entirely face-to-face event for organisations with a current BFSS grant. The event focused on climate responsibility with delegates passionately sharing ideas and learning on how to work towards net zero.

Our year in numbers

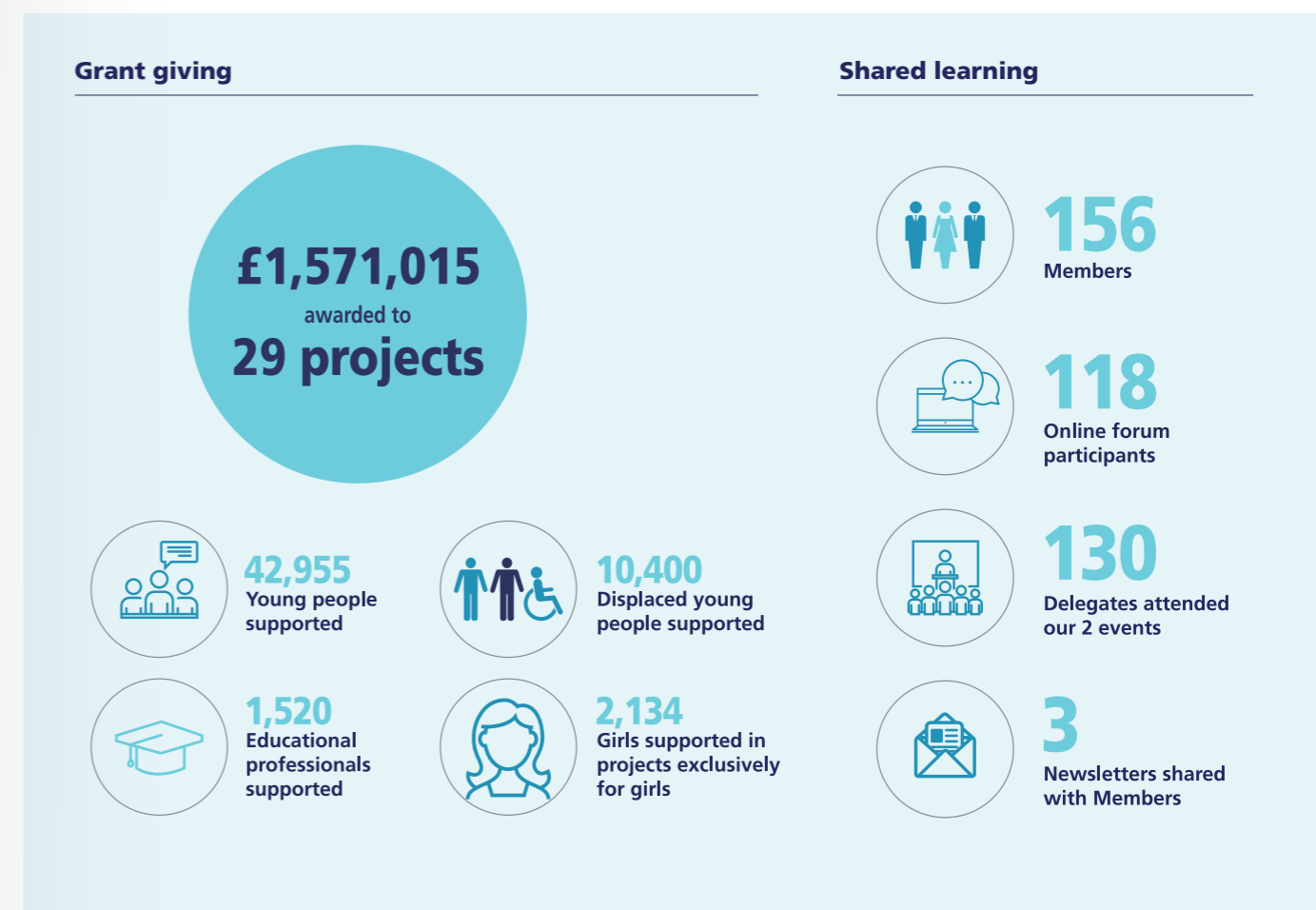


Photo courtesy of HealthProm: primary education, Afghanistan



5. Our grant giving

In 2022, 29 projects with a total value of £1,571,015 (2021: 31, £1,058,192) were awarded from our unrestricted income. This is our core grant giving activity and we have separate priorities for UK and International projects. We continue to adopt a grant funding approach that favours small-to-medium not-for-profit organisations, with annual income less than £2.5 million, and UK state-funded educational establishments. Supporting high-quality projects in the UK is central to our heritage and future. It is our aim is for around 30% of our grants to support UK based projects.

5.1 UK grant giving

Since 2021 our core UK grant giving has focused on projects aiming to improve the educational outcomes or life chances of care experienced young people and young carers under the age of 25. Through these grants we aim to award fewer but larger grants up to £100,000 over five years, compared to our international grants. With the introduction of our Displacement Education Fund in 2022 the UK criteria was expanded to include young people living in the UK who are refugees or asylum seekers, unaccompanied children or children of undocumented migrants. The expectation was that the Displacement Education Fund would support shorter projects meeting an urgent need with grants available for up to £60,000 over two years. Our UK grants accounted for 37% of the total value of new grants awarded from unrestricted income in 2022.

Aims of our UK grants

Improved educational outcomes - enabling care experienced young people and young carers to attend and engage in mainstream school life, improving their access to out of school support and increasing the number of education professionals able to understand their needs.

Improved life chances - enabling care experienced young people and young carers (aged 16-24) to access further education, employment or training opportunities and improving support for them to remain engaged with these opportunities.

Improved access to educational opportunity – new fund enabling displaced young people to learn in their own language, to access post-trauma support and receive support to access further education or training for employment.

5.2 International grant giving

To ensure that we deliver our mission internationally we fund projects that improve access and quality of education or the sustainability of educational projects, for young people under the age of 25, by offering grants of up to £60,000 over three years. We ensure that our grant giving delivers long-term improvement through the involvement of local communities, the capability and availability of teaching staff and fit-for-purpose infrastructure. Wherever possible, we fund projects that also deliver benefits to the wider community and will be sustainable after our grant ends.

Aims of our International grants

Improved access to education – including increasing the number of educational opportunities, especially for girls and displaced young people, (including construction of classrooms or latrines), increasing the number of qualified teachers trained in inclusive, non-discriminatory practices and improving community attitudes to educating children who are often excluded or overlooked.

Improved quality of education – including enhancing the quality of teaching and learning, improving access to extra-curricular support, increasing child friendly resources, and increasing access to aspirational vocational training opportunities including STEM and IT.

Improved sustainability of education projects – including encouraging educational projects with integrated community management or ownership, self-generating income and minimising their environmental impact.

Who we supported

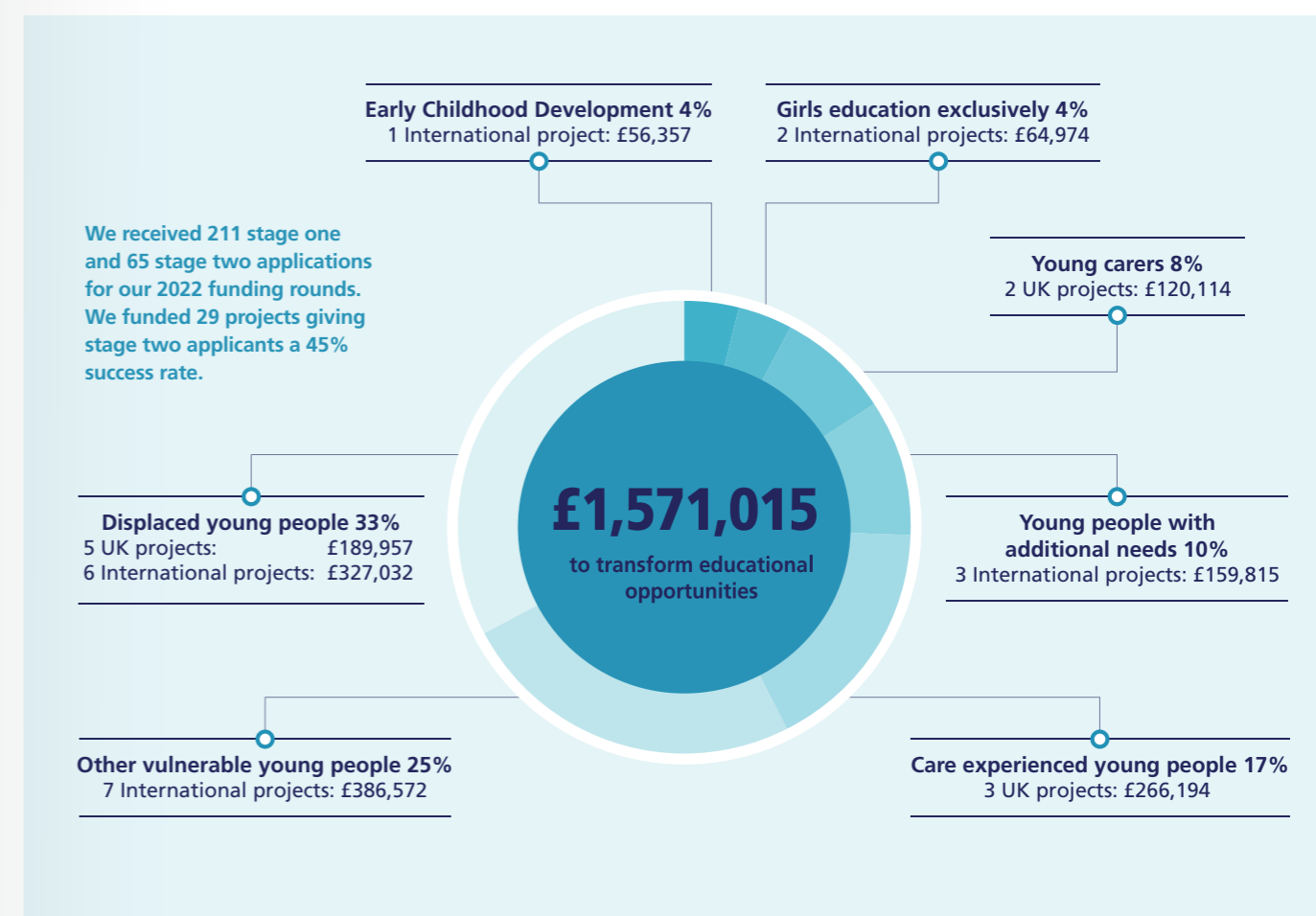
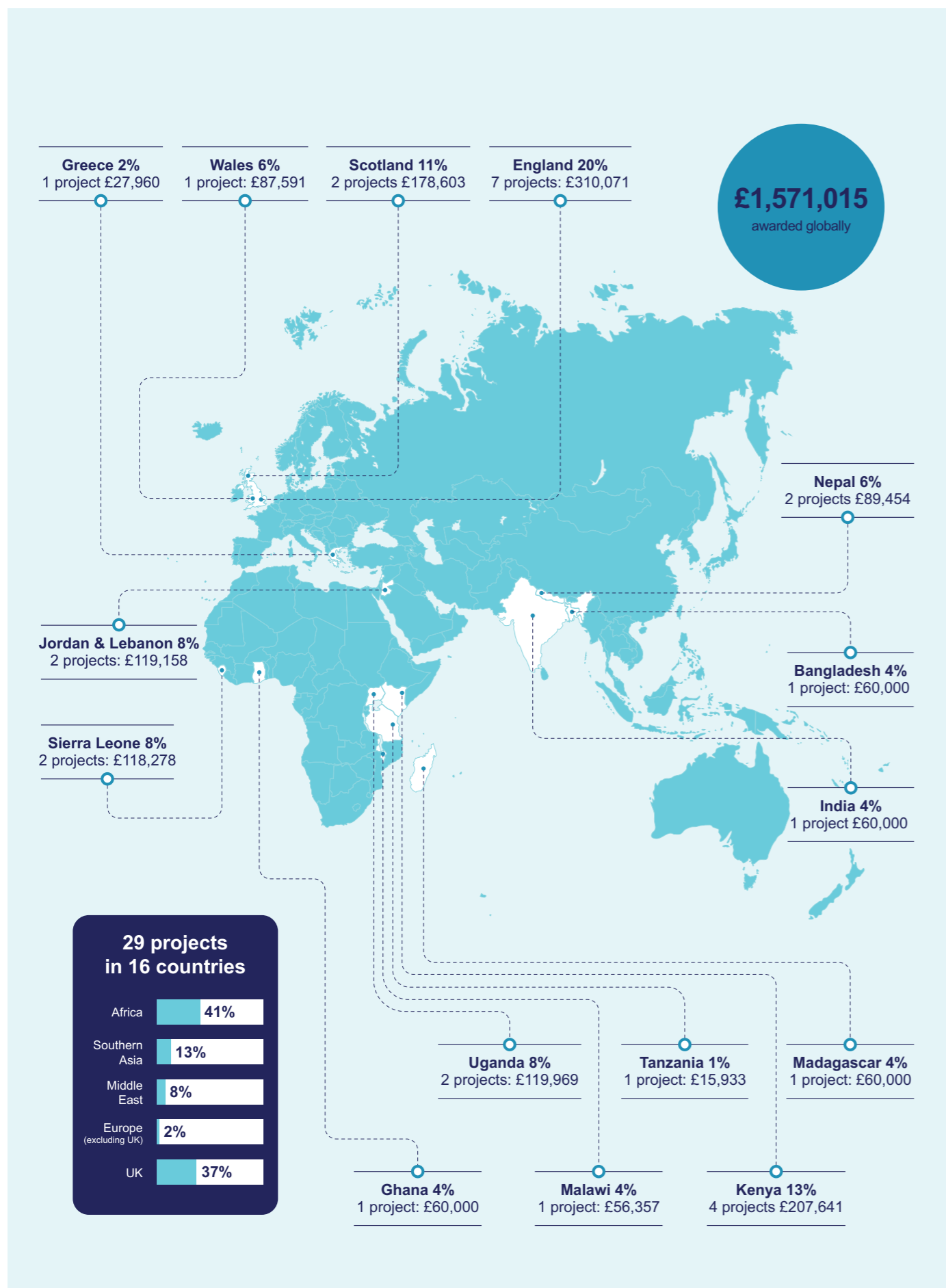


Photo courtesy of Radwinter Primary: school library provision for SEND



Where our grants went



5.3 Subsidiary trusts

In addition to the grants awarded from our unrestricted income BFSS is responsible for a number of smaller subsidiary trusts which provide restricted funds for educational activities in specific locations and for particular purposes. In 2022, £36,000 was awarded through 10 grants (2021: 12, £55,585) from restricted income. Our approach is to work with partners with the experience and local knowledge to make sure grant-giving is effective and meets the individual requirements of each fund. We are currently working with the following:

- The Old British School Charity is dedicated to Bratton and surrounding areas in Wiltshire. The Community Foundation for Wiltshire distributes the funds to individuals with additional needs in their pursuit of learning. This work is also supported by the Alfred Bourne Trust which is designed to support individuals with their learning.
- The British School Charity in Saffron Walden has an active small group of locally based Trustees. The charity supports individuals in need of financial help to succeed in their education and local community organisations working with young people.
- To support the work of the Berridge Trust we work with The Food Centre which provides training to food technology teachers.
- The South Church Educational Fund contributes to an after school club run by the Auckland Youth and Community Centre.
- The Sarah Walker and Spafford Memorial Fund is usually distributed via our core grant giving for projects which have an element of educational travel.
- A grant was not awarded from the BFSS Trust in 2022, as we are currently reviewing how its income can be distributed for maximum impact.



6. Our impact

The projects we fund improve educational opportunity for children in some of the most marginalised or low-income communities, transforming young people's life chances, as these reports show.

Helping Rohingya refugees in Bangladesh

Children on the Edge have established a digital approach to educating young refugees, providing support to Rohingya children with quality education in a language they can understand. In summer 2022, BFSS gave the charity £60,000 for a two-year project to provide primary education for Rohingya refugees on Bhasan Char Island, where there are no government schools.

More than 580 children have been taught in model classrooms where they enjoy a friendly learning environment, with group discussions and digital lessons, arts and sports. Their heritage is celebrated and 60 children entered a recent drawing competition to create pictures of rivers, villages, schools and landscapes from Myanmar.



Photo courtesy of Children on the Edge: Rohingya refugees engaged in lessons, Bangladesh

Impact:

Teachers have reported how quickly the children have progressed in Maths and English and how much they are loving the digital lessons. Parents are particularly enthusiastic since the introduction of the Myanmar curriculum and the implications they feel it spells for a future return home.

The programme is also tackling the tendency for girls to be withdrawn from education after the age of 12, by organising regular meetings with parents, support group members and the Imam, and have seen some progress.

“We have the opportunity to play sports at our school and we feel wonderful and want to come to school every day.”

Sominara, student

“We have seen the improvement in our children in education, behaviour, speaking and intelligence.”

Mohammed Habibullah, parent

Raising aspirations for care experienced young people

Hub For Success ran a project training teachers and educators in Edinburgh to support care experienced young people, which proved so successful we have funded further work to scale-up the project. Through it, education and teaching staff have transformed the way that they think of themselves, from educators to being an active part of the care system for young people.

BFSS funded Hub for Success with £45,000 for a one-year pilot project which also gave tailored support to young people in six schools in Edinburgh; and promoted peer to peer learning and support. It focused on 295 children in their final year of primary school, and aimed to raise aspirations and convey the message that college and university are for everyone.

The project explored the children's transition to secondary school and the new subjects on offer there; considered their talents and interests, linking them to courses and careers; and helped them consider the adults who could support them. Care experienced Student Ambassadors shared their own learning journey, and children visited campuses to demystify and embed what they had learned.



Photo courtesy of Hub for Success: children enjoy campus visits, UK

Impact:

By the end of the pilot, 71% of teachers were at least 'somewhat aware' of care experience. 100% of teachers said the programme generated discussion among pupils about their aspirations; that care experienced Student Ambassadors added value; and pupils benefitted from visits to campuses.

Based on their successful pilot, Hub for Success have upscaled their approach to work with 91 new schools across Edinburgh.

“The care experienced pupils in my class feel confident that HE is for them now.”

Teacher, Dean Park Primary School

Tackling chronically low literacy in Malawi

Temwa Community Literacy is a three-year project which began in 2020 and runs in Malawi, where one in three adults are illiterate and only 7% of women have completed primary education. BFSS gave Temwa a grant of £19,816 for the project, which aims to provide opportunities for children and the wider community to improve their reading and writing skills through reading camps, community awareness activities and improved library services.

By autumn 2022, Temwa supported 22 Reading Camps attended by 1,600 primary school-aged learners, far exceeding the project's target of 1,000. There are also three Village Reading Groups providing literacy and broader mentoring support to young women. A group of 48 voluntary mentors have been fundamental to the project's success. Training for mentors focused on skills for effective reading instruction, helping learners develop confidence and using educational games to engage learners.



Photo courtesy of Temwa: spelling bee competition, Malawi

Impact:

In December, 264 learners took part in local spelling bee competitions to encourage greater community interest in the educational activities available. 80% of the participants demonstrated brilliant progress. The number of library visits have also greatly increased. 93% of children attending Reading Camps passed their end of year exams last year.

Temwa has engaged with governors in schools to help embed their work. As a result, 80% of the schools they work with have adopted initiatives aimed at improving retention and enrolment rates in their schools.

"I am now able to read and write since I started attending Reading Camp sessions, which I could not have achieved as quickly otherwise."

Tabitha Manda, pupil

"Through the Reading Camps, with the help of my fellow mentors and teachers, seven out of every ten learners are able to read and write."

Samuel Kamanga, Reading Camp Mentor

7. Future plans

In 2023 we have the exciting task of supporting our new President and Chair to settle into their respective roles. We will commence the implementation of our revised 5-year strategic plan (see section 3) and the key priorities for the year will include:

Objective 1:

- Completing the awarding of new grants from our £1 million Displacement Education fund.
- Committing £1 million to support our core grant-giving priorities.

Objective 2:

- Run our second Annual Conference and encourage further knowledge sharing via the online BFSS Forum.

Objective 3:

- Progressing the process of updating the BFSS name.
- Taking decisions on how BFSS is going to respond to climate change issues.

Objective 4:

- Improving our grant monitoring process and impact reporting.
- Strengthening our communications with the launch of a new website.

Objective 5:

- Conducting a review of our subsidiary trusts to ensure all are being distributed for maximum public benefit.



Photo courtesy of Signpost International: pupils study in Uganda

8. Structure, governance and management

8.1 Membership

BFSS Members are generally drawn from our past and present activities in education, teacher training, and charity organisations. The statutory role of Members is to elect the Councillors who act as Trustees of the charity at the AGM. During 2022 and early 2023, 21 new Members joined bringing the total number of Members to 151 by 1 February 2023 when our Trustee election process for 2023 started. The 2021 Annual General Meeting (AGM) was held as a hybrid event on 13 May 2022, chaired by our President, the Rt. Hon. David Lammy MP, and attended by 48 Members.

8.2 Governance and structure

BFSS has a President and Vice-President who are elected by the Membership for a period of three years. In May 2021 the Rt Hon David Lammy MP was re-elected President and Professor John Furlong was re-elected Vice-President both for a term of 3 years. BFSS is governed by a Council of Trustees drawn from and elected by Members. The Council currently has 10 members, but the aim is to increase it to 12 over the next 2 years. The minimum number is 6.

BFSS has an induction procedure for new Trustees. They are provided with relevant information on their role and responsibilities and are briefed by the Chairman. All Trustees are kept informed of the impact of BFSS through reports on funded projects. The Council annually reviews the work of individual Trustees and its sub-committees.

The Director's remuneration is set by a process which includes a review of performance against objectives by the Remuneration Committee which then makes a recommendation for approval to the Council.

In 2022 Council Meetings were held in March, June and November, with the annual strategy meeting in June 2022. There are two subsidiary committees, the Grants Committee and the Finance and Investments Committee, both of which meet at least twice a year and report to the Council.

The BFSS has a series of policies and terms of reference, which are subject to a regular review schedule to ensure they are up to date and fit for purpose.



Photo courtesy of Raising Futures: new school toilet block, Kenya

8.3 Robust and effective grant-giving

BFSS makes grants in accordance with its Charter and within the financial limits set by Council each year. Its grant-giving is project-driven and supports a broad range of projects in the UK and Internationally. The criteria for grant giving are available on the BFSS website. We operate an online grant application system, for our core grants this involves a 2-stage application process to minimise the time applicants spend preparing their initial proposals.

The Grants Manager conducts an initial assessment of all stage one grant applications and invites the project proposals which meet the criteria and are of the highest quality to submit a stage two application. Following a detailed review of stage two applications in consultation with the Chair of the Grants Committee, applications which are considered suitable are selected for review by the Grants Committee with an individual Trustee taking the lead on each application. Applications for the subsidiary trusts are referred to the appropriate committee for review.

The Trustees make decisions according to the criteria set out in the BFSS Grant Giving and Management policy, in line with our objectives. Recommendations from the Grants Committee and from the relevant committee for the subsidiary trusts are reported to the full Council.

We have a structured process to ensure rigorous evaluation of the impact of our grants, and we hold grant recipients accountable for delivering the outputs and outcomes to which they have committed. Every grant application is required to specify three or four main outcomes, and every project must have a well-defined plan for monitoring and evaluation. The reporting process is linked to the release of funds, to ensure we always retain the right to withhold or vary grants where projects are struggling to meet their outcomes. Grant recipients are required to submit progress reports annually for grants up to £10,000 per year and 6-monthly for larger grants in addition to the end of project report. Each progress report is reviewed by the Director or Grants Manager before releasing further funding. When a project is not delivered to plan, a triage system is in place to determine whether the Director, Chairman of the Grants Committee or the Grants Committee should make the decision on the future of the grant.

BFSS places great emphasis on ensuring that improved educational outcomes for our beneficiaries are clearly identified. Construction projects are required to provide an additional report one year after the formal completion of the construction project, to give time for impacts to emerge.

Grants awarded from the subsidiary trusts for which BFSS is responsible provide small grants to individuals and to organisations. Given the size of these grants (usually less than £5,000) the application process is deliberately kept very simple with a one stage application form which is reviewed by the Director, or by a local committee in the case of the British School Charity. These trusts are detailed in Note 12 to the Financial Statements.

Photo courtesy of Mwezi Foundation: solar lights to aid home learning



9. Financial review

9.1 Reserves policy

The entire General Reserve (£23,045,235) at 31 December 2022, (2021: £27,553,849) is an unrestricted fund which would be available to meet unexpected costs of the charity. The Trustees do not therefore feel it appropriate to specify a minimum level for free reserves.

In addition to the General Reserve, at 31 December 2022 BFSS held revaluation reserves of £175,000 (2021: £160,000) derived from the fair value of the George Dent Nursery, endowment funds of £1,269,286 (2021: £1,307,334) and restricted funds of £382,219 (2021: £545,809). At 31 December 2022, the total funds of the BFSS stood at £24,870,742 (2021: £29,566,992).

9.2 Risk Management Policy

BFSS maintains an active risk register which encompasses all areas of our activities. This risk register is reviewed, together with risk mitigation decisions and actions made, on an ongoing basis by the BFSS Council. Other principal risks identified by Trustees were those associated ensuring robust succession planning, ensuring policies are up to date and compliant with relevant regulations, particularly with regard to safeguarding, and ensuring that our investment policy continues to maximise income to support the delivery of our objects in a time of change.

9.3 Pension Policy

BFSS continues to operate a pension scheme for its employees, providing an employer's contribution of 8% of qualifying earnings. Monthly pension contributions are paid to the provider by direct debit.

9.4 Financial results

Grants paid during 2022 amounted to £1,046,568 (2021: £876,194). This represents a 19% increase on the previous year, as many of the projects that were still paused following the covid pandemic were able to progress during 2022. Subsequently the net expenditure of £657,290 (2021: £492,580) is a 33% increase on the previous year reflecting the increase in grant payments. Investment income reduced by 15% and there was a net loss on investments of £4,053,960 compared to a net gain of £3,139,001 in the previous year. The BFSS Investment Policy states that the Trustees will normally draw between £1m and £1.25m each year, which means that there is an expectation that the grant giving programme will be partly funded by investment income and partly by capital gains on those investments.

9.5 Income

BFSS' main source of income is its investment portfolio. Its investment policy is for the portfolio, consisting principally of equities and fixed interest stocks, to be managed on a total return basis to produce a regular income stream while maintaining its capital base in real terms. The performance target for the portfolio, which is managed by Investec Wealth & Investment Limited, is a real return (after taking account of headline CPI or zero, whichever is greater, and investment management fees) of at least 4% on a rolling three-year basis. The BFSS Investment Policy does not permit investment directly in companies that have more than 10% of their business relating to either: the production or sale of tobacco products, the promotion of gambling in any form, the production or sale of weapons or armaments, or the production, distribution and retail of pornographic media. In addition, investment is prohibited in companies with evidence of human rights abuses in the supply chain, both direct and indirect, including the use of child labour. Investec are also required to review its direct investment holdings to determine the degree of

Environmental, Social and Governance (ESG) risks. The investment manager provides regular reports showing the ESG risk rating for its investments and the objective is to see this score reduce each year.

At the end of December 2022 the value of the investment portfolio was £24,654,134 (2021: £29,329,745), which represented an actual total return net loss after fees for the year of -12.44%, which equates to -22.97% after taking into account CPI of 10.53%. The total cumulative return of the Fund for the three years was -14.51% net of investment management fees and after taking into account CPI of 17.17%.

During the year the BFSS withdrew £1,080,000 (2021: £1,012,000) to support its grant-giving activities and running costs. This amounted to approximately 4.4% of the value of the portfolio on 31 December 2022. Overall income amounted to £679,665, in comparison to £649,678 in the previous year, of which £535,050 (2021: £629,262) was from investments.

BFSS receives income from its investments and does not engage in public fundraising activities. As a result the charity does not employ or monitor a fundraiser or a fundraising agent. No fundraising complaints were received with regards to fundraising, and the charity is not subject to an undertaking to be bound by any voluntary scheme for regulating fundraising, or any voluntary standard of fundraising

9.6 Property

The George Dent Nursery School in Darlington continues to be held by BFSS as an investment property and is leased to Darlington Local Education Authority. The property is valued at 10 times rental value and as the annual rent receivable increased to £17,500, with effect from 25 December 2022 the value of the investment property has increased to £175,000, resulting in a revaluation surplus of £15,000 in the year (2021: nil).

Photo courtesy of Signpost International: Lomokori primary school, Uganda



9.7 General expenditure other than grants

The expenditure on support and governance costs during the year was £196,912 (2021: £155,755 and amounted to 14.7%, (2021: 13.6%) of total expenditure including grants. The increase in the percentage was predominantly due to the increase in staffing and office costs as well as professional fees and the increased cost of meetings in person rather than virtual meetings. Five part-time staff, equivalent to 2.4 full-time staff were employed during the year.

9.8 Responsibilities of the Council in relation to the financial statements

The BFSS Council is responsible for preparing the Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the Trustees are required to:

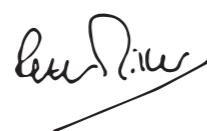
- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the applicable Charities SORP.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations, and the provisions of the Charter.

They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

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



Peter Miller
Chair of BFSS

Dated: 29 March 2023

10. Independent Auditor's Report to the Trustees of The British & Foreign School Society

10.1 Opinion

We have audited the financial statements of The British & Foreign School Society (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Charities Act 2011.

10.2 Basis for opinion

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

Photo courtesy of Signpost International: pupils study in Uganda



10.3 Conclusions relating to going concern

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

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

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

10.4 Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



10.5 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 require us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the Trustees' report.
- Sufficient accounting records have not been kept.
- The financial statements are not in agreement with the accounting records.
- We have not received all the information and explanations we require for our audit.

10.6 Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, 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 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 cease operations, or have no realistic alternative but to do so.

10.7 Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

- Agreement of the financial statement disclosures to underlying supporting documentation to assess compliance with those laws and regulations having an impact on the financial statements and disclosure requirements. In particular, Accounting and Reporting by Charities: Statement of Recommended Practice.
- Enquiries and confirmation of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims.
- Review of minutes of Board meetings throughout the period.
- Incorporating unpredictability into the nature, timing and/or extent of testing.
- In relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud.

- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

10.9 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Begbies
9 Bonhill Street
Chartered Accountants
London
Statutory Auditors
EC2A 4DJ

April 2023

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

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOME						
Donations and legacies		378	124,973	-	125,351	3,607
Investment income						
Rents receivable	5a	16,000	-	-	16,000	16,000
Investment income	7b	513,058	9,295	12,697	535,050	629,262
Interest receivable		3,145	50	69	3,264	808
Permanent endowment transfer to income	11,12	3,525	21,835	(25,360)	-	1
Total income		536,106	156,153	(12,594)	679,665	649,678
EXPENDITURE						
Expenditure on raising funds						
Investment managers fees	7a	85,486	758	4,681	90,925	110,309
Property expenditure		2,550	-	-	2,550	-
Expenditure on charitable activities						
Grants and costs	3	1,164,808	78,672	-	1,243,480	1,031,949
Total expenditure		1,252,844	79,430	4,681	1,336,955	1,142,258
Net expenditure and net movement in funds before net gains on investments		(716,738)	76,723	(17,275)	(657,290)	(492,580)
Gross transfers between funds						
Expendable endowment transfer between funds	11,12	9,930	4,799	(14,729)	-	-
Sarah Walker Spafford transfer for unspent income		2,500	(2,500)	-	-	-
BFSS Trust transfer to permanent endowments		-	(202,667)	202,667	-	-
Management charges to restricted funds	11	7,175	(7,175)	-	-	-
Net expenditure before other recognised gains and losses		(697,133)	(130,820)	170,663	(657,290)	(492,580)
Other recognised gains and losses						
Revaluation surplus re investment property	5	15,000	-	-	15,000	-
Net (losses)/gains on investments	7a	(3,811,482)	(33,770)	(208,709)	(4,053,961)	3,139,001
Net movement in funds		(4,493,615)	(164,590)	(38,046)	(4,696,251)	2,646,421
Reconciliation of funds						
Total funds brought forward		27,713,849	545,809	1,307,334	29,566,992	26,920,571
Total funds carried forward		23,220,234	381,219	1,269,288	24,870,741	29,566,992

The notes numbered 1 to 14 form part of these financial statements.
All amounts relate to continuing activities.

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
INCOME					
Donations and legacies		3,607	-	-	3,607
Investment income					
Rents receivable	5a	16,000	-	-	16,000
Investment income	7b	603,398	15,280	10,584	629,262
Interest receivable		776	19	13	808
Permanent endowment transfer to income	11,12	3,418	14,011	(17,428)	1
Total income		627,199	29,310	(6,831)	649,678
EXPENDITURE					
Expenditure on raising funds					
Investment managers fees	7a	103,711	1,681	4,917	110,309
Property expenditure		-	-	-	-
Expenditure on charitable activities					
Grants and costs	3	945,255	86,694	-	1,031,949
Total expenditure		1,048,966	88,375	4,917	1,142,258
Net expenditure and net movement in funds before net gains on investments		(421,767)	(59,065)	(11,748)	(492,580)
Gross transfers between funds					
Expendable endowment transfer between funds	11,12	7,598	3,672	(11,270)	-
Management charges to restricted funds	11	5,888	(5,888)	-	-
Net expenditure before other recognised gains and losses		(408,281)	(61,281)	(23,018)	(492,580)
Other recognised gains and losses					
Net gains on investments	7a	2,951,248	47,838	139,915	3,139,001
Net movement in funds		2,542,967	(13,443)	116,897	2,646,421
Reconciliation of funds					
Total funds brought forward		25,170,882	559,252	1,190,437	26,920,571
Total funds carried forward		27,713,849	545,809	1,307,334	29,566,992

The notes numbered 1 to 14 form part of these financial statements.
All amounts relate to continuing activities.

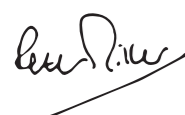
BALANCE SHEET
AT 31 DECEMBER 2022

	Note	2022		2021	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	5		2,649		2,204
Investment properties	5		175,000		160,000
Investment assets	6,7		<u>24,654,134</u>		<u>29,329,745</u>
			24,831,783		29,491,949
CURRENT ASSETS					
Debtors and prepayments	8	3,223		2,519	
Cash at bank and in hand		<u>132,060</u>		<u>176,739</u>	
		135,283		179,258	
LIABILITIES					
Creditors: amounts falling due within one year	9	<u>(96,325)</u>		<u>(104,215)</u>	
NET CURRENT ASSETS			38,958		75,043
NET ASSETS			24,870,741		29,566,992
REPRESENTED BY:					
CAPITAL ACCOUNT					
Unrestricted funds					
General reserve			23,045,234		27,553,849
Revaluation reserve			<u>175,000</u>		<u>160,000</u>
			23,220,234		27,713,849
Restricted funds					
Restricted funds	11		381,219		545,809
Endowment funds	12		<u>1,269,288</u>		<u>1,307,334</u>
TOTAL CHARITY FUNDS			24,870,741		29,566,992

The notes numbered 1 to 14 form part of these financial statements.

Approved by the Council and authorised for issue on

and signed on its behalf by



Peter Miller - Chair



David Baron - Treasurer

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	See Note Below	2022	2021
		£	£
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by (used in) operating activities	1	<u>(1,201,920)</u>	<u>(1,177,977)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		554,315	646,071
Purchase of property, plant and equipment		(2,940)	-
Proceeds from sale of investments		11,694,990	8,396,812
Purchase of investments		<u>(11,175,094)</u>	<u>(7,918,669)</u>
Net cash provided by (used in) investing activities		1,071,271	1,124,213
Change in cash and cash equivalents in the reporting period		(130,649)	(53,764)
Cash and cash equivalents at the beginning of the reporting period	2	445,532	499,296
Cash and cash equivalents at the end of the reporting period		<u>314,883</u>	<u>445,532</u>
NOTE 1: Reconciliation of net income (expenditure) to net cash flow from operating activities			
		2022	2021
		£	£
Net income (expenditure) for the reporting period (as per the statement of financial activities)		(4,696,251)	2,646,421
Adjustments for:			
Depreciation charges		2,495	2,320
Revaluation Surplus on Investment Property		(15,000)	-
Unrealised (gains)/losses on investments		3,186,897	(2,633,515)
Realised (gains)/losses on investments		885,767	(505,486)
Dividends, interest and rents from investments		(554,315)	(646,071)
Non-cash investment income		(2,919)	2,946
(Increase)/decrease in debtors		(704)	677
Increase/(decrease) in creditors		(7,890)	(45,270)
Net cash provided by (used in) operating activities		<u>(1,201,920)</u>	<u>(1,177,977)</u>
NOTE 2: Analysis of cash and cash equivalents			
		2022	2021
		£	£
Cash in hand		132,060	176,739
Un-invested cash		<u>182,823</u>	<u>268,793</u>
Total cash and cash equivalents		314,883	445,532
NOTE 3: Reconciliation of net debt			
		2022	2021
		£	£
Cash in hand			
Un-invested cash			
At the beginning of the reporting period		176,739	268,793
Cashflows		<u>(44,679)</u>	<u>(85,970)</u>
At the end of the reporting period		132,060	182,823

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

a) Basis of preparation

The British and Foreign Society is an unincorporated charity registered in England and Wales, registered charity number 314286. The registered office is 7-14 Great Dover Street, London SE1 4YR. The objectives and activities are as noted in the Annual Report.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these financial statements. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)) and the Charities Act 2011. The accounts are prepared in £ being the functional currency of the charity and round to the nearest £.

The British & Foreign School Society meets the definition of a public benefit entity under FRS 102. The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern because BFSS has over £24.6m of investments which is more than sufficient to cover at least 12 months of expenditure.

The most significant area of adjustment and key assumption that affects items in the financial statement relates to estimating the fair value of the investment property (see note 1(c) below).

b) Fixed assets

Fixed assets, with the exception of investment properties, are included at cost and are depreciated on a straight line basis over their useful lives at the following rates:

- Furniture and equipment 33%
- Computer equipment 25%

c) Investment properties

Investment properties are included in the financial statements at fair value. The Council has formerly valued the one remaining freehold property, the George Dent Nursery in Darlington, on the basis of ten times the annual rental income. The historic cost of the property is £1 (2021: £1).

d) Investment assets

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price. The Statement of Financial Activities includes the net gains and losses arising on the revaluation and disposals throughout the year. BFSS does not acquire put options, derivatives or other complex financial instruments.

e) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequently to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

f) Donations and similar incoming resources

Donations and similar incoming resources are included in the financial statements in the year in which they are receivable. All donations and legacy income is attributable to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

g) Investment income

Investment income and any related income tax recoverable are included in the financial statements in the year in which they are receivable.

h) Rental income

Rental income is normally credited in the financial statements in the year to which it relates. All rental income is attributable to unrestricted funds.

i) Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is included in the statement of financial activities on an accruals basis and includes irrecoverable VAT.

j) Charitable activities

Charitable activities include grants by BFSS and the associated support costs. Grants are accounted for in the year in which the commitment is given, all relevant conditions having been fulfilled.

k) Support and governance costs

Support costs represent the cost of administering the affairs and managing and maintaining the assets of BFSS and of the other trust funds administered by BFSS.

Governance costs comprise all costs relating to the public accountability of BFSS and its compliance with regulation and good practice. These costs include the cost of Council meetings together with statutory audit fees.

l) Fund accounting

Trust funds that are the responsibility of BFSS are included in these accounts as restricted and endowment funds and details of the nature and purpose of each fund is set out in notes 11 to 12.

m) Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

n) Financial instruments

BFSS only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

o) Debtors

Debtors are amounts owed to BFSS. They are measured on the basis of their recoverable amount.

p) Cash and cash equivalents

Cash at bank is held to meet the day to day running costs of BFSS as they fall due. Cash equivalents are short term, highly liquid investments.

q) Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of the past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that BFSS anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. CHARITABLE EXPENDITURE - GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
International projects						
A Partner in Education	18,585	-	18,585	26,977	-	26,977
AbleChildAfrica	29,924	-	29,924	14,920	-	14,920
Advantage Africa	8,704	-	8,704	10,000	-	10,000
African Adventures Foundation	3,301	-	3,301	13,776	-	13,776
African Revival	12,792	-	12,792	14,832	-	14,832
AfriKids UK	12,925	-	12,925	-	-	-
Amala Education	11,025	-	11,025	21,500	-	21,500
Asecondchance	-	-	-	19,050	-	19,050
Carers Worldwide - new application	23,548	-	23,548	12,455	-	12,455
Carers Worldwide - reversed	-	-	-	(11,575)	-	(11,575)
Challenge Aid	-	-	-	4,644	-	4,644
Chance for Childhood	30,000	-	30,000	15,000	-	15,000
Child Rescue Nepal	14,976	-	14,976	13,741	-	13,741
ChildHope UK	18,743	-	18,743	9,996	-	9,996
Children on the Edge	-	15,000	15,000	10,000	-	10,000
Consortium for Street Children (previously StreetInvest)	27,164	-	27,164	19,239	-	19,239
Diapalante	6,323	-	6,323	6,328	-	6,328
Disability and Development Partners (DDP)	15,415	-	15,415	19,742	-	19,742
EduKaid	15,765	-	15,765	19,065	-	19,065
Entraide (Mutual Aid)	10,000	-	10,000	20,000	-	20,000
Feed the Minds	14,699	-	14,699	-	-	-
Fields of Life	23,944	-	23,944	8,953	-	8,953
Hands Up Foundation	15,000	-	15,000	-	-	-
Healthprom	9,845	-	9,845	19,945	-	19,945
inhive	7,294	-	7,294	9,180	-	9,180
Irise International	38,000	-	38,000	35,000	-	35,000
Joshua Orphan and Community Care	15,610	-	15,610	-	-	-
Kidasha	10,740	-	10,740	10,740	-	10,740
Kyanninga CDC Trust	18,669	-	18,669	29,843	-	29,843
Learning for Life	13,017	-	13,017	10,900	-	10,900
Lyra in Africa	19,241	-	19,241	12,979	-	12,979
Made With Hope	-	15,933	15,933	-	-	-
Mobile Education Partnerships (MEP)	8,876	-	8,876	6,263	-	6,263
Mondo Foundation	12,104	-	12,104	-	-	-
Money for Madagascar	5,062	-	5,062	4,058	-	4,058
Pamoja Leo	7,041	-	7,041	10,000	-	10,000
Practical Tools Initiative	-	-	-	10,000	-	10,000
Prism the Gift Fund: Refugee Youth Service Collective Fund	7,140	-	7,140	-	-	-
Raising Futures Kenya	11,427	-	11,427	2,076	-	2,076
Redearth Education	20,574	-	20,574	20,702	-	20,702
Rwanda Action	16,250	-	16,250	11,600	-	11,600
Sabre Education	14,860	-	14,860	14,861	-	14,861
Seenaryo	14,990	-	14,990	-	-	-
Sense International	19,972	-	19,972	9,965	-	9,965
Signpost International	11,222	-	11,222	18,761	-	18,761
Standing Voice	4,096	-	4,096	15,990	-	15,990
Sub Saharan Advisory Panel	15,000	-	15,000	-	-	-
Teach A Man To Fish	-	-	-	14,980	-	14,980
Teach2Teach International	16,900	-	16,900	28,721	-	28,721
Team Kenya	13,538	-	13,538	-	-	-
Temwa	-	6,543	6,543	10,000	5,103	15,103
The Mwezi Foundation	-	5,001	5,001	-	5,002	5,002
Toybox	20,000	-	20,000	12,398	-	12,398
Transform Africa	-	-	-	-	19,400	19,400
Tushinde Children's Trust	9,951	-	9,951	-	-	-
Women's Education Partnership	23,384	-	23,384	-	-	-
	697,636	42,477	740,113	587,605	29,505	617,110

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. CHARITABLE EXPENDITURE - GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
NOTE 2 CONTINUED						
UK projects						
Academy Transformation Trust	8,716	-	8,716	-	-	-
Afghanistan and Central Asian Association	14,198	-	14,198	-	-	-
Asylum Welcome	12,454	-	12,454	-	-	-
Carefree Fostering Ind. Cornwall	-	-	-	30,588	-	30,588
Carers Trust Hillingdon	15,000	-	15,000	-	-	-
Children and Families Across Borders (CFAB)	15,000	-	15,000	-	-	-
Finding Rhythms	7,250	-	7,250	-	-	-
Hatfield Primary Academy - Astrea Academy Trust	13,700	-	13,700	6,850	-	6,850
HUB for SUCCESS through Edinburgh Napier University	15,000	-	15,000	22,500	-	22,500
Hull FC Rugby Community Sports & Education Foundation	15,710	-	15,710	-	-	-
Jericho Foundation	9,975	-	9,975	-	-	-
Kinship Care N Ireland	-	-	-	5,700	-	5,700
Northants Music & Performing Arts Trust	-	-	-	6,000	-	6,000
Parents and Children Together (PACT)	-	-	-	11,231	-	11,231
Passion for Learning CIO	10,000	-	10,000	-	-	-
Refugee Education UK	10,684	-	10,684	-	10,685	10,685
Royal Caledonian Education Trust	8,019	-	8,019	15,000	-	15,000
Sheffield Young Carers	13,877	-	13,877	28,269	-	28,269
SIEVEMK Gateway	17,257	-	17,257	9,995	-	9,995
Sistema Cymru	-	-	-	7,240	-	7,240
The Why Not? Trust for Care Experienced Young People	14,705	-	14,705	-	-	-
Voices from Care Cymru	14,570	-	14,570	-	-	-
Volunteer Tutors Organisation	28,743	-	28,743	28,581	-	28,581
YMCA Sutton Coldfield	28,594	-	28,594	29,941	-	29,941
	273,452	-	273,452	201,895	10,685	212,580
Grants from restricted funds to organisations						
Ashdon Primary School	-	500	500	-	-	-
Auckland Youth & Community Centre	-	2,500	2,500	-	5,000	5,000
Food Teachers Centre	-	2,000	2,000	-	3,500	3,500
Joanna Eden Outreach CIC	-	-	-	-	4,870	4,870
Katherine Semar Junior School	-	-	-	-	1,694	1,694
London South Bank University	-	-	-	-	8,000	8,000
R A Butler Academy School	-	5,000	5,000	-	-	-
Radwinter C of E Primary School	-	-	-	-	4,771	4,771
Saffron Hall Trust	-	5,000	5,000	-	-	-
Saffron Walden County High School	-	5,000	5,000	-	4,750	4,750
Saffron Walden Playgroup	-	1,000	1,000	-	-	-
The Friends of Great Chesterford Primary Academy	-	-	-	-	5,000	5,000
Theatre Unboxed	-	-	-	-	1,000	1,000
Wiltshire Community Foundation	-	14,000	14,000	-	16,000	16,000
	-	35,000	35,000	-	54,585	54,585
Total organisational grants	971,088	77,477	1,048,565	789,500	94,775	884,275
Grants from restricted funds to individuals	-	1,000	1,000	-	1,000	1,000
Total individual grants	-	1,000	1,000	-	1,000	1,000
Total grants	971,088	78,477	1,049,565	789,500	95,775	885,275
Less: Grants returned during the year	(2,997)	-	(2,997)	-	(9,081)	(9,081)
	968,091	78,477	1,046,568	789,500	86,694	876,194

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

3. CHARITABLE EXPENDITURE

	International projects £	UK projects	Total 2022 £
Grants (see note 2)	740,113	306,455	1,046,568
Support costs			
Salaries and office costs	108,440	44,902	153,342
Shared learning expenses	5,027	2,081	7,108
Professional fees	14,161	5,863	20,024
	<u>127,628</u>	<u>52,846</u>	<u>180,474</u>
Governance costs			
Audit	4,837	2,003	6,840
Legal and professional costs	2,020	836	2,856
Trustee training	177	73	250
Council and Committee meetings	4,591	1,901	6,492
	<u>11,625</u>	<u>4,813</u>	<u>16,438</u>
	<u>879,366</u>	<u>364,114</u>	<u>1,243,480</u>

	International projects £	UK projects	Total 2021 £
Grants (see note 2)	608,029	268,165	876,194
Support costs			
Salaries and office costs	92,937	40,989	133,925
Professional fees	7,707	3,399	11,106
	<u>100,644</u>	<u>44,388</u>	<u>145,032</u>
Governance costs			
Audit	4,747	2,093	6,840
Legal and professional costs	2,114	933	3,047
Trustee training	69	30	99
Council and Committee meetings	511	226	737
	<u>7,441</u>	<u>3,282</u>	<u>10,723</u>
	<u>716,114</u>	<u>315,835</u>	<u>1,031,949</u>

Support and governance costs have been allocated in proportion to project location.

4. STAFF COSTS & RELATED PARTY TRANSACTIONS

	2022 £	2021 £
Salaries	117,033	91,389
Social security costs	6,643	4,985
Pension contributions	6,849	5,701
Consultants fees	14,864	6,306
Accountancy services	5,160	4,800
	<u>150,549</u>	<u>113,181</u>

The average number of employees during the year was:

Management and administration	<u>4</u>	<u>3</u>
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No staff employee received remuneration amounting to more than £60,000 in the year (2021: None).

BFSS considers its key management personnel to comprise the members of the council and the BFSS Director. The Society delegates the day-day running of the charity to its Director. The ultimate responsibility lies with the Trustees. The remuneration of the Director in the year was £53,373 (2021: £50,917) including pension and employers' National Insurance.

BFSS bought in accountancy services from Godfrey Wilson which cost £5,160 (2021: £4,800).

Consultants fees include £9,180 to construct a new website and £4,501 in conference event planning.

No remuneration was paid to any member of the Council during 2022 or 2021 and there are no related party transactions to disclose other than above. Reimbursement of expenses in relation to attendance at meeting amounted to £1,036 paid to nine Trustees in 2022 (2021: £144 paid to 1 Trustee).

During the year a grant of £10,740 was paid to Kidasha, a charity of which J Miller is Chief Executive. J Miller does not have overall control of Kidasha, and did not attend the Grants Committee meeting where the grant was decided.

During the year a grant of £18,585 was paid to A Partner In Education, a charity of which A Barnecutt was Chief Executive for part of the year. A Barnecutt did not have overall control of A Partner In Education, and was not a trustee when the grant was decided.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. FIXED ASSETS	Freehold land & buildings £	Furniture & equipment £	Total £
COST & VALUATION			
At 1st January 2022	160,000	11,574	171,574
Additions	-	2,940	2,940
Revaluation surplus	15,000	-	15,000
Disposals	-	(1,150)	(1,150)
At 31st December 2022	175,000	13,364	188,364
DEPRECIATION			
At 1st January 2022	-	9,370	9,370
Charge for the year	-	2,495	2,495
Disposals	-	(1,150)	(1,150)
At 31st December 2022	-	10,715	10,715
NET BOOK VALUE			
At 31st December 2022	175,000	2,649	177,649
At 31st December 2021	160,000	2,204	162,204

Freehold land and buildings comprise investment properties which are not depreciated.

Council values the freehold property, the George Dent Nursery in Darlington, on the basis of ten times annual rental income. A new lease was agreed with the tenant from 25 December 2022 at an agreed rent of £17,500 per annum and Council increased the property valuation to £175,000 at the end of 2022 accordingly, resulting in an increase to the revaluation surplus of £15,000. The historic cost of this property is £1 (2021: £1).

5a RENTS RECEIVABLE

	2022 £	2021 £
George Dent Nursery, Darlington	16,000	16,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. UNITS HELD IN POOLED INVESTMENT FUND	Units held 1 Jan 2022 No.	Transfers between funds	Units sold No.	Units held 31 Dec 2022 No.
a) Number of units held				
ENDOWMENT FUNDS				
Wilmslow Fund	2,360	-	-	2,360
Darlington College Building Fund	2,112	-	-	2,112
Alfred Bourne	315	-	-	315
British School Charity	2,917	-	-	2,917
Old British School	2,161	-	-	2,161
West Street Old British School	788	-	-	788
BFSS Trust	-	1,652	-	1,652
	10,653	1,652	-	12,305
RESTRICTED FUNDS				
BFSS Trust	1,652	(1,652)	-	-
Berridge Trust	344	-	-	344
South Church Trust	389	-	-	389
Sarah Walker and Spafford	1,258	-	-	1,258
	3,643	(1,652)	-	1,991
UNRESTRICTED FUNDS				
British & Foreign School Society	224,732	-	-	224,732
	224,732	-	-	224,732
	239,028	-	-	239,028

The charity invests the assets of all its funds into a single investment portfolio in order to minimise the costs of management. The portfolio is invested in a wide range of listed equities and fixed income holdings. In order to allocate the investments to each fund the portfolio is nominally divided into unitised holdings.

b) Value of units held

	Fund market value 1 Jan 2022 £	Transfers between funds £	Increase/ (decrease) in fund value £	Fund market value 31 Dec 2022 £
ENDOWMENT FUNDS				
Wilmslow Fund	289,620	-	(46,170)	243,450
Darlington College Building Fund	259,156	-	(41,312)	217,844
Alfred Bourne	38,664	-	(6,161)	32,503
British School Charity	357,940	-	(57,060)	300,880
Old British School	265,210	-	(42,278)	222,932
West Street Old British School	96,744	-	(15,422)	81,322
BFSS Trust	-	202,667	(32,310)	170,357
	1,307,334	202,667	(240,713)	1,269,288
RESTRICTED FUNDS				
BFSS Trust	202,667	(202,667)	-	-
Berridge Trust	42,158	-	(6,729)	35,429
South Church Trust	47,750	-	(7,611)	40,139
Sarah Walker and Spafford	154,382	-	(24,608)	129,774
	446,957	(202,667)	(38,948)	205,342
UNRESTRICTED FUNDS				
British & Foreign School Society	27,575,454	-	(4,395,950)	23,179,504
	27,575,454	-	(4,395,950)	23,179,504
	29,329,745	-	(4,675,611)	24,654,134
<i>Value per unit</i>	122.70			103.14

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. POOLED INVESTMENT FUND	Investments	Un-invested cash	Total
	£	£	£
Opening value at 1 January 2022	29,060,952	268,793	29,329,745
FUND MOVEMENTS			
Investments acquired at cost	11,175,094	(11,175,094)	-
Proceeds of investments sold	(11,694,990)	11,694,990	-
Realised losses on sale of investments during the year	(885,767)		(885,767)
Unrealised losses on investments during the year	(3,186,897)		(3,186,897)
Exchange rate differences		18,703	18,703
Non-cash investment income	2,919		2,919
Investment income receivable	-	535,050	535,050
Investment management fees paid	-	(79,619)	(79,619)
Distributions to funds during the year	-	(1,080,000)	(1,080,000)
NET FUND MOVEMENTS	(4,589,641)	(85,970)	(4,675,611)
CLOSING VALUE OF FUND AT 31 DECEMBER 2022	24,471,311	182,823	24,654,134
	Investments	Cash	Total
UK fixed interest	498,761	-	498,761
Overseas fixed interest	1,609,568	-	1,609,568
UK equities	5,599,418	-	5,599,418
European equities	2,103,516	-	2,103,516
US equities	6,658,246	-	6,658,246
Other worldwide equities	3,382,396	-	3,382,396
Managed funds			
Emerging economies	1,057,924	-	1,057,924
UK property	1,208,221	-	1,208,221
Infrastructure	1,432,547	-	1,432,547
Commodities	520,714	-	520,714
Cash on deposit	400,000	182,823	582,823
	24,471,311	182,823	24,654,134

7a. INVESTMENT RETURN	2022	2021
	£	£
Unrealised (losses)/gains on investments during the year	(3,186,897)	2,633,515
Exchange rate movements	18,703	-
Realised (losses)/gains on investment during the year	(885,767)	505,486
Net (losses)/gains on investment assets	(4,053,961)	3,139,001
Investment income receivable (see note 7b))	535,050	629,262
Investment management fees paid and accrued	(90,925)	(110,309)
	(3,609,836)	3,657,954

The charity derives the majority of its income from the above investments. Whilst most of the funds held by the charity are available to meet expenditure, the trustees must balance the needs of current beneficiaries against those of the future. For this reason, although largely not a permanently endowed fund, the charity uses a total return basis in order to inform its budgeted expenditure across all funds.

The historic cost of investments held at the year end totalled £22,363,450.

The trustees report includes further discussion regarding the investment policy of the charity.

The trustees budgeted to spend from the investment returns detailed above £1,222,243 (2021: £1,398,014) to cover the spending requirements of the charity in the year. The remainder of the investment returns are to remain invested.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7b. INVESTMENT INCOME	2022	2021
	£	£
UK fixed interest	11,049	14,680
Overseas fixed interest	12,743	7,646
UK equities	231,433	373,448
European equities	20,479	23,719
US equities	50,000	46,011
Other worldwide equities	65,032	27,594
UK property	55,700	53,607
Alternative assets	74,326	80,452
Other	14,288	2,105
	535,050	629,262

8. DEBTORS AND PREPAYMENTS	2022	2021
	£	£
Due within one year		
Sundry debtors and prepayments	3,223	2,519

9. CREDITORS AND ACCRUALS	2022	2021
	£	£
Grants payable	56,404	80,742
Rent received in advance	4,000	4,000
Other creditors	35,921	19,473
	96,325	104,215

10. FINANCIAL COMMITMENTS

a) Other grants

At the year end the BFSS has the intention to pay grants totalling £1,623,862 (2021: £1,147,687) in the future which have not been included in the accounts as they are conditional on the recipients providing satisfactory evidence that they have met the reporting requirements required by BFSS and the subsequent approval of payment.

b) Leases

BFSS is currently located in shared offices in London with an annual licence fee of £4,840. Service costs are based on usage and charged quarterly in arrears. The licence is terminable at three months notice giving a commitment of £1,210.

c) Archive

By Deed of Covenant and Gift signed on 11 December 2013 BFSS made a gift of the Archive to Brunel University. No further payment to Brunel University in respect of the Archive will therefore be made, nor will any further insurance costs be incurred.

d) Capital commitments

BFSS has no capital commitments at 31 December 2022 (2021: £ nil).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. RESTRICTED FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS

	Total restricted funds		Richard Pain Trust		BFSS Trust		Alfred Bourne	
	2022 £	2021 £	2022 £	2021 £	2022 £	2021 £	2022 £	2021 £
Incoming resources								
Donations	124,973	-	124,973	-	-	-	-	-
Investment income								
Pooled investment fund	9,295	15,280	-	-	-	4,348	-	-
Bank interest	50	19	-	-	-	5	-	-
Permanent endowment transfer to income	21,835	14,011	-	-	7,385	-	1,408	1,365
Total incoming resources	156,153	29,310	124,973	-	7,385	4,353	1,408	1,365
Resources expended								
Direct charitable expenditure	78,672	86,694	42,477	31,609	-	6,000	2,000	2,000
Management and administration								
- investment management fees	758	1,681	-	-	-	761	-	-
- transfer from main fund	7,175	5,888	-	-	1,312	1,076	250	205
Total resources expended	86,605	94,263	42,477	31,609	1,312	7,837	2,250	2,205
Net expenditure before (losses)/gains on investments	69,548	(64,953)	82,496	(31,609)	6,073	(3,484)	(842)	(840)
Expendable endowment transfer	4,799	3,672	-	-	-	-	-	-
Sarah Walker Spafford transfer for unspent income	(2,500)	-	-	-	-	-	-	-
BFSS transfer to permanent endowment	(202,667)	-	-	-	(202,667)	-	-	-
Net (losses)/gains on investments	(33,770)	47,838	-	-	-	21,690	-	-
Net movement in funds	(164,590)	(13,443)	82,496	(31,609)	(196,594)	18,206	(842)	(840)
Fund balances brought forward	545,809	559,252	9,526	41,135	214,271	196,065	5,062	5,902
Fund balances carried forward	381,219	545,809	92,022	9,526	17,677	214,271	4,220	5,062

Restricted funds represent the income of other charitable trusts which are administered by BFSS and unavailable for general charitable expenditure or donations which have been received for a specified purpose.

Name of Fund	Purpose of Fund
Richard Pain Trust	A restricted fund created by a grant from the Richard Pain Trust allocated to specific beneficiaries.
The British & Foreign School Society Trust (BFSS Trust) (Charity number 312516)	To provide financial assistance or award scholarships or grants to persons in the London Boroughs of Bermondsey, Bethnal Green, Poplar, Southwark and Stepney in connection with their education.
The Alfred Bourne Trust Fund (subsidiary of Charity number 314286)	To provide financial assistance to persons undertaking education up to the age of 30

11. RESTRICTED FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS (continued)

Berridge Trust		British School Charity		South Church Educational Fund		Sarah Walker and Spafford Memorial Fund		Old British School	
2022 £	2021 £	2022 £	2021 £	2022 £	2021 £	2022 £	2021 £	2022 £	2021 £
-	-	-	-	-	-	-	-	-	-
770	906	-	-	871	1,024	2,816	3,312	4,838	5,690
4	1	-	-	5	1	15	4	26	8
-	-	13,042	12,646	-	-	-	-	-	-
774	907	13,042	12,646	876	1,025	2,831	3,316	4,864	5,698
2,000	4,000	17,695	22,085	2,500	5,000	-	-	12,000	16,000
131	159	-	-	148	180	479	581	-	-
273	224	2,316	1,902	309	253	999	819	1,716	1,409
2,404	4,383	20,011	23,987	2,957	5,433	1,478	1,400	13,716	17,409
(1,630)	(3,476)	(6,969)	(11,341)	(2,081)	(4,408)	1,353	1,916	(8,852)	(11,711)
-	-	-	-	-	-	-	-	4,799	3,672
-	-	-	-	-	-	(2,500)	-	-	-
-	-	-	-	-	-	-	-	-	-
(5,834)	4,518	-	-	(6,600)	5,110	(21,336)	16,520	-	-
(7,464)	1,042	(6,969)	(11,341)	(8,681)	702	(22,483)	18,436	(4,053)	(8,039)
44,976	43,934	31,475	42,816	56,587	55,885	178,126	159,690	5,786	13,825
37,512	44,976	24,506	31,475	47,906	56,587	155,643	178,126	1,733	5,786

Name of Fund	Purpose of Fund
The Berridge Trust (subsidiary of Charity number 314286)	To promote the training of cookery teachers in England and Wales.
The British School Charity (subsidiary of Charity number 314286)	To promote the education of persons under the age of 25 in the neighbourhood of Saffron Walden.
The Sarah Walker and Spafford Memorial Fund (administered under Charity number 314286)	To provide grants for educational travel for young people. Under the terms of the fund, the trustees can transfer unspent income to the main fund at their discretion.
Old British School (Charity number 309444)	To promote the education of persons under the age of 25 who are in need of financial assistance and live within a radius of 20 miles from Bratton, Wiltshire, preference being given to those resident in Bratton.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. ENDOWMENT FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS

	Total endowment funds		Wilmslow		Darlington	
	2022 £	2021 £	2022 £	2021 £	2022 £	2021 £
Incoming resources						
Investment income						
Permanent endowment pooled investment fund	12,697	10,584	-	-	-	-
Permanent endowment bank interest	69	13	-	-	-	-
Permanent endowment transfer to income	(25,360)	(17,428)	-	-	-	-
Total incoming resources	(12,594)	(6,831)	-	-	-	-
Resources expended						
Investment management fees	4,681	4,917	898	1,089	803	975
Net expenditure before (losses)/gains on investments	(17,275)	(11,748)	(898)	(1,089)	(803)	(975)
Expendable endowment transfer between funds	(14,729)	(11,270)	(5,241)	(4,011)	(4,689)	(3,588)
BFSS transfer to permanent endowment	202,667	-	-	-	-	-
Net (losses)/gains on investments	(208,709)	139,915	(40,031)	30,997	(35,820)	27,736
Net movement in funds	(38,046)	116,897	(46,170)	25,897	(41,312)	23,173
Endowment fund balances brought forward	1,307,334	1,190,437	289,620	263,723	259,156	235,983
Endowment fund balances carried forward	1,269,288	1,307,334	243,450	289,620	217,844	259,156

Endowment funds represent capital amounts held by the charity for the longer term to generate income for the charity or the other trusts which are administered by BFSS. Endowment funds share in the total return from the investment funds. This allows trustees to invest endowment funds to maximise total return and to apply an appropriate proportion of the total return to income for the year and so be available for expenditure. BFSS has two types of endowment fund, permanent and expendable endowment funds.

Expendable endowments income can be spent as unrestricted funds, unless the charity is restricted to the areas in which the income and capital can be spent. Where the charity holds permanent endowments there is no ability to spend the original capital funds. Having considered their obligations under the duty of even-handedness the trustees made a transfer of £14,729 of the total return from the expendable endowment funds to income funds and a transfer of £25,360 of the total return from the permanent endowment funds to income funds. In making these decisions the trustees have taken into account the current investment climate, the return on investment for the year and the income needs of BFSS.

Name of Fund

Purpose of Fund

Wilmslow British School Endowment Fund (subsidiary of Charity number 314286)

The fund is an expendable endowment, however the capital is restricted. The original value of the capital is unknown. As authorised by the Charity Commissioners, BFSS continues to apply the clear income of this fund for its general purposes.

Darlington College Building Fund

The fund is an expendable endowment, however the capital is restricted. The original value of the capital is unknown. As authorised by the Charity Commissioners, BFSS continues to apply the clear income of this fund for its general purposes.

12. ENDOWMENT FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS (continued)

Alfred Bourne		British School Charity		Old British School		West Street		BFSS Trust	
2022 £	2021 £	2022 £	2021 £	2022 £	2021 £	2022 £	2021 £	2022 £	2021 £
705	829	6,530	7,679	-	-	1,765	2,076	3,697	-
4	1	36	9	-	-	10	3	19	-
(1,408)	(1,365)	(13,042)	(12,645)	-	-	(3,525)	(3,418)	(7,385)	-
(699)	(535)	(6,476)	(4,957)	-	-	(1,750)	(1,339)	(3,669)	-
120	145	1,110	1,347	822	997	300	364	628	-
(819)	(680)	(7,586)	(6,304)	(822)	(997)	(2,050)	(1,703)	(4,297)	-
-	-	-	-	(4,799)	(3,671)	-	-	-	-
-	-	-	-	-	-	-	-	202,667	-
(5,342)	4,136	(49,474)	38,310	(36,657)	28,382	(13,372)	10,354	(28,013)	-
(6,161)	3,456	(57,060)	32,006	(42,278)	23,714	(15,422)	8,651	170,357	-
38,664	35,208	357,940	325,934	265,210	241,496	96,744	88,093	-	-
32,503	38,664	300,880	357,940	222,932	265,210	81,322	96,744	170,357	-

Name of Fund

Purpose of Fund

The Alfred Bourne Trust Fund (subsidiary of Charity number 314286)

The fund is a permanent endowment. The income of the endowment is restricted as detailed in note 11.

The British School Charity (subsidiary of Charity number 314286)

The charity incorporates a permanent endowment. The income of the endowment is restricted as detailed in note 11.

Old British School (Charity number 309444)

The Old British School is an expendable endowment. The income of the endowment is restricted as detailed in note 11

West Street Old British School, Wareham (subsidiary of Charity number 314286)

The fund is a permanent endowment. As authorised by the Charity Commissioners, BFSS continues to apply the clear income of this fund for its general purposes.

The British & Foreign School Society Trust (BFSS Trust) (Charity number 312516)

The charity incorporates a permanent endowment. The income of the endowment is restricted as detailed in note 11. During the year the Charity Commission confirmed that they deem the fund to be a permanent endowment and the fund has been transferred to reflect their decision.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets and investment property £	Pooled funds £	Net current assets £	Total 2022 £
Endowment funds				
Wilmslow Fund - expendable endowment	-	243,450	-	243,450
Darlington College Building Fund - expendable endowment	-	217,844	-	217,844
Alfred Bourne - permanent endowment	-	32,503	-	32,503
British School Charity - permanent endowment	-	300,880	-	300,880
Old British School - expendable endowment	-	222,932	-	222,932
West Street Old British School - permanent endowment	-	81,322	-	81,322
BFSS Trust - permanent endowment	-	170,357	-	170,357
	-	1,269,288	-	1,269,288
Restricted funds				
Richard Pain Trust	-	-	92,022	92,022
BFSS Trust	-	-	17,677	17,677
Alfred Bourne	-	-	4,220	4,220
Berridge Trust	-	35,429	2,083	37,512
British School Charity	-	-	24,506	24,506
South Church Trust	-	40,139	7,767	47,906
Sarah Walker and Spafford	-	129,774	25,869	155,643
Old British School	-	-	1,733	1,733
	-	205,342	175,877	381,219
Unrestricted funds				
British & Foreign School Society	177,649	23,179,504	(136,919)	23,220,234
	177,649	24,654,134	38,958	24,870,741

	Tangible fixed assets and investment property £	Pooled funds £	Net current assets £	Total 2021 £
Endowment funds				
Wilmslow Fund - expendable endowment	-	289,620	-	289,620
Darlington College Building Fund - expendable endowment	-	259,156	-	259,156
Alfred Bourne - permanent endowment	-	38,664	-	38,664
British School Charity - permanent endowment	-	357,940	-	357,940
Old British School - expendable endowment	-	265,210	-	265,210
West Street Old British School - permanent endowment	-	96,744	-	96,744
	-	1,307,334	-	1,307,334
Restricted funds				
Richard Pain Trust	-	-	9,526	9,526
BFSS Trust	-	202,667	11,604	214,271
Alfred Bourne	-	-	5,062	5,062
Berridge Trust	-	42,158	2,818	44,976
British School Charity	-	-	31,475	31,475
South Church Trust	-	47,750	8,837	56,587
Sarah Walker and Spafford	-	154,382	23,744	178,126
Old British School	-	-	5,786	5,786
	-	446,957	98,852	545,809
Unrestricted funds				
British & Foreign School Society	162,204	27,575,454	(23,809)	27,713,849
	162,204	29,329,745	75,043	29,566,992

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. TOTAL RETURN

Endowment funds represent capital amounts held by the charity for the longer term to generate income for the charity or the other trusts which are administered by BFSS. Endowment funds share in the total return from the investment funds. This allows trustees to invest endowment funds to maximise total return and to apply an appropriate proportion of the total return to income for the year and so be available for expenditure. BFSS has two types of endowment fund, permanent and expendable endowment funds.

Where the charity holds permanent endowments there is no ability to spend the original capital funds. In 2007 the Charity obtained permission to use the total return basis for the investment of the permanent endowments held. The trustees are obliged to balance the income requirements to apply to current expenditure on charitable objects with the need for long term capital growth. In order to do achieve these two aims the charity must consider the unapplied total return available for transfer to the income funds.

	Alfred Bourne £	British School Charity £	West Street £	BFSS Trust £	Total £
INCOME					
Total permanent endowment balance at 1 January 2007	26,393	244,329	66,037	138,341	475,100
Value of the fund as at 31st December 2021	38,664	357,940	96,744	202,667	696,015
Unapplied total return brought forward	12,271	113,611	30,707	64,326	220,915
Increase/ (decrease) in fund value	(6,161)	(57,060)	(15,422)	(32,310)	(110,953)
Unapplied total return at 31 December 2022	6,110	56,551	15,285	32,016	109,962
Value of the fund as at 31st December 2022	32,503	300,880	81,322	170,357	585,062

During the year the value of the investment fund fell by approximately 16% due to market fluctuations. The decrease in the fund value has contributed to the unapplied total fund halving from the brought forward level. As stated above, the trustees have a duty to balance the long term value of the endowment with the income available for expenditure. Although the fund has significantly fallen in value, the trustees have considered the post balance sheet date market value increase in the fund and have not deemed it necessary to restrict the monies transferred to the funds in the current year. Given the levels of increased giving planned over the next two years, the trustees will keep the allocations for expenditure under review.

British & Foreign School Society

MEMBERS OF THE GRANTS COMMITTEE

Prof Joy Palmer Cooper (Chair)	Karen Hughes (until May 2022)
Amy Barnecutt (from October 2022)	John Kanyaru (from October 2022)
Charlotte Cashman	Janice Miller (from May 2022)
Vic Craggs	Peter Miller
Jane Creasy	Leslie Stephen (until May 2022)

MEMBERS OF THE FINANCE AND INVESTMENTS COMMITTEE

David Baron (Chair)	John Kanyaru (from June 2022)
Jane Creasy (from June 2022)	Janice Miller
Karen Hughes (until May 2022)	Peter Miller

DELEGATES OF BFSS RESTRICTED FUNDS

The Alfred Bourne Trust Fund	Officers of BFSS
Berridge Trust	Officers of BFSS
The British School Charity	Jo Durning (until October 2022) Claire Cameron Diana Hoy Matthew Blayney (until October 2022) Ann Geeves Alison Stewart
Sarah Walker & Spafford Memorial Fund	Officers of BFSS
South Church Educational Fund	Officers of BFSS

TRUSTEES OF THE BFSS TRUST

BFSS Council

TRUSTEES OF THE OLD BRITISH SCHOOL

BFSS Council

REPRESENTATIVES SERVING ON OUTSIDE BODIES

Trustees

Caroline Lindley's Educational Foundation, Norwich	Christopher Watt Jenny Hoult
Great and Little Leighs Educational Charity, Essex	Paul Cooke (from March 2022)
Prior's Charity, Chesham	Kevin Patrick
Steeple Bumpstead Educational Charity	Rosemarie O'Hare

GOVERNORS

Isleworth and Syon School for Boys	Dr Emily Tomlinson David Grindly (from September 2022)
------------------------------------	---

PROFESSIONAL ADVISORS

Investment Manager

Investec Wealth & Investment Limited
30 Gresham Street
London EC2V 7QN

Bankers

Barclays Bank plc
6 Clarence Street
Kingston upon Thames KT1 1NY

CAF Bank Ltd
25 Kings Hill Avenue
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Kent ME19 4JQ

Independent Auditor

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Accountant

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Property Consultant

Sanderson Weatherall
Robert House
Westpoint Road
Stockton TS17 6BA

Solicitor

Farrer & Co
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British & Foreign School Society

7-14 Great Dover Street

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Twitter: @BFSSCharity

April 2023

Registered Charity no. 314286

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EDUCATIONAL OPPORTUNITY FOUNDATION

England & Wales - Charity number 314286

Accounts

BFSS

BRITISH & FOREIGN SCHOOL SOCIETY
Educational Opportunity for All



ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

Charity registration number: 314286

**ANNUAL REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2021**

ESTABLISHED 1808 - INCORPORATED BY ROYAL CHARTER 1906
THE TWO HUNDRED AND FIFTEENTH REPORT

BRITISH & FOREIGN SCHOOL SOCIETY

PRESIDENT

Rt Hon David Lammy MP

VICE-PRESIDENT

Emeritus Professor John Furlong OBE

COUNCILLORS

Chair of Council

Peter Miller BSc

Vice-Chair of Council

Professor Joy Palmer Cooper BA MEd MA PhD DLitt (hon) Dip G.D

Treasurer

David Baron FCA

.....

Anood Al-Samerai (from May 2021)

Tim Andrew BSc Cert Ed Adv Dip Ed Man

Charlotte Cashman BA

Vic Craggs OBE BA

Jane Creasy MEd

Diana Hoy FCILEx (until May 2021)

Karen Hughes BEd

Janice Miller FCM

Leslie Stephen MA BD

Director and principal office address

Joanne Knight BSc DPhil MRSC

7-14 Great Dover Street, London SE1 4YR

Website: bfss.org.uk

Registered Charity No. 314286

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Bristol BS1 4QD

Property Consultant

Sanderson Weatherall
Robert House
Westpoint Road
Stockton TS17 6BA

Solicitor

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

ANNUAL REPORT

1. Introduction

The Council present their report along with the financial statements of the British & Foreign School Society (BFSS) and the other charitable trusts for which BFSS is responsible, for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the Notes to the Financial Statements below and comply with the BFSS Charter and applicable law.

2. Our heritage that guides us

The heritage that underpins BFSS remains important and relevant to our activities and decisions and is embedded in our charitable objects. The BFSS was formed in 1808 by Christian social reformers to carry on the work of Joseph Lancaster, a pioneer of school and teacher education. BFSS was then known as "The Society for Promoting the Royal British or Lancasterian System for the Education of the Poor". It changed its name to The British & Foreign School Society in 1814, was granted a Royal Charter in 1906, and its Royal Charter, Statutes and Byelaws were most recently updated in 2014.

With such a long history, BFSS has necessarily adapted over the years, but our heritage continues to define us and our priorities. Joseph Lancaster was a Quaker who became concerned that people from low income communities were denied the opportunity of education in the late 18th century. As a result, he was involved in the founding of schools throughout the UK and in many overseas countries with tuition based on his monitorial system. The BFSS today continues that work through our grant funding by seeking to ensure young people from disadvantaged communities across the world have access to quality education. From 1870, BFSS focused on teacher training and we continue to recognise the critical impact of teachers and make teacher training a priority area for funding.

Conserving our physical heritage continues to be important to us. Brunel University maintains our extensive archives and makes sure they are accessible for research. The British Schools Museum in Hitchin is a key partner for BFSS as we recognise its importance in ensuring Joseph Lancaster's work is visibly accessible for current and future generations to appreciate. The museum houses an 1837 Monitorial Schoolroom, the only one of its kind left in the world, three other historic classrooms, the Headmaster's House and a collection of 47,000 objects.

3. Objectives and activities for the public benefit

BFSS achieves its public benefit through its grant giving activities to support the education of young people from disadvantaged communities worldwide. The Council has referred to the Charity Commission's guidance on public benefit when developing its vision, mission, values and objectives. We review these each year, and make sure they inform our decisions.

3.1 Vision

Educational opportunity for all.

3.2 Mission

We seek to achieve our vision by providing funding and support to UK registered charities and educational establishments for educational projects in the UK and throughout the world reflecting our history and heritage.

3.3 Values

We believe in the right of children and young people to be able to access high quality education as a driver for personal development, well-being, and equality of opportunity. Building on the heritage of Joseph Lancaster, we value effective teaching and learning, and the sharing of good practice. We are committed to inclusivity, integrity, and to valuing and respecting others in everything we do.

3.4 Objectives

Following a review in 2020 our current strategy is based on 5 objectives:

1. To improve the quality, sustainability and access to education within international marginalised and deprived communities.
2. To improve the educational outcomes and life chances of Young Carers and Care Experienced Young People living in the UK.
3. To understand, report and share the impacts of BFSS grant giving.
4. To support the development of capacity among BFSS grantees thereby contributing measurably to the delivery of positive impact for children and young people in the education sector.
5. To develop the membership of the BFSS in terms of numbers and types of engagement in order to support the work of the BFSS.

3.5 Grant giving policy

Most of our grant giving (89% in 2021) is made through the main fund using our unrestricted income. Within the main fund we have separate priorities for UK and International grants. We continue to adopt a grant funding approach that favours small to medium sized charities, with annual income less than £2.5 million, and UK state-funded educational establishments. BFSS continues to believe that supporting high-quality projects in the UK is central to our heritage and future. We plan for around 30% of our grants from the main fund to support UK based projects.

In addition to the main fund BFSS runs several smaller restricted funds which all have individual priorities.

3.5.1 UK main fund priorities

To further strengthen the focus and impact of our UK grant giving a separate UK funding strategy was launched during 2020, which focuses on improving the educational outcomes or life chances of Care Experienced Young People and Young Carers under the age of 25. This strategy offers fewer but larger grants than previously, up to £100,000 over 5 years. The first grants under this new strategy were awarded in 2021 and accounted for 34% of the total value of new grants awarded from the main fund in 2021.

Our UK grant aims are to:

- **Improve educational outcomes** - including the support of Care Experienced Young People and Young Carers to attend and engage in mainstream school life, improving their access to out of school support and increasing the number of education professionals able to understand their needs.
- **Improve life chances** - including improving the support for Care Experienced Young People and Young Carers (aged 16-24) to access further education, employment or training opportunities and improving support for them to remain engaged with these opportunities.
- **Encourage innovation** - by supporting new or innovative interventions that are evidence based, with an emphasis on evaluation and the intention that the intervention will be scaled up or replicated if successful.

3.5.2 International main fund priorities

To ensure that we deliver our mission internationally we fund projects that improve access and quality of education or the sustainability of educational projects for young people under the age of 25. We ensure that our grant giving delivers long-term improvement through the involvement of local communities, the capability and availability of teaching staff and fit-for-purpose infrastructure. Wherever possible, we fund projects that deliver benefits to the wider community that will be sustainable after our grant ends. Grants of up to £60,000 over 3 years are offered for international projects.

Our international grant aims are to:

- **Improve access to education** – including increasing the number of educational opportunities, especially for girls, (including construction of classrooms or latrines), increasing the number of qualified teachers trained in inclusive, non-discriminatory practices and improving community attitudes to educating children who are often excluded or overlooked.
- **Improve the quality of education** – including enhancing the quality of teaching and learning, improving access to extra-curricular support, increasing child friendly resources, and increasing access to aspirational vocational training opportunities including STEM and IT.
- **Improve the sustainability of education projects** – including encouraging educational projects with integrated community management or ownership, self-generating income and minimising their environmental impact.

Competition for funds is intense and priority is given to International projects that are:

- Re-establishing education where the provision of education has suffered from conflict or natural disaster.
- Enhancing the opportunities and reducing barriers for girls to access education.

4. 2021 achievements and future plans

4.1 Grant giving Overview

In 2021, 43 new grants with a total value of £1,113,777 were awarded (2020: 32, £1,000,541), this includes:

- 4 UK project grants totalling £320,478
- 15 International project grants totalling £605,725
- 2 Dragon's Den prizes awarded at the Grants Workshop totalling £4,500

- 10 emergency grants to support existing grantees in the aftermath of the sudden withdrawal of committed funds by the Foreign, Commonwealth & Development Office (FCDO) totalling £127,489
- 12 grants awarded from the restricted funds totalling £55,585

Due to the number of high-quality UK project applications received in 2021, and the increase in investment returns, the new grant budget was increased to allow them all to be funded.

In addition, we continued to support 41 grants awarded in previous years, many of which had been paused or delayed due to the ongoing impacts of the Covid pandemic.

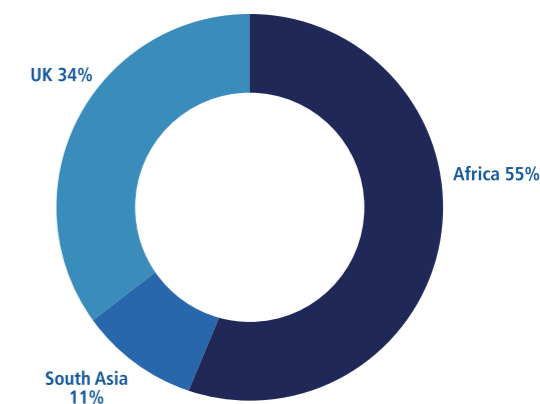
4.2 Main fund grants

The average value of grant requests being received by BFSS for the main fund has rapidly increased over recent years, and this trend has been further amplified by the UK maximum grant value increasing from £60,000 to £90,000 in 2021. To improve the success rate for potential applicants the number of grant rounds held per year was reduced from 3 to 2 in 2021 and will remain at 2 per year for the foreseeable future.

The 2-stage application process was also further imbedded in 2021 and successfully reduced the time taken by applicants to submit their initial proposals. Across both rounds a total of 197 stage one applications were received, 62 applicants were subsequently invited to submit stage two applications, and 19 grants were awarded. The success rate for stage one applicants was 10% and 31% for stage two applicants.

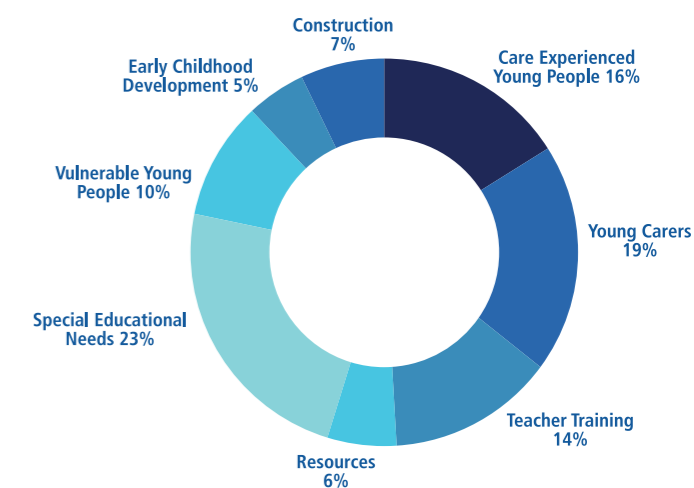
The previous 5-year average (2016 to 2020) for the number of applications received was 227, introducing the 2-stage application process has not therefore encouraged more applications. Details of the new grants awarded can be viewed on the BFSS website.

Unusually for BFSS the new main grants were all distributed within Africa, South Asia and the UK. Once more, Africa dominated our 2021 granting giving, receiving 55% (2020: 48%) of the new funds awarded as shown opposite. The launch of the new UK funding strategy resulted in 34% (2020: 24%) of new funding going towards UK based projects supporting Care Experienced Young People or Young Carers. This has exceeded our target of spending 30% of fund in the UK



New grant spend by location

Many projects have multiple, objectives and activities, and the categories listed in the chart opposite reflect only the main objective of projects. UK projects account for over one third of new grant value supporting Care Experienced Young People or Young Carers. Making education more inclusive for children with additional needs and teacher training, accounted for more than 50% of the funds awarded to new international projects.



New grant spend by purpose

4.3 Emergency support grants

In March 2021 the Foreign, Commonwealth and Development Office (FCDO) reduced their commitment to international aid spending from 0.7% to 0.5% of GDP and consequently cut or cancelled almost all UK Aid funding streams. The impact on some of our international grant holders was devastating, particularly as this included funding which was already committed. Contracts with local organisations had been signed, staff had been recruited, and local communities, schools and education authorities were expecting services to be delivered after many months of relationship building.

Some organisations were given 90 days to terminate projects that were already well underway.

It became clear that this would have a huge impact, not just in terms of being able to deliver existing projects, but also the viability of organisations that rely on FCDO funding for a significant portion of overheads and salary costs. BFSS responded quickly and released emergency funding to help relieve some of the pressure on affected grant holders whilst they urgently sought alternative funding. We provided £127,489 to ten eligible grant holders, supporting them to deliver on their existing commitments and enabling them to continue working in their respective areas.

Although the BFSS contribution was relatively small and no substitute for the amount of FCDO funding withdrawn, our emergency support provided charities with breathing space to seek alternative funding or restructure their projects accordingly.

4.4 Restricted funds

The BFSS restricted funds provide valuable grants to specific locations and for specific purposes. Our approach is to work with partners with the experience and local knowledge to make sure grant giving is effective and meets the individual requirements of each fund. We are currently working with the following:

- To support the BFSS Trust Fund and Alfred Bourne Trust we work with London South Bank University to help individuals entering teacher training.
- The Old British School Charity is dedicated to the areas around Bratton in Wiltshire and The Community Foundation for Wiltshire distributes the funds to individuals with additional needs in their pursuit of learning.
- The British School Charity in Saffron Walden has an active small group of locally based Trustees. The charity supports individuals in need of financial help to succeed in their education and local community organisations working with young people.
- To support the work of the Berridge Trust we work with The Food Centre which provides training to food technology teachers.
- A grant from the South Church Educational Fund was made to Auckland Youth and Community Centre.
- The Sarah Walker and Spafford Memorial Fund is usually distributed via our main fund projects which have an element of educational travel.

4.5 Building capacity among our grant recipients

BFSS is committed to supporting grant holders to share learning with each other. BFSS hosts an annual Grants Workshop for grant holders to come together to share knowledge and experiences, learn new approaches and enjoy a safe space to discuss challenges. The theme of the 2021 Grants Workshop was the 'Voice of the Child' and was attended by 63 grant holders and BFSS Members.

Post-event evaluations showed that the workshop was an enormous success. Participants appreciated the importance of having a safe space to discuss issues with like-minded organisations, who not only understood their challenges but also had first-hand experience and were able to share ideas and alternative approaches.

The 2021 topic of the 'Voice of the Child' actively increased participant skillsets and motivations to improve their practice. One attendee commented on the workshop:

"This showed me that you can always go further to promote meaningful child participation and that despite the challenges, the final outcome will always be worth it."

To ensure the best possible use of funds, BFSS carried out a detailed analysis of the impact of its grants based on 21 projects in 14 countries across 4 continents (Kyrgyzstan, Kenya, Honduras, Uganda, Ghana, South Sudan, Nigeria, Sierra Leone, Democratic Republic of Congo, Tanzania, Zanzibar, Niger, Zambia, UK), which all submitted a final project report in 2021. The full report, 'The Impact of British and Foreign School Society Grants', can be seen in the publications section of the BFSS website.

4.6 Sharing the impact of our grant-giving

BFSS has a structured process to evaluate the performance of our grants, as outlined in 5.3 below.

To ensure the best possible use of funds, BFSS carried out a detailed analysis of the impact of its grants based on 21 projects in 14 countries, which all submitted a final project report in 2021. The full report, 'The Impact of British and Foreign School Society Grants', can be seen in the publications section of the BFSS website.

The quantitative data supplied by the project reports, demonstrated that by spending £445,932 Internationally and £106,177 in the UK the following was achieved:

- 7 projects constructed schools, classrooms and gender appropriate hygiene facilities
- 10 projects focussed on teacher training
- 3 projects supported care experienced young people in the UK
- 15,570 children and young people now have access to improved education
- 658 girls enrolled into education for the first time
- 1,029 teachers were trained in child friendly pedagogy, discrimination and inclusion, or trauma awareness
- More than 300 schools were supported
- 42,201 other beneficiaries such as siblings and parents also benefitted.

The full report identified impact within four principal areas:

- **Educational standards and pupil attainment** levels have included quantifiable improvements in grades, often linked to improved attendance, significant increases in cognitive ability and emotional stability, higher pass rates in exams, and improvement in early childhood development.
- **The general quality of the learning environment**, achieved by new and refurbished buildings, desks, books, computers and importantly through teacher training. Such enhancements are clearly linked to improvement in educational standards and improved levels of attainment, as well as retention of students and staff.
- **The wider community**, promoting the concept of school as a 'community hub', helping to change attitudes and values, and providing work in construction projects. Our funding has also made an impact on education for girls where they are disadvantaged and marginalised.
- **The overall quality of life**, bringing health benefits from sanitation projects such as building latrines, and for vulnerable members of the community such as the disabled and 'at risk' people. Many of our projects help children and young people develop work and 'life' skills, improve attitudes to education and training, as well as personal relationships.

4.7 Developing our Membership

BFSS is a membership organisation, the purpose of which is to bring together a community committed to supporting BFSS to deliver its vision of educational opportunity for all.

During 2021 and early 2022, 15 new Members joined bringing the total number of Members to 145 by 1 February 2022 when our Trustee election process for 2022 started. This is a decrease of 3% on the total number of Members compared to last year as a number of non-active Members decided to resign from the Membership during our annual audit of Members. Once again the 2021 Annual General Meeting (AGM) was held virtually on 15 May 2021, the event was chaired by our President, the Rt. Hon. David Lammy MP, and attended by 52 Members.

During 2021 a Membership review was started to identify how Members can play a more active role in supporting our vision beyond receiving our newsletters and exercising their statutory responsibilities through the AGM. In consultation with Members, two key strands of activity were agreed upon: shared learning between Members and current grant holders; and consultation/feedback to inform BFSS decision making.

Based on feedback received we are developing an online Forum to share learning and an annual conference in 2022 for both Members and current grant holders. Further work will be undertaken to evaluate the success of these activities and to also look at how we can diversify our Membership in the future.

4.8 Impact of Covid-19 pandemic

The Covid pandemic continued to have an impact on our grantees in 2021 with numerous projects having to be adapted, paused or in the worst case brought to a close early.

Unlike 2020 where additional financial support of £23,839 was provided to 9 projects to cover additional costs relating to adaptations that were needed to work around the Covid restrictions, further financial support was not offered in 2021. However, we remained flexible and have worked with grant holders to approve changes to delivery plans and timescales wherever required. Only 10 of the 25 new awards made were able to start their project delivery in 2020, whereas only 2 out of the 19 new grants awarded in 2021 had to delay the planned project start date. Since the Covid pandemic hit the world in

March 2020, BFSS has supported 103 different grants during 2020 and 2021. The impact of Covid on these was:

- 9 (9%) projects delayed starting.
- 31 (30%) projects in progress had to be paused and the project duration extended.
- 5 (5%) projects in progress had to be paused and activities subsequently compressed to fit the original project timescale.
- 21 (20%) projects had to be delivered in a different way to originally planned.
- 4 (4%) projects had to be closed down early or entirely cancelled.

While the pandemic continues to have an impact, we remain committed to staying flexible and appreciating that it may not be possible for grantees to keep to pre-agreed deadlines or outcomes. We will therefore continue to engage with our grantees to establish the best way forward on a case-by-case basis.

4.9 Future plans

In 2022 we plan to increase the value of new grants to be awarded compared to recent years. A new award budget of £1,100,000 for the main fund (2020: £900,000) and £50,500 (2020: £53,000) from the restricted funds has been agreed. In the current environment where small charities are struggling to secure income we will be paying particular attention to the long-term viability of the charities we fund and will therefore be implementing enhanced financial screening at the application review stage.

As mentioned in section 4.7 the review of our Membership will be progressed further to improve shared learning amongst Members and grant holders. We will also start to look at how well BFSS is addressing Diversity, Equity and Inclusion across all activities.

BFSS communications will also be improved with the launch of a new website in 2022.

5. Structure, governance and management

5.1 Membership

BFSS Members are generally drawn from our past and present activities in education, teacher training, and charity organisations. The statutory role of Members is to elect the Councillors who act as Trustees of the charity at the AGM.

5.2 Governance and structure

BFSS has a President and Vice-President who are elected by the Membership for a period of three years. In May 2021 the Rt Hon David Lammy MP was re-elected President and Professor John Furlong was re-elected Vice-President, both for a term of 3 years. BFSS is governed by a Council of Trustees drawn from and elected by Members. During a governance review in 2020 it was agreed the Council effectiveness would be improved by reducing its number from 12 to 10 people and this was subsequently approved at the 2021 AGM. The minimum number is 6. To ensure succession planning this reduction has been phased across 2021 and 2022 so that after the 2022 AGM there will be 10 Trustees on Council.

BFSS has an induction procedure for new Trustees. They are provided with relevant information on their role and responsibilities and are briefed by the Chairman. All Trustees are kept informed of the impact of BFSS through reports on funded projects. The Council annually reviews the work of individual Trustees and its sub-committees.

The Director's remuneration is set by a process which includes a review of performance against objectives by the Remuneration Committee which then makes a recommendation for approval to the Council.

In 2021 Council Meetings were held in March, June and November, with the annual strategy meeting in June 2021. There are two subsidiary committees, the Grants Committee and the Finance and Investments Committee, both of which meet at least twice a year and report to the Council.

The BFSS has a series of policies and terms of reference, which are subject to a regular review schedule to ensure they are up to date and fit for purpose.

5.3 Robust and effective grant-giving

BFSS makes grants in accordance with its Charter and within the financial limits set by Council each year. Its grant giving is project-driven and supports a broad range of programmes in the UK and internationally. The criteria for grant giving are available on the BFSS website. We operate an online grant application system, this was further improved for main fund applications in 2020 by introducing a 2-stage application process thereby saving applicants a great deal of time in preparing their initial proposals.

The Grants Manager conducts an initial assessment of all main fund stage one grant applications and invites the project proposals which meet the criteria and are of the highest quality to submit a stage two application. Following a detailed review of stage two applications by the Director and Grants Manager, in consultation with the Chair of the Grants Committee, applications which are considered suitable are selected for review by the Grants Committee with an individual Trustee taking the lead on each application. Applications for the subsidiary trusts are referred to the appropriate Committee for review.

The Trustees make decisions according to the criteria set out in the BFSS Grant Giving and Management policy, in line with our objectives. Recommendations from the Grants Committee for main fund applications and from the relevant Committee for the subsidiary Trusts are reported to the full Council.

We have a structured process to ensure rigorous evaluation of the impact of our grants, and we hold grant recipients accountable for delivering the outputs and outcomes to which they have committed. Every grant application is required to specify three or four main outcomes, and every project must have a well-defined plan for monitoring and evaluation. The reporting process is linked to the release of funds, to ensure we always retain the right to withhold or vary grants where projects are struggling to meet their outcomes. Grant recipients are required to submit progress reports annually for grants up to £10,000 per year and 6-monthly for larger grants in addition to the end of project report. Each progress report is reviewed by the Director or Grants Manager before releasing further funding. When a project is not delivered to plan, a triage system is in place to determine whether the Director, Chair of the Grants Committee or the Grants Committee itself should make the decision on the future of the grant.

BFSS places great emphasis on ensuring that improved educational outcomes for our beneficiaries are clearly identified. Construction projects are required to provide an additional report one year after the formal completion of the construction project, to give time for impacts to emerge.

The subsidiary trusts for which BFSS is responsible provide grants to individuals and to organisations. These trusts are detailed in Note 12 to the Financial Statements.

6. Financial review

6.1 Reserves policy

The entire General Reserve (£27,553,849) at 31 December 2021, (2020: £25,010,882) is an unrestricted fund which would be available to meet unexpected costs of the charity. The Trustees do not therefore feel it appropriate to specify a minimum level for free reserves.

In addition to the General Reserve, at 31 December 2021 BFSS held revaluation reserves of £160,000 (2020: £160,000) derived from the fair value of the George Dent Nursery, endowment funds of £1,307,334 (2020: £1,190,437) and restricted funds of £545,809 (2020: £559,252). At 31 December 2021, the total funds of the BFSS stood at £29,566,992 (2020: £26,920,571).

6.2 Risk Management Policy

BFSS maintains an active risk register which encompasses all areas of our activities. This risk register is reviewed, together with risk mitigation decisions and actions made, on an ongoing basis by the BFSS Council. Other principal risks identified by Trustees were those associated with ensuring robust succession planning, ensuring policies are up to date and compliant with relevant regulations, particularly with regard to safeguarding, and ensuring that our investment policy continues to maximise income to support the delivery of our objects in a time of change.

6.3 Pension Policy

BFSS continues to operate a pension scheme for its employees, providing an employer's contribution of 8% of qualifying earnings. Monthly pension contributions are paid to the provider by direct debit.

6.4 Financial results

Grants paid during 2021 amounted to £876,194 (2020: £756,795). This represents a 16% increase on the previous year, as many of the projects that were paused due to Covid in 2020 were able to progress during 2021. Subsequently the net expenditure of £492,580 (2020: £364,290) is a 35% increase on the previous year reflecting the increase in grant payments following the 11% increase in investment income and the net gain on investments of £3,139,001 compared to £228,992 in the previous year. The BFSS Investment Policy states that the Trustees will normally draw between £1m and £1.25m each year, which means that there is an expectation that the grant giving programme will be partly funded by investment income and partly by capital gains on those investments.

6.5 Income

BFSS' main source of income is its investment portfolio. Its investment policy is for the portfolio, consisting principally of equities and fixed interest stocks, to be managed on a total return basis to produce a regular income stream while maintaining its capital base in real terms. The performance target for the portfolio, which is managed by Investec Wealth & Investment Limited, is a real return (after taking account of headline CPI or zero, whichever is greater, and investment management fees) of at least 4.0% on a rolling three-year basis.

Early 2022 has seen considerable investment market volatility caused by inflation and interest rate concerns, and the Russia/Ukraine situation which have all had a negative impact on the BFSS investment value and potential income. The investments will be carefully monitored to ensure the above policy remains appropriate.

The BFSS Investment Policy does not permit investment directly in companies that have more than 10% of their business relating to either; the production or sale of tobacco products, the promotion of gambling in any form, the production or sale of weapons or armaments, or the production, distribution and retail of pornographic media. In addition, investment is prohibited in companies with evidence of human rights abuses in the supply chain, both direct and indirect, including the use of child labour. Investec are also required to review its direct investment holdings to determine the degree to which any investment has unmanaged Environmental, Social and Governance (ESG) risks. The investment manager will provide regular reports showing the ESG risk rating for its investments and the objective is to see this score reduce each year.

At the end of December 2021 the value of the investment portfolio was £29,329,745 (2020: £26,707,154), which represented an actual total return net gain after fees for the year of 13.8%, 8.4% after taking into account CPI of 5.4%. The total cumulative return of the Fund for the three years was 29.9% net of investment management fees and after taking into account CPI of 7.4%.

During the year the BFSS withdrew £1,012,000 (2020: £898,000) to support its grant giving activities and running costs. This amounted to approximately 3.5% of the value of the portfolio on 31 December 2021. Overall income amounted to £649,678, in comparison to £647,027 in the previous year, of which £629,262 (2020: £565,731) was from investments.

BFSS does not engage in public fundraising activities, and accordingly has nothing to report with regards to the Fundraising Act disclosures.

6.6 Property

The George Dent Nursery School in Darlington continues to be held by BFSS as an investment property and is leased to Darlington Local Education Authority. The property is valued at 10 times rental value and as the annual rent receivable is currently £16,000, the value of the investment property is £160,000.

6.7 General expenditure other than grants

The expenditure on support and governance costs during the year was £155,755 (2020: £154,731) and amounted to 13.6%, (2020: 15.3%) of total expenditure including grants. The decrease in the percentage was predominantly due to the increase in grant expenditure as support and governance costs were very similar to the previous year. Three part-time staff, equivalent to just over two full-time staff are employed.

6.8 Responsibilities of the Council in relation to the financial statements

The BFSS Council is responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations, and the provisions of the Charter. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

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



Peter Miller
Chair of BFSS

Dated: 30 March 2022

7.0 Independent Auditor's Report to the Trustees of The British & Foreign School Society

7.1 Opinion

We have audited the financial statements of The British & Foreign School Society (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

7.2 Basis for opinion

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

7.3 Conclusions relating to going concern

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

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

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

7.4 Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

7.5 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 require us to report to you if, in our opinion:

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

7.6 Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, 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 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 cease operations, or have no realistic alternative but to do so.

7.7 Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

- Agreement of the financial statement disclosures to underlying supporting documentation to assess compliance with those laws and regulations having an impact on the financial statements and disclosure requirements. In particular, Accounting and Reporting by Charities: Statement of Recommended Practice;
- Enquiries and confirmation of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;
- Review of minutes of Board meetings throughout the period;
- incorporating unpredictability into the nature, timing and/or extent of testing.
- In relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud; and
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

7.9 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Katherine Dee FCA (Senior Statutory Auditor)



For and on behalf of
Begbies Chartered Accountants & Statutory Auditor
9 Bonhill Street
London EC2A 4DJ

Begbies Chartered Accountants is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME					
Donations and legacies	3,607	-	-	3,607	59,207
Investment income					
Rents receivable	16,000	-	-	16,000	16,000
Investment income	603,398	15,280	10,584	629,262	565,731
Interest receivable	776	19	13	808	6,089
Permanent endowment transfer to income	3,418	14,011	(17,428)	1	
Total income	627,199	29,310	(6,831)	649,678	647,027
EXPENDITURE					
Expenditure on raising funds					
Investment managers fees	103,711	1,681	4,917	110,309	98,077
Property expenditure	-	-	-	-	1,714
Expenditure on charitable activities					
Grants and costs	945,255	86,694	-	1,031,949	911,526
Total expenditure	1,048,966	88,375	4,917	1,142,258	1,011,317
Net expenditure and net movement in funds before net gains on investments					
	(421,767)	(59,065)	(11,748)	(492,580)	(364,290)
Gross transfers between funds					
Expendable endowment transfer between funds	7,598	3,672	(11,270)	-	-
Management charges to restricted funds	5,888	(5,888)	-	-	-
Net expenditure before other recognised gains and losses					
	(408,281)	(61,281)	(23,018)	(492,580)	(364,290)
Other recognised gains and losses					
Net gains on investments	2,951,248	47,838	139,915	3,139,001	228,992
Net movement in funds	2,542,967	(13,443)	116,897	2,646,421	(135,298)
Reconciliation of funds					
Total funds brought forward	25,170,882	559,252	1,190,437	26,920,571	27,055,869
Total funds carried forward	27,713,849	545,809	1,307,334	29,566,992	26,920,571

The notes numbered 1 to 13 form part of these financial statements.
All amounts relate to continuing activities.

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
INCOME				
Donations and legacies	591	58,616	-	59,207
Investment income				
Rents receivable	16,000	-	-	16,000
Investment income	544,344	21,387	-	565,731
Interest receivable	5,864	225	-	6,089
Total income	566,799	80,228	-	647,027
EXPENDITURE				
Expenditure on raising funds				
Investment managers fees	92,210	1,495	4,372	98,077
Property expenditure	1,714	-	-	1,714
Expenditure on charitable activities				
Grants and costs	837,949	73,577	-	911,526
Total expenditure	931,873	75,072	4,372	1,011,317
Net expenditure and net movement in funds before net gains on investments				
	(365,074)	5,156	(4,372)	(364,290)
Gross transfers between funds				
Management charges to restricted funds	5,528	(5,528)	-	-
Net expenditure before other recognised gains and losses				
	(359,546)	(372)	(4,372)	(364,290)
Other recognised gains and losses				
Net gains on investments	224,639	8,657	(4,304)	228,992
Net movement in funds	(134,907)	8,285	(8,676)	(135,298)
Reconciliation of funds				
Total funds brought forward	25,305,789	550,967	1,199,113	27,055,869
Total funds carried forward	25,170,882	559,252	1,190,437	26,920,571

The notes numbered 1 to 13 form part of these financial statements.
All amounts relate to continuing activities.

BALANCE SHEET

AT 31 DECEMBER 2021

	Note	2021		2020	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	5		2,204		4,524
Investment properties	5		160,000		160,000
Investment assets	6,7		29,329,745		26,707,154
			29,491,949		26,871,678
CURRENT ASSETS					
Debtors and prepayments	8	2,519		3,196	
Cash at bank and in hand		176,739		195,182	
		179,258		198,378	
LIABILITIES					
Creditors: amounts falling due within one year	9	(104,215)		(149,485)	
NET CURRENT ASSETS			75,043		48,893
NET ASSETS			29,566,992		26,920,571
REPRESENTED BY:					
CAPITAL ACCOUNT					
Unrestricted funds					
General reserve			27,553,849		25,010,882
Revaluation reserve			160,000		160,000
			27,713,849		25,170,882
Restricted funds					
Restricted funds	11		545,809		559,252
Endowment funds	12		1,307,334		1,190,437
TOTAL CHARITY FUNDS			29,566,992		26,920,571

The notes numbered 1 to 13 form part of these financial statements.

Approved by the Council and authorised for issue on

and signed on its behalf by

Peter Miller - Chair

David Baron - Treasurer

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

	See Note Below	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by (used in) operating activities	1	(1,177,978)	(944,531)
Cash flows from investing activities:			
Dividends, interest and rents from investments		646,071	587,820
Purchase of property, plant and equipment		-	(571)
Proceeds from sale of investments		8,396,812	6,255,028
Purchase of investments		(7,918,669)	(6,498,689)
Net cash provided by (used in) investing activities		1,124,214	343,588
Change in cash and cash equivalents in the reporting period		(53,764)	(600,943)
Cash and cash equivalents at the beginning of the reporting period	2	499,296	1,100,239
Cash and cash equivalents at the end of the reporting period		445,532	499,296
NOTE 1: Reconciliation of net income (expenditure) to net cash flow from operating activities			
		2021 £	2020 £
Net income (expenditure) for the reporting period (as per the statement of financial activities)		2,646,421	(135,298)
Adjustments for:			
Depreciation charges		2,320	2,401
Revaluation Surplus on Investment Property		-	-
Unrealised (gains)/losses on investments		(2,633,515)	(1,071,556)
Realised (gains)/losses on investments		(505,486)	842,564
Dividends, interest and rents from investments		(646,071)	(587,820)
Non-cash investment income		2,946	(5,952)
(Increase)/decrease in debtors		677	(394)
Increase/(decrease) in creditors		(45,270)	11,524
Net cash provided by (used in) operating activities		(1,177,978)	(944,531)
NOTE 2: Analysis of cash and cash equivalents			
		2021 £	2020 £
Cash in hand		176,739	195,182
Un-invested cash		268,793	304,114
Total cash and cash equivalents		445,532	499,296
NOTE 3: Reconciliation of net debt			
		2021 £	2020 £
Cash in hand			
At the beginning of the reporting period		195,182	304,114
Cashflows		(18,443)	(35,321)
At the end of the reporting period		176,739	268,793

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

a) Basis of preparation

The British and Foreign Society is an unincorporated charity registered in England and Wales, registered charity number 314286. The registered office is 7-14 Great Dover Street, London SE1 4YR. The objectives and activities are as noted in the Annual Report.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these financial statements. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)) and the Charities Act 2011. The accounts are prepared in £ being the functional currency of the charity and round to the nearest £.

The British & Foreign School Society meets the definition of a public benefit entity under FRS 102. The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern because BFSS has over £29.3m of investments which is more than sufficient to cover at least 12 months of expenditure.

The most significant area of adjustment and key assumption that affects items in the financial statement relates to estimating the fair value of the investment property (see note 1(c) below).

b) Fixed assets

Fixed assets, with the exception of investment properties, are included at cost and are depreciated on a straight line basis over their useful lives at the following rates:

- Furniture and equipment 33%
- Computer equipment 25%

c) Investment properties

Investment properties are included in the financial statements at fair value. The Council has formerly valued the one remaining freehold property, the George Dent Nursery in Darlington, on the basis of ten times the annual rental income. The historic cost of the property is £1 (2020: £1).

d) Investment assets

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price. The Statement of Financial Activities includes the net gains and losses arising on the revaluation and disposals throughout the year. BFSS does not acquire put options, derivatives or other complex financial instruments.

e) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequently to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

f) Donations and similar incoming resources

Donations and similar incoming resources are included in the financial statements in the year in which they are receivable. All donations and legacy income is attributable to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

g) Investment income

Investment income and any related income tax recoverable are included in the financial statements in the year in which they are receivable.

h) Rental income

Rental income is normally credited in the financial statements in the year to which it relates. All rental income is attributable to unrestricted funds.

i) Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is included in the statement of financial activities on an accruals basis and includes irrecoverable VAT.

j) Charitable activities

Charitable activities include grants by BFSS and the associated support costs. Grants are accounted for in the year in which the commitment is given, all relevant conditions having been fulfilled.

k) Support and governance costs

Support costs represent the cost of administering the affairs and managing and maintaining the assets of BFSS and of the other trust funds administered by BFSS.

Governance costs comprise all costs relating to the public accountability of BFSS and its compliance with regulation and good practice. These costs include the cost of Council meetings together with statutory audit fees.

l) Fund accounting

Trust funds that are the responsibility of BFSS are included in these accounts as restricted and endowment funds and details of the nature and purpose of each fund is set out in notes 11 to 12.

m) Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

n) Financial instruments

BFSS only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

o) Debtors

Debtors are amounts owed to the Society. They are measured on the basis of their recoverable amount.

p) Cash and cash equivalents

Cash at bank is held to meet the day to day running costs of BFSS as they fall due. Cash equivalents are short term, highly liquid investments.

q) Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of the past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that BFSS anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. CHARITABLE EXPENDITURE - GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
International projects						
A Partner in Education	26,977	-	26,977	11,978	-	11,978
AbleChildAfrica	14,920	-	14,920	3,247	-	3,247
Advantage Africa	10,000	-	10,000	3,337	-	3,337
African Adventures Foundation	13,776	-	13,776	-	-	-
African Revival	14,832	-	14,832	-	-	-
Africa's Children in Education	-	-	-	18,650	-	18,650
Amala Education	21,500	-	21,500	8,975	-	8,975
Anti-Slavery International	-	-	-	15,648	-	15,648
Asecondchance	19,050	-	19,050	19,000	-	19,000
Banooda Aid Foundation	-	-	-	5,010	-	5,010
Baynards Zambia Trust	-	-	-	7,500	-	7,500
Build Africa	-	-	-	6,576	-	6,576
Carers Worldwide - new application	12,455	-	12,455	-	-	-
Carers Worldwide - reversed	(11,575)	-	(11,575)	11,575	-	11,575
Challenge Aid	4,644	-	4,644	6,620	-	6,620
Chance for Childhood	15,000	-	15,000	-	-	-
Child Rescue Nepal	13,741	-	13,741	-	-	-
ChildHope UK	9,996	-	9,996	9,996	-	9,996
Children on the Edge	10,000	-	10,000	39,958	-	39,958
Diapalante	6,328	-	6,328	5,921	-	5,921
Disability and Development Partners (DDP)	19,742	-	19,742	11,729	-	11,729
EduKaid	19,065	-	19,065	9,065	-	9,065
Entraide (Mutual Aid)	20,000	-	20,000	-	-	-
Feed the Minds	-	-	-	3,000	-	3,000
Fields of Life	8,953	-	8,953	-	-	-
Health and Hope UK	-	-	-	7,890	-	7,890
Healthprom	19,945	-	19,945	9,945	-	9,945
Hope for Children	-	-	-	10,000	-	10,000
inhive	9,180	-	9,180	9,180	-	9,180
International Needs	-	-	-	15,614	-	15,614
Irise International	35,000	-	35,000	10,000	-	10,000
j8 Educational Partnerships	-	-	-	4,019	-	4,019
Kidasha	10,740	-	10,740	-	-	-
Kyanninga CDC Trust	29,843	-	29,843	-	-	-
Learning for Life	10,900	-	10,900	-	-	-
Lyra in Africa	12,979	-	12,979	11,182	1,029	12,211
Mobile Education Partnerships (MEP)	6,263	-	6,263	16,464	-	16,464
Money for Madagascar	4,058	-	4,058	8,135	-	8,135
Omushana	-	-	-	550	-	550
Pamoja Leo	10,000	-	10,000	-	-	-
Practical Tools Initiative	10,000	-	10,000	-	-	-
Raising Futures Kenya	2,076	-	2,076	17,828	-	17,828
Read International	-	-	-	6,250	-	6,250
Redearth Education	20,702	-	20,702	13,885	-	13,885
Rural Africa	-	-	-	5,828	-	5,828
Rwanda Action	11,600	-	11,600	-	-	-
Rwanda Aid	-	-	-	10,900	-	10,900
Sabre Education	14,861	-	14,861	-	-	-
Sense International	9,965	-	9,965	9,966	-	9,966
Signpost International	18,761	-	18,761	9,037	-	9,037
SreetInvest	19,239	-	19,239	-	-	-
Standing Voice	15,990	-	15,990	14,899	-	14,899
Teach A Man To Fish	14,980	-	14,980	29,902	-	29,902
Teach2Teach International	28,721	-	28,721	-	-	-
Team Kenya	-	-	-	12,405	-	12,405
Temwa	10,000	5,103	15,103	-	8,170	8,170
The Erayim Aid Trust UK	-	-	-	11,427	-	11,427
The Mwezi Foundation	-	5,002	5,002	-	-	-
Toybox	12,398	-	12,398	18,518	-	18,518
Transform Africa	-	19,400	19,400	-	9,311	9,311
United World Schools	-	-	-	3,597	-	3,597
Women's Education Partnership	-	-	-	6,338	-	6,338
World Child Cancer UK	-	-	-	8,117	-	8,117
	587,605	29,505	617,110	479,661	18,510	498,171

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. CHARITABLE EXPENDITURE - GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
NOTE 2 CONTINUED						
UK projects						
Aspire Academy Trust (Bugle School)	-	-	-	6,000	-	6,000
Carefree Fostering Ind. Cornwall emerge	30,588	-	30,588	15,079	-	15,079
Finding Rhythms	-	-	-	12,868	-	12,868
Glebe House	-	-	-	7,250	-	7,250
Hatfield Primary Academy - Astrea Academy Trust	6,850	-	6,850	7,500	-	7,500
Hitchin British Schools Trust	-	-	-	6,850	-	6,850
HUB for SUCCESS through Edinburgh Napier University	22,500	-	22,500	7,415	-	7,415
Hull FC Rugby Community Sports & Education Foundation	-	-	-	22,500	-	22,500
Kinship Care N Ireland	5,700	-	5,700	8,650	-	8,650
Northants Music & Performing Arts Trust	6,000	-	6,000	5,780	-	5,780
Ormiston Academies Trust (OAT)	-	-	-	6,740	-	6,740
Parents and Children Together (PACT)	11,231	-	11,231	11,250	-	11,250
Refugee Education UK	-	10,685	10,685	19,862	-	19,862
Royal Caledonian Education Trust	15,000	-	15,000	-	-	-
Scotswood Natural Community Garden	-	-	-	20,000	-	20,000
Sheffield Young Carers	28,269	-	28,269	2,500	-	2,500
SIEVEMK Gateway	9,995	-	9,995	-	-	-
Sistema Cymru	7,240	-	7,240	9,996	-	9,996
Solent Youth Action	-	-	-	7,240	-	7,240
Tower Hamlets Education Business Partnership	-	-	-	5,880	-	5,880
Volunteer Tutors Organisation	28,581	-	28,581	15,337	-	15,337
Yes Future	-	-	-	4,860	-	4,860
YMCA Sutton Coldfield	29,941	-	29,941	-	-	-
	201,895	10,685	212,580	203,557	-	203,557
Grants from restricted funds to organisations						
Auckland Youth & Community Centre	-	5,000	5,000	-	-	-
Food Teachers Centre	-	3,500	3,500	-	5,500	5,500
Joanna Eden Outreach CIC	-	4,870	4,870	-	-	-
Katherine Semar Junior School	-	1,694	1,694	-	-	-
London South Bank University	-	8,000	8,000	-	6,000	6,000
R A Butler Academy School	-	-	-	-	368	368
Radwinter C of E Primary School	-	4,771	4,771	-	2,619	2,619
Saffron Walden County High School	-	4,750	4,750	-	23,200	23,200
The Friends of Great Chesterford Primary Academy	-	5,000	5,000	-	-	-
Theatre Unboxed	-	1,000	1,000	-	-	-
Uttlesford Buffy Bus Association (Buffy Playbus)	-	-	-	-	4,880	4,880
Wiltshire Community Foundation	-	16,000	16,000	-	12,000	12,000
	-	54,585	54,585	-	54,567	54,567
Total institutional grants	789,500	94,775	884,275	683,218	73,077	756,295
Grants from restricted funds to individuals	-	1,000	1,000	-	500	500
Total individual grants	-	1,000	1,000	-	500	500
Total grants	789,500	95,775	885,275	683,218	73,577	756,795
Less: Grants returned during the year	-	(9,081)	(9,081)	-	-	-
	789,500	86,694	876,194	683,218	73,577	756,795

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

3. CHARITABLE EXPENDITURE

	International projects £	UK projects	Total 2021 £
Grants (see note 2)	6 08,029	268,165 8	876,194
Support costs			
Salaries and office costs	92,937	40,989	133,925
Legal and professional costs	7,707	3,399	11,106
	100,644	44,388	145,032
Governance costs			
Audit	4,747	2,093	6,840
Legal and professional costs	2,114	9 33	3,047
Trustee training	69	30	99
Council and Committee meetings	511	226	737
	7,441	3,282	10,723
	716,114	315,835	1,031,949
	International projects £	UK projects	Total 2020 £
Grants (see note 2)	498,171	258,624	756,795
Support costs			
Salaries and office costs	82,083	42,613	124,696
Legal and professional costs	9,252	4,803	14,055
	91,335	47,416	138,751
Governance costs			
Audit	4,747	2,093	6,840
Legal and professional costs	5,760	2,540	8,300
Trustee training	125	55	180
Council and Committee meetings	458	202	660
	11,090	4,890	15,980
	600,596	310,930	911,526

Support and governance costs have been allocated in proportion to project location.

4. STAFF COSTS & RELATED PARTY TRANSACTIONS

	2021 £	2020 £
Salaries	91,389	92,066
Social security costs	4,985	5,085
Pension contributions	5,701	5,565
Consultants fees	6,306	6,375
Accountancy services	4,800	7,680
	113,181	116,771

The average number of employees during the year was:

Management and administration	3	3
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No staff employee received remuneration amounting to more than £60,000 in the year (2020: None).

BFSS considers its key management personnel to comprise the members of the council and the BFSS Director. The Society delegates the day-day running of the charity to its Director. The ultimate responsibility lies with the Trustees. The remuneration of the Director in the year was £50,917 (2020: £48,757) including pension and employers' National Insurance.

BFSS bought in accountancy services from Godfrey Wilson which cost £4,800 (2020: Helen Taylor Thompson Foundation (trading as CAN Mezzanine) which cost £2,160 and Godfrey Wilson £5,520).

No remuneration was paid to any member of the Council during 2021 or 2020 and there are no related party transactions to disclose other than above. Reimbursement of expenses in relation to attendance at meeting amounted to £144 paid to one Trustee in 2021 (2020: £572 paid to 7 Trustees).

During the year a grant of £10,740 was paid to Kidasha, a charity of which J Miller is Chief Executive. J Miller does not have overall control of Kidasha, and did not attend the grants committee meeting where the grant was decided.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. FIXED ASSETS	Freehold land & buildings £	Furniture & equipment £	Total £
COST & VALUATION			
At 1st January 2021	160,000	11,574	172,574
Additions	-	-	-
Revaluation surplus	-	-	-
Disposals	-	-	-
At 31st December 2021	160,000	11,574	171,574
DEPRECIATION			
At 1st January 2021	-	7,050	7,050
Charge for the year	-	2,320	2,320
Disposals	-	-	-
At 31st December 2021	-	9,370	9,370
NET BOOK VALUE			
At 31st December 2021	160,000	2,204	162,204
At 31st December 2020	160,000	4,524	164,524

Freehold land and buildings comprise investment properties which are not depreciated.

Council values the freehold property, the George Dent Nursery in Darlington, on the basis of ten times annual rental income. A new lease was agreed with the tenant for 2020 at an agreed rent of £16,000 per annum and Council increased the property valuation to £160,000 at the end of 2019 accordingly, resulting in an increase to the revaluation surplus of £4,000. The historic cost of this property is £1 (2020: £1).

5a RENTS RECEIVABLE

	2021 £	2020 £
George Dent Nursery, Darlington	16,000	16,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

6. UNITS HELD IN POOLED INVESTMENT FUND

a) Number of units held	Units held 1 Jan 2021 No.	Units purchased No.	Units sold No.	Units held 31 Dec 2021 No.
ENDOWMENT FUNDS				
Wilmslow Fund	2,360	-	-	2,360
Darlington College Building Fund	2,112	-	-	2,112
Alfred Bourne	315	-	-	315
British School Charity	2,917	-	-	2,917
Old British School	2,161	-	-	2,161
West Street Old British School	788	-	-	788
	10,653	-	-	10,653
RESTRICTED FUNDS				
BFSS Trust	1,652	-	-	1,652
Berridge Trust	344	-	-	344
South Church Trust	389	-	-	389
Sarah Walker and Spafford	1,258	-	-	1,258
	3,643	-	-	3,643
UNRESTRICTED FUNDS				
British & Foreign School Society	224,732	-	-	224,732
	224,732	-	-	224,732
	239,028	-	-	239,028

The charity invests the assets of all its funds into a single investment portfolio in order to minimise the costs of management. The portfolio is invested in a wide range of listed equities and fixed income holdings. In order to allocate the investments to each fund the portfolio is nominally divided into unitholdings.

b) Value of units held

	Fund market value 1 Jan 2021 £	Funds invested (redeemed) in year £	Increase/ (decrease) in fund value £	Fund market value 31 Dec 2021 £
ENDOWMENT FUNDS				
Wilmslow Fund	263,723	-	25,897	289,620
Darlington College Building Fund	235,983	-	23,173	259,156
Alfred Bourne	35,208	-	3,456	38,664
British School Charity	325,934	-	32,006	357,940
Old British School	241,496	-	23,714	265,210
West Street Old British School	88,093	-	8,651	96,744
	1,190,437	-	116,897	1,307,334
RESTRICTED FUNDS				
BFSS Trust	184,545	-	18,122	202,667
Berridge Trust	38,384	-	3,774	42,158
South Church Trust	43,481	-	4,269	47,750
Sarah Walker and Spafford	140,579	-	13,803	154,382
	406,989	-	39,968	446,957
UNRESTRICTED FUNDS				
British & Foreign School Society	25,109,728	-	2,465,726	27,575,454
	25,109,728	-	2,465,726	27,575,454
	26,707,154	-	2,622,591	29,329,745
Value per unit	111.73			122.70

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. POOLED INVESTMENT FUND	Investments £	Un-invested cash £	Total £
Opening value at 1 January 2021	26,403,040	304,114	26,707,154
FUND MOVEMENTS			
Investments acquired at cost	7,918,669	(7,918,669)	-
Proceeds of investments sold	(8,396,812)	8,396,812	-
Realised gains on sale of investments during the year	505,486	-	505,486
Unrealised gains on investments during the year	2,633,515	-	2,633,515
Exchange rate differences		(4,539)	(4,539)
Non-cash investment income	(2,946)	-	(2,946)
Investment income receivable	-	629,262	629,262
Investment management fees paid	-	(126,187)	(126,187)
Distributions to funds during the year	-	(1,012,000)	(1,012,000)
NET FUND MOVEMENTS	2,657,912	(35,321)	2,622,591
CLOSING VALUE OF FUND AT 31 DECEMBER 2021	29,060,952	268,793	29,329,745

	Investments	Cash	Total
UK fixed interest	881,982	-	881,982
Overseas fixed interest	812,117	-	812,117
UK equities	10,194,482	-	10,194,482
European equities	1,513,796	-	1,513,796
US equities	8,091,328	-	8,091,328
Other worldwide equities	3,240,295	-	3,240,295
Managed funds			
Emerging economies	556,117	-	556,117
UK property	1,335,732	-	1,335,732
Infrastructure	2,213,253	-	2,213,253
Commodities	221,850	-	221,850
Cash on deposit	-	268,793	268,793
	29,060,952	268,793	29,329,745

7a. INVESTMENT RETURN	2021 £	2020 £
Unrealised gains on investments during the year	2,633,515	1,071,556
Realised (losses)/gains on investment during the year	505,486	(842,564)
Net gains on investment assets	3,139,001	228,992
Investment income receivable (see note 7b))	629,262	565,731
Investment management fees paid and accrued	(110,309)	(98,077)
	3,657,954	696,646

The charity derives the majority of its income from the above investments. Whilst most of the funds held by the charity are available to meet expenditure, the trustees must balance the needs of current beneficiaries against those of the future. For this reason, although largely not a permanently endowed fund, the charity uses a total return basis in order to inform its budgeted expenditure across all funds.

The trustees report includes further discussion regarding the investment policy of the charity.

The trustees budgeted to spend from the investment returns detailed above £1,398,014 (2020: £1,025,632) to cover the spending requirements of the charity in the year. The remainder of the investment returns are to remain invested.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7b. INVESTMENT INCOME	2021 £	2020 £
UK fixed interest	14,680	40,023
Overseas fixed interest	7,646	15,519
UK equities	373,448	316,765
European equities	23,719	17,400
US equities	46,011	26,665
Other worldwide equities	27,594	18,572
UK property	53,607	51,495
Alternative assets	80,452	77,229
Other	2,105	2,063
Income from pooled investments	629,262	565,731

8. DEBTORS AND PREPAYMENTS	2021 £	2020 £
Due within one year		
Sundry debtors and prepayments	2,519	3,196

9. CREDITORS AND ACCRUALS	2021 £	2020 £
Grants payable	80,742	109,720
Rent received in advance	4,000	4,000
Other creditors	19,473	35,765
	104,215	149,485

10. FINANCIAL COMMITMENTS

a) Other grants

At the year end the BFSS has the intention to pay grants totalling £1,147,687 (2020:£933,440) in the future which have not been included in the accounts as they are conditional on the recipients providing satisfactory evidence that they have met the reporting requirements required by BFSS.

b) Leases

BFSS is currently located in shared offices in London with an annual licence fee of £4,750. Service costs are based on usage and charged quarterly in arrears. The licence is terminable at three months notice giving a commitment of £1,188.

c) Archive

By Deed of Covenant and Gift signed on 11 December 2013 BFSS made a gift of the Archive to Brunel University. No further payment to Brunel University in respect of the Archive will therefore be made, nor will any further insurance costs be incurred.

d) Capital commitments

BFSS has no capital commitments at 31 December 2021 (2020: £ nil).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. RESTRICTED FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS

	Total restricted funds		Richard Pain Trust		BFSS Trust		Alfred Bourne	
	2021 £	2020 £	2021 £	2020 £	2021 £	2020 £	2021 £	2020 £
Incoming resources								
Donations	-	58,616	-	58,616	-	-	-	-
Investment income								
Pooled investment fund	15,280	21,387	-	-	4,348	3,909	-	746
Bank interest	19	225	-	-	5	41	-	7
Permanent endowment transfer to income	14,011	-	-	-	-	-	1,365	-
Total incoming resources	29,310	80,228	-	58,616	4,353	3,950	1,365	753
Resources expended								
Direct charitable expenditure	86,694	73,577	31,609	17,481	6,000	4,000	2,000	2,000
Management and administration								
- investment management fees	1,681	1,495	-	-	761	678	-	-
- transfer from main fund	5,888	5,528	-	-	1,076	1,010	205	193
Total resources expended	94,263	80,600	31,609	17,481	7,837	5,688	2,205	2,193
Net expenditure before (losses)/gains on investments	(64,953)	(372)	(31,609)	41,135	(3,484)	(1,738)	(840)	(1,440)
Expendable endowment transfer	3,672	-	-	-	-	-	-	-
Net gains on investments	47,838	8,657	-	-	21,690	1,582	-	302
Net movement in funds	(13,443)	8,285	(31,609)	41,135	18,206	(156)	(840)	(1,138)
Fund balances brought forward	559,252	550,967	41,135	-	196,065	196,221	5,902	7,040
Fund balances carried forward	545,809	559,252	9,526	41,135	214,271	196,065	5,062	5,902

Restricted funds represent the income of other charitable trusts which are administered by BFSS and unavailable for general charitable expenditure or donations which have been received for a specified purpose.

Name of Fund	Purpose of Fund
Richard Pain Trust	A restricted fund created by a grant from the Richard Pain Trust allocated to specific beneficiaries.
The British & Foreign School Society Trust (BFSS Trust) (Charity number 312516)	To provide financial assistance or award scholarships or grants to persons in the London Boroughs of Bermondsey, Bethnal Green, Poplar, Southwark and Stepney in connection with their education.
The Alfred Bourne Trust Fund (subsidiary of Charity number 314286)	To provide financial assistance to persons undertaking education up to the age of 30.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. RESTRICTED FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS (continued)

	Berridge Trust		British School Charity		South Church Educational Fund		Sarah Walker and Spafford Memorial Fund		Old British School	
	2021 £	2020 £	2021 £	2020 £	2021 £	2020 £	2021 £	2020 £	2021 £	2020 £
	-	-	-	-	-	-	-	-	-	-
	906	814	-	6,904	1,024	921	3,312	2,977	5,690	5,116
	1	8	-	73	1	10	4	32	8	54
	-	-	12,646	-	-	-	-	-	-	-
	907	822	12,646	6,977	1,025	931	3,316	3,009	5,698	5,170
	4,000	5,500	22,085	31,567	5,000	-	-	1,029	16,000	12,000
	159	141	-	-	180	160	581	516	-	-
	224	210	1,902	1,785	253	238	819	770	1,409	1,322
	4,383	5,851	23,987	33,352	5,433	398	1,400	2,315	17,409	13,322
	(3,476)	(5,029)	(11,341)	(26,375)	(4,408)	533	1,916	694	(11,711)	(8,152)
	-	-	-	-	-	-	-	-	3,672	-
	4,518	330	-	2,795	5,110	373	16,520	1,205	-	2,070
	1,042	(4,699)	(11,341)	(23,580)	702	906	18,436	1,899	(8,039)	(6,082)
	43,934	48,633	42,816	66,396	55,885	54,979	159,690	157,791	13,825	19,907
	44,976	43,934	31,475	42,816	56,587	55,885	178,126	159,690	5,786	13,825

Name of Fund	Purpose of Fund
The Berridge Trust (subsidiary of Charity number 314286)	To promote the training of cookery teachers.
The British School Charity (subsidiary of Charity number 314286)	To promote the education of persons under the age of 25 in the neighbourhood of Saffron Walden.
The Sarah Walker and Spafford Memorial Fund (administered under Charity number 314286)	To provide grants for educational travel for young people.
South Church Educational Fund (subsidiary of Charity number 314286)	To promote education in the area of the District of the Wear Valley.
Old British School (Charity number 309444)	To promote the education of persons under the age of 25 who are in need of financial assistance and live within a radius of 20 miles from Bratton, Wiltshire, preference being given to those resident in Bratton.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. ENDOWMENT FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS

	Total endowment funds		Wilmslow		Darlington	
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Incoming resources						
Investment income						
Permanent endowment pooled investment fund	10,584	-	-	-	-	-
Permanent endowment bank interest	13	-	-	-	-	-
Permanent endowment transfer to income	(17,428)	-	-	-	-	-
Total incoming resources	(6,831)	-	-	-	-	-
Resources expended						
Investment management fees	4,917	4,372	1,089	968	975	867
Net expenditure before (losses)/gains on investments	(11,748)	(4,372)	(1,089)	(968)	(975)	(867)
Expendable endowment transfer between funds	(11,270)	-	(4,011)	-	(3,588)	-
Net gains on investments	139,915	(4,304)	30,997	(954)	27,736	(853)
Net movement in funds	116,897	(8,676)	25,897	(1,922)	23,173	(1,720)
Endowment fund balances brought forward	1,190,437	1,199,113	263,723	265,645	235,983	237,703
Endowment fund balances carried forward	1,307,334	1,190,437	289,620	263,723	259,156	235,983

Endowment funds represent capital amounts held by the charity for the longer term to generate income for the charity or the other trusts which are administered by BFSS. Endowment funds share in the total return from the investment funds. This allows trustees to invest endowment funds to maximise total return and to apply an appropriate proportion of the total return to income for the year and so be available for expenditure. BFSS has two types of endowment fund, permanent and expendable endowment funds.

Expendable endowments income can be spent as unrestricted funds, unless the charity is restricted to the areas in which the income and capital can be spent. Where the charity holds permanent endowments there is no ability to spend the original capital funds. Having considered their obligations under the duty of even-handedness the trustees made a transfer of £11,270 of the total return from the expendable endowment funds to income funds and a transfer of £17,428 of the total return from the permanent endowment funds to income funds. In making these decisions the trustees have taken into account the current investment climate, the return on investment for the year and the income needs of BFSS.

Name of Fund	Purpose of Fund
Wilmslow British School Endowment Fund (subsidiary of Charity number 314286)	The fund is an expendable endowment, however the capital is restricted. The original value of the capital is unknown. As authorised by the Charity Commissioners, BFSS continues to apply the clear income of this fund for its general purposes.
Darlington College Building Fund	The fund is an expendable endowment, however the capital is restricted. The original value of the capital is unknown. As authorised by the Charity Commissioners, BFSS continues to apply the clear income of this fund for its general purposes.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. ENDOWMENT FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS (continued)

	Alfred Bourne		British School Charity		Old British School		West Street	
	2021	2020	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£	£	£
Incoming resources								
Investment income								
Permanent endowment pooled investment fund	829	-	7,679	-	-	-	2,076	-
Permanent endowment bank interest	1	-	9	-	-	-	3	-
Permanent endowment transfer to income	(1,365)	-	(12,645)	-	-	-	(3,418)	-
Total incoming resources	(535)	-	(4,957)	-	-	-	(1,339)	-
Resources expended								
Investment management fees	145	129	1,347	1,197	997	887	364	324
Net expenditure before (losses)/gains on investments	(680)	(129)	(6,304)	(1,197)	(997)	(887)	(1,703)	(324)
Expendable endowment transfer between funds	-	-	-	-	(3,671)	-	-	-
Net gains on investments	4,136	(127)	38,310	(1,179)	28,382	(873)	10,354	(318)
Net movement in funds	3,456	(256)	32,006	(2,376)	23,714	(1,760)	8,651	(642)
Endowment fund balances brought forward	35,208	35,464	325,934	328,310	241,496	243,256	88,093	88,735
Endowment fund balances carried forward	38,664	35,208	357,940	325,934	265,210	241,496	96,744	88,093

Name of Fund	Purpose of Fund
The Alfred Bourne Trust Fund (subsidiary of Charity number 314286)	The fund is a permanent endowment of which the original value is estimated to be £21,366. The income of the endowment is restricted as detailed in note 11.
The British School Charity (subsidiary of Charity number 314286)	The charity incorporates a permanent endowment of which the original value is estimated to be £150,529. The income of the endowment is restricted as detailed in note 11.
Old British School (Charity number 309444)	The Old British School is an expendable endowment. The income of the endowment is restricted as detailed in note 11.
West Street Old British School, Wareham (subsidiary of Charity number 314286)	The fund is a permanent endowment. The original value of the fund is £10,000. As authorised by the Charity Commissioners, BFSS continues to apply the clear income of this fund for its general purposes.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets and investment property	Pooled funds	Net current assets	Total 2021
	£	£	£	£
Endowment funds				
Wilmslow Fund - expendable endowment	-	289,620	-	289,620
Darlington College Building Fund - expendable endowment	-	259,156	-	259,156
Alfred Bourne- permanent endowment	-	38,664	-	38,664
British School Charity- permanent endowment	-	357,940	-	357,940
Old British School- expendable endowment	-	265,210	-	265,210
West Street Old British School- permanent endowment	-	96,744	-	96,744
	-	1,307,334	-	1,307,334
Restricted funds				
Richard Pain Trust	-	-	9,526	9,526
BFSS Trust	-	202,667	11,604	214,271
Alfred Bourne	-	-	5,062	5,062
Berridge Trust	-	42,158	2,818	44,976
British School Charity	-	-	31,475	31,475
South Church Trust	-	47,750	8,837	56,587
Sarah Walker and Spafford	-	154,382	23,744	178,126
Old British School	-	-	5,786	5,786
	-	446,957	98,852	545,809
Unrestricted funds				
British & Foreign School Society	162,204	27,575,454	(23,809)	27,713,849
	162,204	29,329,745	75,043	29,566,992
	Tangible fixed assets and investment property	Pooled funds	Net current assets	Total 2020
	£	£	£	£
Endowment funds				
Wilmslow Fund - expendable endowment	-	263,723	-	263,723
Darlington College Building Fund - expendable endowment	-	235,983	-	235,983
Alfred Bourne- permanent endowment	-	35,208	-	35,208
British School Charity- permanent endowment	-	325,934	-	325,934
Old British School- expendable endowment	-	241,496	-	241,496
West Street Old British School- permanent endowment	-	88,093	-	88,093
	-	1,190,437	-	1,190,437
Restricted funds				
Richard Pain Trust	-	-	41,135	41,135
BFSS Trust	-	184,545	11,520	196,065
Alfred Bourne	-	-	5,902	5,902
Berridge Trust	-	38,384	5,550	43,934
British School Charity	-	-	42,816	42,816
South Church Trust	-	43,481	12,404	55,885
Sarah Walker and Spafford	-	140,579	19,111	159,690
Old British School	-	-	13,825	13,825
	-	406,989	152,263	559,252
Unrestricted funds				
British & Foreign School Society	164,524	25,109,728	(103,370)	25,170,882
	164,524	26,707,154	48,893	26,920,571

MEMBERS OF THE GRANTS COMMITTEE

Prof Joy Palmer Cooper (Chair)
Peter Miller
Karen Hughes
Vic Craggs
Leslie Stephen
Charlotte Cashman
Jane Creasy

MEMBERS OF THE FINANCE AND INVESTMENTS COMMITTEE

David Baron (Chair)
Janice Miller
Peter Miller
Karen Hughes

DELEGATES OF BFSS TRUST FUNDS

The Alfred Bourne Trust Fund
Officers of BFSS

Berridge Trust
Officers of BFSS

The British School Charity
Jo Durning
Claire Cameron
Diana Hoy
Matthew Blayney
Ann Geeves
Alison Stewart

Sarah Walker & Spafford Memorial Fund
Officers of BFSS

South Church Educational Fund
Officers of BFSS

TRUSTEES OF THE BFSS TRUST
BFSS Council

TRUSTEES OF THE OLD BRITISH SCHOOL

BFSS Council

REPRESENTATIVES SERVING ON OUTSIDE BODIES

TRUSTEES:

Caroline Lindley's Educational Foundation, Norwich
Christopher Watt
Jenny Hoult

Great and Little Leighs Educational Charity, Essex
No representative during 2021

Prior's Charity, Chesham
Tim Andrew

Steeple Bumpstead Educational Charity
Rosemarie O'Hare

GOVERNORS:

Isleworth and Syon School for Boys
Dr Emily Tomlinson

British & Foreign School Society
7-14 Great Dover Street
London
SE1 4YR
www.bfss.org.uk

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April 2022
Registered Charity no. 314286

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EDUCATIONAL OPPORTUNITY FOUNDATION

England & Wales - Charity number 314286

Accounts

BFSS

BRITISH & FOREIGN SCHOOL SOCIETY
Educational Opportunity for All



ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

Charity registration number: 314286

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

ESTABLISHED 1808 - INCORPORATED BY ROYAL CHARTER 1906

THE TWO HUNDRED AND FOURTEENTH REPORT

BRITISH & FOREIGN SCHOOL SOCIETY

PRESIDENT

Rt Hon David Lammy MP

VICE-PRESIDENT

Emeritus Professor John Furlong OBE

COUNCILLORS

Chair of Council

Peter Miller BSc

Vice-Chair of Council

Professor Joy Palmer Cooper BA MEd MA PhD DLitt (hon) Dip G.D

Treasurer

David Baron FCA

Tim Andrew BSc Cert Ed Adv Dip Ed Man

Charlotte Cashman BA

Vic Craggs OBE BA

Jane Creasy MEd

Diana Hoy FCILEx

Karen Hughes BEd

Janice Miller FCMA (from 1 July 2020)

Leslie Stephen MA BD

Graham Kingsley MA CChem FRSC FRSA (until 11 November 2020)

Director and principal office address

Joanne Knight BSc DPhil MRSC

7-14 Great Dover Street, London SE1 4YR

Registered Charity No. 314286

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PROFESSIONAL ADVISORS

Investment Manager

Investec Wealth & Investment Limited
30 Gresham Street
London EC2V 7QN

Bankers

Barclays Bank plc
6 Clarence Street
Kingston upon Thames KT1 1NY

CAF Bank Ltd

25 Kings Hill Avenue
Kings Hill
West Mailing
Kent ME19 4JQ

Independent Auditor

Begbies Chartered Accountants and Registered Auditors
9 Bonhill Street
London EC2A 4DJ

Accountant

Godfrey Wilson Ltd
5th Floor, Mariner House
62 Prince Street
Bristol BS1 4QD

Property Consultant

Sanderson Weatherall
Robert House
Westpoint Road
Stockton TS17 6BA

Solicitor

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

ANNUAL REPORT

1. Introduction

The Council present their report along with the financial statements of the Society and of the other charitable trusts for which the Society is responsible, for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in the Notes to the Financial Statements below and comply with the Society's Charter and applicable law.

2. Our heritage that guides us

The heritage that underpins our Society remains important and relevant to our activities and decisions and is embedded in our charitable objects. The British & Foreign School Society (BFSS) was formed in 1808 by Christian social reformers to carry on the work of Joseph Lancaster, a pioneer of school and teacher education. The Society was then known as "The Society for Promoting the Royal British or Lancastrian System for the Education of the Poor". It changed its name to The British & Foreign School Society in 1814, was granted a Royal Charter in 1906, and its Royal Charter, Statutes and Bye-laws were most recently updated in 2014.

With such a long history, the Society has necessarily adapted over the years, but our heritage continues to define us and our priorities. Joseph Lancaster was a Quaker who became concerned that the poorer classes were denied the opportunity of education in the late 18th century; and as a result, he was involved in the founding of schools throughout the UK and in many overseas countries with tuition based on his monitorial system. The Society today continues that work through our grant funding by seeking to ensure education for the poorest and most disadvantaged. From 1870, BFSS focused on teacher training and the Society continues to recognise the critical impact of teachers and makes teacher training a priority area for funding.

Conserving our physical heritage continues to be important to us. Brunel University maintains our extensive Society archives and makes sure they are accessible for research. The Society continues to support the British Schools Museum in Hitchin and recognises its importance in ensuring Joseph Lancaster's work is visibly accessible for current and future generations to appreciate. The museum houses an 1837 Monitorial Schoolroom, the only

one of its kind left in the world, three other historic classrooms, the Headmaster's House and a collection of 47,000 objects.

3. Objectives and activities for the public benefit

The Society achieves its public benefit through its grant giving activities to support the education of disadvantaged young people worldwide. The Council has referred to the Charity Commission's guidance on public benefit when developing the vision, mission, values and objectives for the Society covering 2018 to 2021. We review and refresh our vision, mission and values each year, and make sure they inform our decisions.

3.1 Vision

Educational opportunity for all.

3.2 Mission

We seek to achieve our vision by providing funding and support to UK-based charities and educational establishments for educational projects in the UK and throughout the world reflecting our history and heritage.

3.3 Values

We believe in the right of children and young people to education as a driver for personal development, well-being, and equality of opportunity. Building on the heritage of Joseph Lancaster, we value effective teaching and learning, and the sharing of good practice. We are committed to inclusivity, integrity, and to valuing and respecting others in everything we do.

3.4 Objectives

Following a review in 2020 our strategy for 2021 and beyond is based on 5 objectives:

1. To improve the quality, sustainability and access to education within International marginalised and deprived communities.
2. To improve the educational outcomes and life chances of Young Carers and Care Experienced Young People living in the UK.
3. To understand, report and share the impacts of the Society's grant giving.
4. To support the development of capacity among BFSS Grantees thereby contributing measurably to the delivery of positive impact for children and

young people in the education sector.

5. To develop the membership of the Society in terms of membership numbers and types of engagement in order to support the work of the Society.

3.5 Grant giving policy

The majority of our grant giving (90% in 2020) is made through the main fund using our unrestricted income, within the main fund we have separate priorities for UK and International grants. We continue to adopt a grant funding approach that favours small to medium sized charities, with annual income less than £2.5 million, and UK state-funded educational establishments. The Society continues to believe that supporting high-quality projects in the UK is central to the Society's heritage and future. We plan for around 30% of our grants from the main fund to support UK based projects.

In addition to the main fund the Society runs a number of smaller restricted funds which all have individual priorities.

3.5.1 UK main fund priorities

To further strengthen the focus and impact of our UK grant giving a separate UK funding strategy was launched during 2020, which focuses on improving the educational outcomes or life chances of Care Experienced Young People and Young Carers under the age of 25. We are offering fewer but larger grants up to £100,000 over 5 years. The first grants under this new strategy will be awarded in 2021.

Our UK grant aims are to:

- **Improve educational outcomes** - including the support of Care Experienced Young People and Young Carers to attend and engage in mainstream school life, improving their access to out of school support and increasing the number of education professionals able to understand their needs.
- **Improve life chances** - including improving the support for Care Experienced Young People and Young Carers (aged 16-24) to access further education, employment or training opportunities and improving support for them to remain engaged with these opportunities.
- **Encourage innovation** - by supporting new or innovative interventions that are evidence based, with an emphasis on evaluation and the intention that the intervention will be scaled up or replicated if successful.

3.5.2 International main fund priorities

To ensure that we deliver our mission internationally we fund projects that either improve access to education, the quality of education or the sustainability of educational projects for young people under the age of 25. We ensure that our grant-giving delivers long-term improvement through the involvement of local communities, the capability and availability of teaching staff and fit-for-purpose infrastructure. Wherever possible, we fund projects that deliver benefits to the wider community and that will be continued after our grant ends. Grants of up to £60,000 over 3 years are offered for international projects.

Our international grant aims are to:

- **Improve access to education** – including increasing the number of educational opportunities, especially for girls, (including construction of classrooms or latrines), increasing the number of qualified teachers trained in inclusive, non-discriminatory practices and improving community attitudes to educating children who are often excluded or overlooked.
- **Improve the quality of education** – including enhancing the quality of teaching and learning, improving access to extra-curricular support, increasing child friendly resources, and increasing access to aspirational vocational training opportunities including STEM and IT.
- **Improve the sustainability of education projects** – including encouraging educational projects with integrated community management or ownership, self-generating income and minimising their environmental impact.

Competition for funds is intense and priority is given to International projects that are:

- Re-establishing education where the provision of education has suffered from conflict or natural disaster.
- Enhancing the opportunities and reducing barriers for girls to access education.

4. 2020 achievements and future plans

4.1 Grant giving

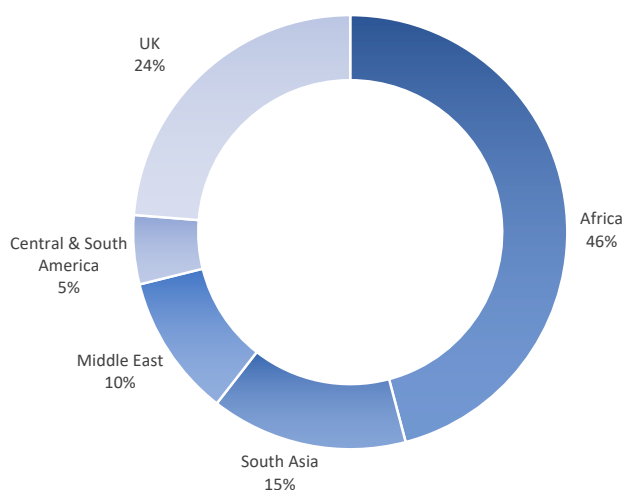
In 2020, 32 new grants with a total value of £1,000,541 were awarded (2019: 43, £761,069), this includes 7 grants which were awarded from the restricted funds totalling £54,699. In addition we

continued to support 30 grants awarded in previous years.

In response to the outbreak of the Covid-19 pandemic in March 2020 we made the decision to cancel our June 2020 grants round to reduce the pressure on potential applicants feeling the need to submit grant applications. However the full budget from the June round was rolled forward to the October 2020 round. In addition, ahead of the October round we introduced a new 2-stage application process making it less time consuming for applicants to submit their initial proposals. Subsequently a record number of new grant applications (183 applications) were received for the October grants round. This was exceptional and three times the average of recent rounds. Several factors are likely to have contributed to this high number, including the cancellation of the June 2020 grant round, the increased need caused by the Covid-19 pandemic and the new two-stage application system.

In total 244 applications for the main fund were received for the 2020 grant rounds, which is higher than 2019 but on par with recent years.

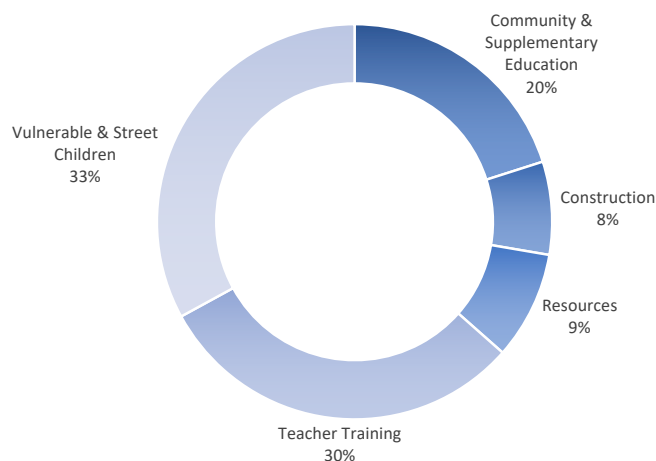
4.2 Main fund grants by location



The chart above shows the distribution of funding awarded from the main fund in 2020 by location. Once more, Africa dominated our 2020 granting giving, receiving 48% of the new funds awarded. After a dip in the number of good quality UK project proposals received in 2019, with only 19% of new funds awarded to UK based projects, we were pleased that trend was not repeated in 2020 and we were able to award 24% of new grants from the main fund to UK projects.

4.3 Main fund grants by objective

Many projects have multiple, overlapping objectives and activities, and the categories listed in the chart reflect only the main objective of projects. Supporting vulnerable and street children, and teacher training, were important areas for our 2020 grant giving and the majority of our UK grants come under these categories.



4.4 Restricted funds

BFSS's restricted funds provide valuable grants to specific locations and for specific purposes. The Society's approach is to work with partners with the experience and local knowledge to make sure grant-giving is effective and meets the individual requirements of each fund. We are currently working with the following:

- To support the BFSS Trust Fund and Alfred Bourne Trust we work with London South Bank University to help individuals entering teacher training.
- The Old British School Charity is dedicated to the areas around Bratton in Wiltshire and The Community Foundation for Wiltshire distributes the bulk of the funds to disadvantaged individuals in their pursuit of learning.
- The British School Charity in Saffron Walden has an active small group of locally based Trustees. The charity supports individuals in need of financial help to succeed in their education and local community organisations working with young people.
- To support the work of the Berridge Trust we work with The Food Centre which provides training to food technology teachers.

For the South Church Educational Fund we are proactively seeking partners to help us distribute the funds, and the Sarah Walker and Spafford Memorial Fund is distributed to our main fund projects which have an element of educational travel.

4.5 Building capacity among our grant recipients

We recognise our responsibility to contribute to the strength of charities that share our values and focus on the education of the disadvantaged. We therefore devote considerable time and effort to working with the charity sector to facilitate the sharing of best practice and advise on and improve the quality of grant applications. Often this is done by working with individual organisations, but specifically we:

- Organise an annual Grants Workshop that allows grantees to share best practice.
- Publish the Annual Grants Impact Report, to give insights into and learning from the projects we support.

This year our annual Grants Workshop was also held virtually for the first time and another first for us was to run two separate events for our International and our UK grant holders. Both events focussed on how the Covid-19 pandemic is affecting the work of grant holders and explored shared experiences and lessons learned.

Our grant holders have stepped up to a myriad of challenging situations with great determination and innovation and we were inspired to see so many stories being told of projects swiftly moving to online delivery, radio broadcasts and developing new technologies to reach some of the most vulnerable children Internationally and in the UK.

These workshops have always facilitated an environment for our grantees to network and form connections with other like-minded organisations and this year's virtual format was no exception. The 'informal networking' event at the end of each session led to new relationships being formed and contacts shared for potential future collaborations. One participant commented:

"It's quite rare to have a funder be so interested in the work! And even rarer for a funder to be so proactive in developing relationships amongst agencies that have a common goal to promote good practice. I do feel this is something quite unique."

BFSS firmly believes that the key to successful grant

making is partnership, and that means listening to our grant holders and learning from their experiences. The workshops not only provided the opportunity for grant holders to learn from each other, but our staff and BFSS Trustees also deepened their own understanding of the challenges and opportunities our grantees are facing.

4.6 Sharing the impact of our grant-giving

BFSS has a structured process to evaluate the performance of our grants, as outlined in 5.3 below. To ensure the best possible use of funds, BFSS carried out a detailed analysis of the impact of its grants made in 2020, based on 30 end of project reports, in 15 countries. The full report, The Impact of British and Foreign School Society Grants, can be seen on our website at <https://bfss.org.uk/publications/>.

The quantitative data supplied by the project reports, demonstrated we made a direct impact on the education and lives of 42,926 young people; on the quality of work and commitment of 2,317 teachers, head teachers and teaching assistants; and on some 67,959 indirect beneficiaries, for example, parents, siblings, and community members. The grand total of these beneficiaries is 113,202. The report identified impact within four principal areas:

- **Educational standards and pupils' attainment** levels have included quantifiable improvements in grades, often linked to improved attendance, significant increases in cognitive ability and emotional stability, higher pass rates in exams, and improvement in early childhood development.
- **The general quality of the learning environment**, achieved by new and refurbished buildings, desks, books, computers and importantly through teacher training. Such enhancements are clearly linked to improvement in educational standards and improved levels of attainment, as well as retention of students and staff.
- **The wider community**, promoting the concept of school as a 'community hub', helping to change attitudes and values, and providing work in construction projects. Our funding has also made an impact on education for girls where they are disadvantaged and marginalised.
- **The overall quality of life**, bringing health benefits from sanitation projects such as building latrines, and for vulnerable members of the community such as the disabled and 'at risk' people. Many of our projects help children and young people develop work and 'life' skills, improve attitudes to education and training, as well as personal relationships.

4.7 Developing our Membership

The Society is a membership organisation. We believe our Members constitute a great asset of the Society, and we continue to look for ways for Members to play an active role in the life of the Society. We already communicate regularly through newsletters, and Members are invited to certain events and exercise their statutory responsibilities through the Annual General Meeting (AGM).

Again during 2020 we promoted the Membership to individuals who are actively volunteering or working for educational charities, recognising that this sector of individuals will have the appropriate expertise to support the Society to remain effective and relevant in the rapidly changing educational sector. We were very pleased to recruit 41 new Members during 2020 and early 2021 bringing the total number of Members to 149 by 1 February 2021 when our Trustee election process for 2021 started. This is an increase of 6% on last year.

The planned Members Day and AGM scheduled for 15 May 2020 in London was cancelled due to Covid-19, however 62 of our Members attended a virtual AGM held on 1st July 2020. This is a significant increase in attendance compared to previous face-to-face AGMs in recent years, our AGM will therefore continue to be held virtually for the foreseeable future.

4.8 Impact of Covid-19 pandemic

The Covid-19 pandemic had a significant impact on our grantees in 2020, which is also continuing for most into 2021. As of April 2020 the majority of schools across the world were closed and subsequently the active delivery of projects was paused in most cases, and the start of new projects postponed. Our first priority was to be as flexible and supportive as possible to our existing grantees as they navigated their way through the unprecedented situation. Additional financial support of £23,839 was provided to 9 projects to cover additional costs relating to adaptations that were needed to work around the Covid-19 restrictions. Only 10 of the 25 new awards made in 2020 were able to start their project delivery in 2020.

As previously mentioned, the June 2020 grants round was cancelled and the budget for that rolled into the October 2020 round to give applicant's longer to plan and to develop Covid-19 compliant projects. The new UK funding strategy launched in 2020 includes a Covid-19 funding priority, recognising that the

disadvantage gap will have almost certainly widened for Young Carers and Care Experienced Young People over the last year.

Whilst the pandemic remains at large we remain committed to staying flexible and appreciate that it may not be possible for grantees to keep to pre-agreed deadlines or outcomes and will therefore continue to pro-actively engage with our grantees to establish the best way forward on a case by case basis.

4.9 Future plans

In 2021 we will continue awarding new grants to the same value as we have in recent years. A new award budget of £900,000 for the main fund, and £53,000 from the restricted funds has therefore been agreed. We will be making the first awards under the new UK grant giving strategy and we therefore anticipate being able to meet our target of spending 30% of the new award budget on projects based in the UK.

We will continue with our efficiency drive to make the grant processes less time consuming for grantees and the Society by implementing a new online progress monitoring system. This will also allow us to modify and improve how we track and report on the impact of ongoing and completed projects.

A review of our Membership will be conducted, to ensure this broad body of expertise continues to inform the Society's work and that individuals engaging with us feel valued.

5. Structure, governance and management

5.1 Membership

Broadly, our Members are drawn from the Society's past and present activities in education, teacher training, and charity organisations. The statutory role of Members is to elect the Councillors who act as Trustees of the charity at the AGM. A proxy voting system was successfully trialled at the 2019 AGM and will be continued in future years.

5.2 Governance and structure

The Society has a President and Vice-President who are elected by the Membership for a period of three years. In May 2018 the Rt Hon David Lammy MP was re-elected President and Professor John Furlong was re-elected Vice-President both for a term of 3 years. The Society is governed by a Council of

Trustees drawn from and elected by Members of the Society. The maximum number is determined from time to time at a General Meeting of the Society and is currently 12. The minimum number is 6. During a governance review in 2020 it was agreed the Council effectiveness would be improved by reducing its members to 10. To ensure succession planning this reduction will be phased across the next 2 years reducing to 11 Trustees after the 2021 AGM and 10 Trustees after the 2022 AGM.

The Society has an induction procedure for new Council members. They are provided with a folder of relevant information on their role and responsibilities and are briefed by the Chairman. All Council members are kept informed of the impact of the Society's work through reports on funded projects. The Council annually reviews the work of individual Councillors and its sub-committees.

The Director's remuneration is set by a process which includes a review of performance against objectives by the Remuneration Committee which then makes a recommendation for approval to the Council.

In 2020 Council Meetings were held in March, July and November, the annual strategy meeting did not take place and was deferred to June 2021. There are two subsidiary committees, the Grants Committee and the Finance and Investments Committee, both of which meet at least twice a year and report to the Council.

The Society has a series of policies and terms of reference, which are subject to a regular review schedule to ensure they are up to date and fit for purpose.

Graham Kingsley

In November 2020 one of our longest serving Councillors, Graham Kingsley, made the difficult decision to step down from Council. Graham became a life Member of BFSS in 1998 and was first appointed as a Councillor in May 1999. For over 20 years Graham has tirelessly contributed to the work of BFSS, including a term as Vice Chairman 2007 to 2012.

However, Graham's commitment to education goes back far longer. After graduating in Biochemistry at Cambridge University, his 'teacher training' in 1964 consisted of watching a temporary Chemistry teacher at Chiswick Grammar School for half a term and the second half of term the Chemistry teacher watched him teach. His first permanent teaching

post was in September 1964 at Rickmansworth Grammar School. A few years later he became Head of Science at The Howard School and then took on his first Head Teacher role of Heronswood Secondary School in Welwyn Garden City in 1974, moving onto the The Meridian School in Royston in 1983. After retiring in 1994 Graham became school governor for several local schools, and an active Trustee of the Great & Little Leighs Education Charity and Hitchin British Schools Trust. The latter included dressing up as a Victorian school master to give visiting school groups a real-life experience of the Victorian Gallery Classroom at the British Schools Museum. BFSS is indebted to Graham for his measured guidance and support for so many years.

5.3 Robust and effective grant-giving

The Society makes grants in accordance with its Charter and within the financial limits set by Council each year. Its grant-giving is project-driven and supports a broad range of projects in the UK and internationally. The criteria for grant-giving are available on the Society's website at www.bfss.org.uk. The Society operates an online grant application system, this was further improved for main fund applications in 2020 by introducing a 2-stage application process thereby saving applicants a great deal of time in preparing their initial proposals.

The Grants Manager conducts an initial assessment of all main fund stage-1 grant applications and invites the project proposals which meet the criteria and are of the highest quality to submit a stage-2 application. Following a detailed review of stage-2 applications by the Director and Grants Manager, in consultation with the Chair of the Grants Committee, applications which are considered suitable for further consideration are selected for review by the Grants Committee with an individual Trustee taking the lead on each application. Applications for the subsidiary trusts are referred to the appropriate Committee for review.

The Trustees make decisions according to the criteria set out in the Society's Grant Giving and Management policy, in line with our objective that the project will widen access and raise achievement, give value for money and achieve positive and long-lasting change for the community as a whole. Recommendations from the Grants Committee for main fund applications and from the relevant Committee for the subsidiary Trusts are reported to the full Council.

We have a structured process to ensure rigorous evaluation of the impact of our grants, and we hold grant recipients accountable for delivering the outputs and outcomes to which they have committed. Every grant application is required to specify three or four main outcomes, and every project must have a well-defined plan for monitoring and evaluation. The reporting process is linked to the release of funds, to ensure we always retain the right to withhold or vary grants where projects are struggling to meet their outcomes. Grant recipients are required to submit progress reports annually for grants up to £10,000 per year and 6-monthly for larger grants in addition to the end of project report. Each progress report is reviewed by the Director before releasing further funding. When a project is not delivered to plan, a triage system is in place to determine whether the Director, Chairman of the Grants Committee or the Grants Committee itself should make the decision on the future of the grant.

The Society places great emphasis on ensuring that improved educational outcomes for our beneficiaries are clearly identified. Construction projects are required to provide an additional report one year after the formal completion of the construction project, to give time for impacts to emerge.

The subsidiary trusts for which the Society is responsible provide grants to individuals and to organisations. These trusts are detailed in Note 12 to the Financial Statements.

6. Financial review

6.1 Reserves policy

The entire General Reserve (£25,010,882) at 31 December 2020, (2019: £25,145,789) is an unrestricted fund which would be available to meet unexpected costs of the charity. The Trustees do not therefore feel it appropriate to specify a minimum level for free reserves.

In addition to the General Reserve, at 31 December 2020 the Society held revaluation reserves of £160,000 derived from the increased fair value of the George Dent Nursery, endowment funds of £1,190,437 and restricted funds of £559,252. At 31 December 2020, the total funds of the Society stood at £26,920,571.

6.2 Risk Management Policy

The Society maintains an active risk register which encompasses all areas of the Society's activities. This

risk register is reviewed, together with risk mitigation decisions and actions made, on an ongoing basis by the Society's Council. In 2020 additional risks were identified in relation to the impact of the Covid-19 pandemic including the possibility that staff or Trustees may not be able to fulfil their roles and risks of grants not being used for their intended purpose was also increased. Other principal risks identified by Trustees were those associated ensuring robust succession planning, ensuring policies are up to date and compliant with relevant regulations, particularly with regard to safeguarding, and ensuring that our investment policy continues to maximise income to support the delivery of our objects in a time of change.

6.3 Pension Policy

The Society continues to operate a pension scheme for its employees, providing an employer's contribution of 8% of qualifying earnings. Monthly pension contributions are paid to the provider by direct debit.

6.4 Financial results

Grants paid during 2020 amounted to £756,795 (2019: £921,371). This represents an 18% decrease on the previous year, due to the majority of ongoing and new projects being paused or delivery slowed whilst the Covid-19 pandemic was necessitating lockdowns and school closures. However, 7 out of the 25 new grants awarded in 2020 were unable to start during the year due to the Covid-19 pandemic. The largest individual grant awarded was £60,000. Subsequently the net expenditure of £364,290 (2019: £387,303) is a 6% decrease on the previous year reflecting the reduction in grant payments offsetting the 28% reduction in investment income. The Society's Investment Policy states that the Trustees will normally draw between £1m and £1.25m each year, which means that there is an expectation that the grant giving programme will be partly funded by investment income and partly by capital gains on those investments. The Society also achieved a net gain on investments of £228,992 in the year (2019: £3,327,321).

6.5 Income

The Society's main source of income is its investment portfolio. Its investment policy is for the portfolio, consisting principally of equities and fixed interest stocks, to be managed on a total return basis to produce a regular income stream while maintaining

its capital base in real terms. The performance target for the portfolio, which is managed by Investec Wealth & Investment Limited, is a real return (after taking account of headline CPI or zero, whichever is greater, and investment management fees) of at least 4.0% on a rolling three-year basis. The Society Investment Policy does not permit investment directly in companies that have more than 10% of their business relating to either; the production or sale of tobacco products, the promotion of gambling in any form, the production or sale of weapons or armaments, or the production, distribution and retail of pornographic media. In addition, investment is prohibited in companies with evidence of human rights abuses in the supply chain, both direct and indirect, including the use of child labour. Investec are also required to review its direct investment holdings to determine the degree to which any investment has unmanaged Environmental, Social and Governance (ESG) risks. The investment manager will provide regular reports showing the ESG risk rating for its investments and the objective is to see this score reduce each year.

At the end of December 2020 the value of the investment portfolio was £26,707,154 (2019: £26,901,809), which represented an actual total return net gain after fees for the year of 3.0%, 2.7% after taking into account RPI of 0.3%. The total cumulative return of the Fund for the three years was 10% net of investment management fees and after taking into account RPI of 6.2%.

During the year the Society withdrew £898,000 (2019: £673,500) to support its grant-giving activities and meet its costs. This amounted to approximately 3.4% of the value of the portfolio on 31 December 2020. Overall income amounted to £647,027, in comparison to £800,931 in the previous year, of which £565,731 (2019: £781,984) was from investments. A restricted donation of £58,616 was received from the Richard Pain Trust to specifically support 2 named international grants.

The Society does not engage in public fundraising activities, and accordingly has nothing to report with regards to the Fundraising Act disclosures.

6.6 Property

The George Dent Nursery School in Darlington continues to be held by the Society as an investment property and is leased to Darlington Local Education Authority. The Society values the property at 10 times rental value and as the annual rent receivable

is currently £16,000, the value of the investment property is £160,000.

6.7 General expenditure other than grants

The expenditure on support and governance costs during the year was £154,731 (2019:£167,113) and amounted to 15.3%, (2019: 15.4%) of total expenditure including grants. The increase in the percentage was due to the reduction in grant expenditure as support and governance costs were actually lower than the previous year. Three part-time staff, equivalent to just over two full-time staff are employed.

6.8 Responsibilities of the Council in relation to the financial statements

The Society's Council is responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations, and the provisions of the Charter. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for

the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

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

A handwritten signature in black ink, appearing to read 'Peter Miller', with a horizontal line underneath it.

Peter Miller
Chair
24 March 2021

Independent Auditor's Report to the Trustees of The British & Foreign School Society

Opinion

We have audited the financial statements of The British & Foreign School Society (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial

statements is not appropriate; or

- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 require us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, 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 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 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 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Other matter

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant

regulations but has now been withdrawn. This has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Katherine Dee FCA (Senior Statutory Auditor)



For and on behalf of
Begbies Chartered Accountants & Statutory Auditor
9 Bonhill Street
London EC2A 4DJ

Begbies Chartered Accountants is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £	Total Funds 2019 £
INCOME						
Donations and legacies		591	58,616	-	59,207	377
Investment income						
Rents receivable	5a	16,000	-	-	16,000	15,600
Investment income	7b	544,344	21,387	-	565,731	781,984
Interest receivable		5,864	225	-	6,089	2,970
Total income		566,799	80,228	-	647,027	800,931
EXPENDITURE						
Expenditure on raising funds						
Investment managers fees	7a	92,210	1,495	4,372	98,077	99,750
Property expenditure		1,714	-	-	1,714	-
Expenditure on charitable activities						
Grants and costs	3	837,949	73,577	-	911,526	1,088,484
Total expenditure		931,873	75,072	4,372	1,011,317	1,188,234
Net expenditure and net movement in funds before net gains on investments		(365,074)	5,156	(4,372)	(364,290)	(387,303)
Gross transfers between funds						
Management charges to restricted funds	11	5,528	(5,528)	-	-	-
Net expenditure before other recognised gains and losses		(359,546)	(372)	(4,372)	(364,290)	(387,303)
Other recognised gains and losses						
Revaluation surplus re investment property	5	-	-	-	-	4,000
Net gains on investments	7a	224,639	8,657	(4,304)	228,992	3,327,321
Net movement in funds		(134,907)	8,285	(8,676)	(135,298)	2,944,018
Reconciliation of funds						
Total funds brought forward		25,305,789	550,967	1,199,113	27,055,869	24,111,851
Total funds carried forward		25,170,882	559,252	1,190,437	26,920,571	27,055,869

The notes numbered 1 to 13 form part of these financial statements.
All amounts relate to continuing activities.

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
INCOME					
Donations and legacies		377	-	-	377
Investment income					
Rents receivable	5a	15,600	-	-	15,600
Investment income	7b	752,503	29,481	-	781,984
Interest receivable		2,886	84	-	2,970
Total income		771,366	29,565	-	800,931
EXPENDITURE					
Expenditure on raising funds					
Investment managers fees	7a	93,795	1,517	4,438	99,750
Expenditure on charitable activities					
Grants and costs	3	1,056,357	32,127	-	1,088,484
Total expenditure		1,150,152	33,644	4,438	1,188,234
Net expenditure and net movement in funds before net gains on investments		(378,786)	(4,079)	(4,438)	(387,303)
Gross transfers between funds					
Management charges to restricted funds	11	6,513	(6,513)	-	-
Net expenditure before other recognised gains and losses		(372,273)	(10,592)	(4,438)	(387,303)
Other recognised gains and losses					
Revaluation surplus re investment property	5	4,000	-	-	4,000
Net gains on investments	7a	3,126,195	47,851	153,275	3,327,321
Net movement in funds		2,757,922	37,259	148,837	2,944,018
Reconciliation of funds					
Total funds brought forward		22,547,867	513,708	1,050,276	24,111,851
Total funds carried forward		25,305,789	550,967	1,199,113	27,055,869

The notes numbered 1 to 13 form part of these financial statements.
All amounts relate to continuing activities.

BALANCE SHEET
AT 31 DECEMBER 2020

	Note	£	2020 £	£	2019 £
FIXED ASSETS					
Tangible fixed assets	5		4,524		6,354
Investment properties	5		160,000		160,000
Investment assets	6,7		<u>26,707,154</u>		<u>26,901,809</u>
			26,871,678		27,068,163
CURRENT ASSETS					
Debtors and prepayments	8	3,196		2,802	
Cash at bank and in hand		195,182		122,865	
			<u>198,378</u>	<u>125,667</u>	
LIABILITIES					
Creditors: amounts falling due within one year	9	(149,485)		(137,961)	
NET CURRENT ASSETS			48,893		(12,294)
NET ASSETS			26,920,571		27,055,869
REPRESENTED BY:					
CAPITAL ACCOUNT					
Unrestricted funds					
General reserve			25,010,882		25,145,789
Revaluation reserve			<u>160,000</u>		<u>160,000</u>
			25,170,882		25,305,789
Restricted funds	11		559,252		550,967
Endowment funds	12		<u>1,190,437</u>		<u>1,199,113</u>
TOTAL CHARITY FUNDS			26,920,571		27,055,869

The notes numbered 1 to 13 form part of these financial statements.

Approved by the Council and authorised for issue on _____ and signed on its behalf by _____



Peter Miller - Chair



David Baron - Treasurer

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

	See Note Below	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by (used in) operating activities	1	(944,531)	(1,179,687)
Cash flows from investing activities:			
Dividends, interest and rents from investments		587,820	800,554
Purchase of property, plant and equipment		(571)	(7,532)
Proceeds from sale of investments		6,255,028	1,337,789
Purchase of investments		(6,498,689)	(2,007,972)
Net cash provided by (used in) investing activities		343,588	122,839
Change in cash and cash equivalents in the reporting period		(600,943)	(1,056,848)
Cash and cash equivalents at the beginning of the reporting period	2	1,100,239	2,157,087
Cash and cash equivalents at the end of the reporting period		499,296	1,100,239
NOTE 1: Reconciliation of net income (expenditure) to net cash flow from operating activities			
		2020 £	2019 £
Net income (expenditure) for the reporting period (as per the statement of financial activities)		(135,298)	2,944,018
Adjustments for:			
Depreciation charges		2,401	2,567
Revaluation Surplus on Investment Property		-	(4,000)
Unrealised (gains)/losses on investments		(1,071,556)	(3,243,462)
Realised (gains)/losses on investments		842,564	(83,859)
Dividends, interest and rents from investments		(587,820)	(800,554)
Non-cash investment income		(5,952)	(3,069)
(Increase)/decrease in debtors		(394)	(527)
Increase/(decrease) in creditors		11,524	9,199
Net cash provided by (used in) operating activities		(944,531)	(1,179,687)
NOTE 2: Analysis of cash and cash equivalents			
		2020 £	2019 £
Cash in hand		195,182	122,865
Un-invested cash		304,114	977,374
Total cash and cash equivalents		499,296	1,100,239
NOTE 3: Reconciliation of net debt			
		2020 £	2019 £
		Cash in hand	Un-invested cash
At the beginning of the reporting period		122,865	977,374
Cashflows		72,317	(673,260)
At the end of the reporting period		195,182	304,114

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

a) Basis of preparation

The British and Foreign Society is an unincorporated charity registered in England and Wales, registered charity number 314286. The registered office is 7-14 Great Dover Street, London SE1 4YR. The objectives and activities are as noted in the Annual Report.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these financial statements. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)) and the Charities Act 2011. The accounts are prepared in £ being the functional currency of the charity and round to the nearest £.

The British & Foreign School Society meets the definition of a public benefit entity under FRS 102. The Trustees consider that there are no material uncertainties about the Society's ability to continue as a going concern because the Society has over £26.7m of investments which is more than sufficient to cover at least 12 months of expenditure.

The most significant area of adjustment and key assumption that affects items in the financial statement relates to estimating the fair value of the investment property (see note 1(c) below).

b) Fixed assets

Fixed assets, with the exception of investment properties, are included at cost and are depreciated on a straight line basis over their useful lives at the following rates:

- Furniture and equipment 33%
- Computer equipment 25%

c) Investment properties

Investment properties are included in the financial statements at fair value. The Council has formerly valued the one remaining freehold property, the George Dent Nursery in Darlington, on the basis of ten times the annual rental income. The historic cost of the property is £1 (2019: £1).

d) Investment assets

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price. The Statement of Financial Activities includes the net gains and losses arising on the revaluation and disposals throughout the year. The Society does not acquire put options, derivatives or other complex financial instruments.

e) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequently to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

f) Donations and similar incoming resources

Donations and similar incoming resources are included in the financial statements in the year in which they are receivable. All donations and legacy income is attributable to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

g) Investment income

Investment income and any related income tax recoverable are included in the financial statements in the year in which they are receivable. In 2020, of the investment income £21,387 (2019: £29,481) was attributable to restricted funds with the balance of £544,344 (2019: £752,503) adding to unrestricted funds.

h) Rental income

Rental income is normally credited in the financial statements in the year to which it relates. All rental income is attributable to unrestricted funds.

i) Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is included in the statement of financial activities on an accruals basis and includes irrecoverable VAT.

j) Charitable activities

Charitable activities include grants and scholarships awarded by the Society and the associated support costs. Grants are accounted for in the year in which the commitment is given, all relevant conditions having been fulfilled.

k) Support and governance costs

Support costs represent the cost of administering the affairs and managing and maintaining the assets of the Society and of the other trust funds administered by the Society.

Governance costs comprise all costs relating to the public accountability of the Society and its compliance with regulation and good practice. These costs include the cost of Council meetings together with statutory audit fees.

l) Fund accounting

Trust funds that are the responsibility of the Society are included in these accounts as restricted and endowment funds and details of the nature and purpose of each fund is set out in notes 11 to 12.

m) Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

n) Financial instruments

The Society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

o) Debtors

Debtors are amounts owed to the Society. They are measured on the basis of their recoverable amount.

p) Cash and cash equivalents

Cash at bank is held to meet the day to day running costs of the Society as they fall due. Cash equivalents are short term, highly liquid investments.

q) Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of the past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Society anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. CHARITABLE EXPENDITURE - GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Unrestricted Funds £	Restricted Funds £	Total 2019 £
A Partner in Education	11,978	-	11,978	-	-	-
Able Child Africa	3,247	-	3,247	14,921	-	14,921
Advantage Africa	3,337	-	3,337	6,945	-	6,945
Adventure Ashram	-	-	-	1,210	-	1,210
Africa's Children Education	18,650	-	18,650	-	-	-
African Revival	-	-	-	16,410	-	16,410
Amala Education	8,975	-	8,975	-	-	-
Amantani UK	-	-	-	9,322	-	9,322
Anti-Slavery International	15,648	-	15,648	16,506	-	16,506
Asecondchance	19,000	-	19,000	19,600	-	19,600
Aspire Academy Trust (Bugle School)	6,000	-	6,000	12,388	-	12,388
Banooda Aid Foundation	5,010	-	5,010	5,010	-	5,010
Baynards Zambia Trust	7,500	-	7,500	7,500	-	7,500
Build Africa	6,576	-	6,576	13,152	-	13,152
Carefree Fostering Ind. Cornwall	15,079	-	15,079	29,946	-	29,946
Carers Worldwide	11,575	-	11,575	-	-	-
Challenge Aid	6,620	-	6,620	12,656	-	12,656
Chance for Childhood	-	-	-	9,997	-	9,997
ChildHope UK	9,996	-	9,996	-	-	-
Children Change Columbia	-	-	-	10,000	-	10,000
Children on the Edge	39,958	-	39,958	9,958	-	9,958
Child Rescue Nepal	-	-	-	13,742	-	13,742
Classroom in the Clouds	-	-	-	14,000	-	14,000
COCO	-	-	-	1,000	-	1,000
Connie Rothman Learning Trust	-	-	-	1,150	-	1,150
Creating Better Futures	-	-	-	6,300	-	6,300
Crook Primary School	-	-	-	-	750	750
Diapalante	5,921	-	5,921	2,750	-	2,750
Disability and Development Partners (DDP)	11,729	-	11,729	-	-	-
e:merge (UK) Company Ltd	12,868	-	12,868	11,669	-	11,669
Edinburgh Direct Aid	-	-	-	5,673	-	5,673
EduKaid - 2 grants	9,065	-	9,065	3,079	-	3,079
Entraide (Mutual Aid)	-	-	-	30,000	-	30,000
Family Lives	-	-	-	9,054	-	9,054
Feed the Mind	3,000	-	3,000	9,000	-	9,000
Finding Rhythms	7,250	-	7,250	-	-	-
Food Teachers Centre	-	5,500	5,500	-	-	-
Friends of Ibba Girl's School	-	-	-	12,900	-	12,900
Glebe House	7,500	-	7,500	7,500	-	7,500
Hatfield Primary Academy - Astrea Academy Trust	6,850	-	6,850	-	-	-
Health and Hope UK	7,890	-	7,890	7,890	-	7,890
Healthprom	9,945	-	9,945	11,325	-	11,325
Henry Van Straubenzee Memorial Fund	-	-	-	-	-	-
Hitchin British Schools Trust	7,415	-	7,415	22,650	-	22,650
Hope for Children	10,000	-	10,000	14,000	-	14,000
Hope Health Action	-	-	-	4,090	-	4,090
HUB for SUCCESS through Edinburgh Napier University	22,500	-	22,500	-	-	-
Hull Children's University	-	-	-	24,376	-	24,376
Hull FC Rugby Community Sports and Education Foundation	8,650	-	8,650	-	-	-
inhive	9,180	-	9,180	-	-	-
International Needs	15,614	-	15,614	15,615	-	15,615
Irise International	10,000	-	10,000	-	-	-
Ja8 Educational Partnerships	4,019	-	4,019	-	-	-
James Butler	-	368	368	-	-	-
Joint Activities & Motor Education Service	-	-	-	15,000	-	15,000
Joshua Orphan and Community Care	-	-	-	13,523	-	13,523
Kadect	-	-	-	5,000	-	5,000
Key4Life	-	-	-	16,734	-	16,734
Kidasha	-	-	-	26,502	-	26,502
Kinship Care N Ireland	5,780	-	5,780	5,500	-	5,500
London South Bank University	-	6,000	6,000	-	7,500	7,500
Lyra in Africa	11,182	1,029	12,211	-	-	-
Made with Hope	-	-	-	17,585	-	17,585
Mobile Education Partnerships (MEP)	16,464	-	16,464	11,757	-	11,757

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. CHARITABLE EXPENDITURE - GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Omushana	550	-	550	6,500	-	6,500
Ormiston Academies Trust (OAT)	11,250	-	11,250	32,250	-	32,250
Pamoja Leo	-	-	-	6,016	-	6,016
Parents and Children Together (PACT)	19,862	-	19,862	8,632	-	8,632
Practical Tools Initiative	-	-	-	10,000	-	10,000
R A Butler Academy School	-	-	-	-	2,500	2,500
Radwinter C of E Primary School	-	2,619	2,619	-	-	-
Raising Futures Kenya	17,828	-	17,828	-	-	-
Read International	6,250	-	6,250	6,250	-	6,250
Redearth Education	13,885	-	13,885	7,000	-	7,000
Royal Caledonian Education Trust	20,000	-	20,000	-	-	-
Rural Africa	5,828	-	5,828	10,000	-	10,000
Rwanda Aid	10,900	-	10,900	9,450	-	9,450
Saffron Hall Trust	-	-	-	-	5,000	5,000
Saffron Walden County High School	-	23,200	23,200	-	-	-
Scotswood Natural Community Garden	2,500	-	2,500	9,105	-	9,105
SeeBeyondBorders	-	-	-	20,000	-	20,000
Sense International	9,966	-	9,966	-	-	-
SIEVEMK Gateway	9,996	-	9,996	-	-	-
Signpost International	9,037	-	9,037	22,138	-	22,138
Sistema Cymru	7,240	-	7,240	3,600	-	3,600
Solent Youth Action	5,880	-	5,880	5,880	-	5,880
Soundseekers	-	-	-	9,994	-	9,994
Standing Voice	14,899	-	14,899	11,445	-	11,445
STEP UK	-	-	-	5,000	-	5,000
Street Child	-	-	-	20,004	-	20,004
TalentEd	-	-	-	3,101	-	3,101
Teach A Man To Fish	29,902	-	29,902	14,923	-	14,923
Team Kenya	12,405	-	12,405	12,816	-	12,816
Temwa	-	8,170	8,170	3,378	-	3,378
The Butterfly Tree	-	-	-	10,000	-	10,000
The Erayim Aid Trust UK	11,427	-	11,427	6,750	-	6,750
The Fostering Network	-	-	-	40,840	-	40,840
The Jericho Foundation	-	-	-	9,975	-	9,975
Theatre Unboxed	-	-	-	1,200	-	1,200
Tower Hamlets Education Business Partnership	15,337	-	15,337	5,243	-	5,243
Toybox	18,518	-	18,518	24,410	-	24,410
Transform Africa	-	9,311	9,311	-	-	-
UKBET	-	-	-	7,982	-	7,982
United World Schools	3,597	-	3,597	7,994	-	7,994
University of Durham	-	-	-	-	(263)	(263)
Uttlesford Buffy Bus Association (Buffy Playbus)	-	4,880	4,880	-	-	-
Wiltshire Community Foundation	-	12,000	12,000	-	16,000	16,000
Women's Education Partnership	6,338	-	6,338	-	-	-
World Child Cancer UK	8,117	-	8,117	6,942	-	6,942
Yes Future	4,860	-	4,860	9,680	-	9,680
1st Saffron Walden Boys Brigade	-	-	-	-	400	400
Total institutional grants	683,218	73,077	756,295	946,309	31,887	978,196
Grants to individuals	-	500	500	-	240	240
Total individual grants	-	500	500	-	240	240
Total grants	683,218	73,577	756,795	946,309	32,127	978,436
Less: Grants returned during the year	-	-	-	(3,596)	-	(3,596)
Grants withdrawn during the year	-	-	-	(53,469)	-	(53,469)
	683,218	73,577	756,795	889,244	32,127	921,371

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

3. CHARITABLE EXPENDITURE	Total 2020 £	Total 2019 £
Grants (see note 2)	756,795	921,371
Support costs		
Salaries and office costs	124,696	141,264
Legal and professional costs	14,055	4,581
Governance costs		
Audit	6,840	5,880
Legal and professional costs	8,300	
Trustee training	180	
Council and Committee meetings	660	15,388
	911,526	1,088,484

4. STAFF COSTS & RELATED PARTY TRANSACTIONS	2020 £	2019 £
Salaries	92,066	55,833
Social security costs	5,085	2,348
Pension contributions	5,565	3,446
Consultants fees	6,375	28,391
Accountancy services	7,680	18,751
	116,771	108,768

The average number of employees during the year was:

Management and administration	3	2
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No staff employee received remuneration amounting to more than £60,000 in the year (2019: None).

The Society considers its key management personnel to comprise the members of the council and the Society's Director. The Society delegates the day-day running of the Charity to its Director.

The ultimate responsibility lies with the Trustees. The remuneration of the Director in the year was £48,757 (2019: £24,474 6 months in post), including pension and employers' National Insurance.

In the absence of a permanent Finance Manager during the year the Society bought in accountancy services from the Helen Taylor Thompson Foundation (trading as CAN Mezzanine) which cost £2,160 and Godfrey Wilson £5,520 (2019: CAN Mezzanine only £18,751).

No remuneration was paid to any member of the Council during 2020 or 2019 and there are no related party transactions to disclose other than above. Reimbursement of expenses in relation to attendance at meetings amounted to £572 paid to seven Councillors in 2020 (2019: £4,876 paid to 13 Councillors).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. FIXED ASSETS

	Freehold land & buildings £	Furniture & equipment £	Total £
COST & VALUATION			
At 1st January 2020	160,000	12,848	172,848
Additions	-	571	571
Revaluation surplus	-	-	-
Disposals	-	(1,845)	(1,845)
At 31st December 2020	<u>160,000</u>	<u>11,574</u>	<u>171,574</u>
DEPRECIATION			
At 1st January 2020	-	6,494	6,494
Charge for the year	-	2,401	2,401
Disposals	-	(1,845)	(1,845)
At 31st December 2020	<u>-</u>	<u>7,050</u>	<u>7,050</u>
NET BOOK VALUE			
At 31st December 2020	<u>160,000</u>	<u>4,524</u>	<u>164,524</u>
At 31st December 2019	<u>160,000</u>	<u>6,354</u>	<u>166,354</u>

Freehold land and buildings comprise investment properties which are not depreciated.

Council values the freehold property, the George Dent Nursery in Darlington, on the basis of ten times annual rental income. A new lease was agreed with the tenant for 2020 at an agreed rent of £16,000 per annum and Council increased the property valuation to £160,000 at the end of 2019 accordingly, resulting in an increase to the revaluation surplus of £4,000. The historic cost of this property is £1 (2019: £1).

5a RENTS RECEIVABLE

	2020 £	2019 £
George Dent Nursery, Darlington	<u>16,000</u>	15,600

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6. UNITS HELD IN POOLED INVESTMENT FUND

a) Number of units held	Units held 1 Jan 2020 No.	Units purchased No.	Units sold No.	Units held 31 Dec 2020 No.
ENDOWMENT FUNDS				
Alfred Bourne	315	-	-	315
British School Charity	2,917	-	-	2,917
Old British School	2,161	-	-	2,161
Wilmslow Fund	2,360	-	-	2,360
Darlington College Building Fund	2,112	-	-	2,112
West Street Old British School	788	-	-	788
	10,653	-	-	10,653
RESTRICTED FUNDS				
BFSS Trust	1,652	-	-	1,652
Berridge Trust	344	-	-	344
South Church Trust	389	-	-	389
Sarah Walker and Spafford	1,258	-	-	1,258
	3,643	-	-	3,643
UNRESTRICTED FUNDS				
British & Foreign School Society	224,732	-	-	224,732
	224,732	-	-	224,732
	239,028	-	-	239,028

The charity invests the assets of all its funds into a single investment portfolio in order to minimise the costs of management. The portfolio is invested in a wide range of listed equities and fixed income holdings. In order to allocate the investments to each fund the portfolio is nominally divided into unitised holdings.

b) Value of units held	Fund market value 1 Jan 2020 £	Funds invested (redeemed) in year £	Increase/ (decrease) in fund value £	Fund market value 31 Dec 2020 £
ENDOWMENT FUNDS				
Alfred Bourne	35,464	-	(256)	35,208
British School Charity	328,310	-	(2,376)	325,934
Old British School	243,256	-	(1,760)	241,496
Wilmslow Fund	265,645	-	(1,922)	263,723
Darlington College Building Fund	237,703	-	(1,720)	235,983
West Street Old British School	88,735	-	(642)	88,093
	1,199,113	-	(8,676)	1,190,437
RESTRICTED FUNDS				
BFSS Trust	185,891	-	(1,346)	184,545
Berridge Trust	38,664	-	(280)	38,384
South Church Trust	43,798	-	(317)	43,481
Sarah Walker and Spafford	141,603	-	(1,024)	140,579
	409,956	-	(2,967)	406,989
UNRESTRICTED FUNDS				
British & Foreign School Society	25,292,740	-	(183,012)	25,109,728
	25,292,740	-	(183,012)	25,109,728
	26,901,809	-	(194,655)	26,707,154
Value per unit	112.55			111.73

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. POOLED INVESTMENT FUND	Un-invested		Total £
	Investments £	cash £	
Opening value at 1 January 2020	25,924,435	977,374	26,901,809
FUND MOVEMENTS			
Investments acquired at cost	6,498,689	(6,498,689)	-
Proceeds of investments sold	(6,255,028)	6,255,028	-
Realised gains on sale of investments during the year	(842,564)	-	(842,564)
Unrealised gains on investments during the year	1,071,556	-	1,071,556
Non-cash investment income	5,952	-	5,952
Investment income receivable	-	565,731	565,731
Investment management fees paid	-	(97,330)	(97,330)
Distributions to funds during the year	-	(898,000)	(898,000)
NET FUND MOVEMENTS	478,605	(673,260)	(194,655)
CLOSING VALUE OF FUND AT 31 DECEMBER 2020	26,403,040	304,114	26,707,154

	Investments	Cash	Total
UK Government stocks	410,346	-	410,346
Other fixed interest	801,026	-	801,026
UK equities	7,825,649	-	7,825,649
US equities	1,652,475	-	1,652,475
Investment and unit trusts	1,985,416	-	1,985,416
Managed funds			
Fixed interest	786,713	-	786,713
Overseas equities	9,880,239	-	9,880,239
Property & infrastructure	2,832,755	-	2,832,755
Commodities	228,421	-	228,421
Cash on deposit	-	304,114	304,114
	26,403,040	304,114	26,707,154

7a. INVESTMENT RETURN	2020 £	2019 £
Unrealised gains on investments during the year	1,071,556	3,243,462
Realised (losses)/gains on investment during the year	(842,564)	83,859
Net gains on investment assets	228,992	3,327,321
Investment income receivable (see note 7b))	565,731	781,984
Investment management fees paid and accrued	(98,077)	(99,750)
	696,646	4,009,555

The charity derives the majority of its income from the above investments. Whilst most of the funds held by the charity are available to meet expenditure, the trustees must balance the needs of current beneficiaries against those of the future. For this reason, although largely not a permanently endowed fund, the charity uses a total return basis in order to inform its budgeted expenditure across all funds.

The trustees report includes further discussion regarding the investment policy of the charity.

The trustees budgeted to spend from the investment returns detailed above £1,025,632 (2019: £1,450,722) to cover the spending requirements of the charity in the year. The remainder of the investment returns

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

7b. INVESTMENT INCOME	2020	2019
	£	£
UK Government stocks	28,482	23,165
Other fixed interest	63,690	68,131
UK equities	295,085	457,205
US equities	3,435	-
Investment and unit trusts	44,651	74,203
Managed funds		
Fixed interest	26,160	32,370
Overseas equities	104,228	126,910
	<u>565,731</u>	<u>781,984</u>

8. DEBTORS AND PREPAYMENTS	2020	2019
	£	£
Due within one year		
Sundry debtors and prepayments	<u>3,196</u>	<u>2,802</u>

9. CREDITORS AND ACCRUALS	2020	2019
	£	£
Grants payable	109,720	85,775
Rent received in advance	4,000	3,900
Other creditors	35,765	48,286
	<u>149,485</u>	<u>137,961</u>

10. FINANCIAL COMMITMENTS

a) Other grants

At the year end the Society has the intention to pay grants totalling £933,440 (2019:£712,306) in the future which have not been included in the accounts as they are conditional on the recipients providing satisfactory evidence that they have met the reporting requirements required by the Society.

b) Leases

The Society is currently located in shared offices in London with an annual licence fee of £9,500. Service costs are based on usage and charged quarterly in arrears. The licence is terminable at three months notice giving a commitment of £2,375.

c) Archive

By Deed of Covenant and Gift signed on 11 December 2013 the Society made a gift of the Archive to Brunel University. No further payment to Brunel University in respect of the Archive will therefore be made, nor will any further insurance costs be incurred.

d) Capital commitments

The Society has no capital commitments at 31 December 2020 (2019: £ nil).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. RESTRICTED FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY THE SOCIETY

	Total restricted funds		Richard Pain Trust		BFSS Trust		Alfred Bourne	
	2020 £	2019 £	2020 £	2019 £	2020 £	2019 £	2020 £	2019 £
Incoming resources								
Donations	58,616	-	58,616	-	-	-	-	-
Investment income								
Pooled investment fund	21,387	29,481	-	-	3,909	5,396	746	1,017
Bank interest	225	84	-	-	41	15	7	3
Total incoming resources	80,228	29,565	58,616		3,950	5,411	753	1,020
Resources expended								
Direct charitable expenditure	73,577	32,127	17,481	-	4,000	6,000	2,000	1,500
Management and administration								
- investment management fees	1,495	1,517	-	-	678	688	-	-
- transfer from main fund	5,528	6,513	-	-	1,010	1,191	193	225
Total resources expended	80,600	40,157	17,481		5,688	7,879	2,193	1,725
Net expenditure before (losses)/gains on investments	(372)	(10,592)	41,135	-	(1,738)	(2,468)	(1,440)	(705)
Net movement of pooled investment fund units	8,657	47,851	-	-	1,582	22,959	302	(207)
Net movement in funds	8,285	37,259	41,135	-	(156)	20,491	(1,138)	(912)
Fund balances brought forward	550,967	513,708	-	-	196,221	175,730	7,040	7,952
Fund balances carried forward	559,252	550,967	41,135	-	196,065	196,221	5,902	7,040

Restricted funds represent the income of other charitable trusts which are administered by the Society and unavailable for general charitable expenditure or donations which have been received for a specified purpose.

Name of Fund

Richard Pain Trust

Purpose of Fund

A restricted fund created by a grant from the Richard Pain Trust allocated to specific beneficiaries.

The British & Foreign School Society Trust (BFSS Trust) (Charity number 312516)

To provide financial assistance or award scholarships or grants to persons in the London Boroughs of Bermondsey, Bethnal Green, Poplar, Southwark and Stepney in connection with their education.

The Alfred Bourne Trust Fund (subsidiary of Charity number 314286)

To provide financial assistance to persons undertaking education up to the age of 30.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

11. RESTRICTED FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY THE SOCIETY (continued)

Berridge Trust		British School Charity		South Church Educational Fund		Sarah Walker and Spafford Memorial Fund		Old British School	
2020 £	2019 £	2020 £	2019 £	2020 £	2019 £	2020 £	2019 £	2020 £	2019 £
-	-	-	-	-	-	-	-	-	-
814 8	1,095 3	6,904 73	9,539 27	921 10	1,251 4	2,977 32	4,145 12	5,116 54	7,038 20
822	1,098	6,977	9,566	931	1,255	3,009	4,157	5,170	7,058
5,500	-	31,567	8,140	-	750	1,029	(263)	12,000	16,000
141 210	140 242	- 1,785	- 2,108	160 238	160 276	516 770	529 916	- 1,322	- 1,555
5,851	382	33,352	10,248	398	1,186	2,315	1,182	13,322	17,555
(5,029)	716	(26,375)	(682)	533	69	694	2,975	(8,152)	(10,497)
330	4,658	2,795	(1,374)	373	5,325	1,205	17,635	2,070	(1,145)
(4,699)	5,374	(23,580)	(2,056)	906	5,394	1,899	20,610	(6,082)	(11,642)
48,633	43,259	66,396	68,452	54,979	49,585	157,791	137,181	19,907	31,549
43,934	48,633	42,816	66,396	55,885	54,979	159,690	157,791	13,825	19,907

Name of Fund

The Berridge Trust (subsidiary of Charity number 314286)

Purpose of Fund

To promote the training of cookery teachers.

The British School Charity (subsidiary of Charity number 314286)

To promote the education of persons under the age of 25 in the neighbourhood of Saffron Walden.

South Church Educational Fund (subsidiary of Charity number 314286)

To promote education in the area of the District of the Wear Valley.

The Sarah Walker and Spafford Memorial Fund (administered under Charity number 314286)

To provide grants for educational travel for young people.

Old British School (Charity number 309444)

To promote the education of persons under the age of 25 who are in need of financial assistance and live within a radius of 20 miles from Bratton, Wiltshire, preference being given to those resident in Bratton.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. ENDOWMENT FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY THE SOCIETY

	Total endowment funds		Wilmslow		Darlington	
	2020	2019	2020	2019	2020	2019
	£	£	£	£	£	£
Endowment fund balances brought forward	1,199,113	1,050,276	265,645	232,672	237,703	208,199
Resources expended						
Investment management fees	4,372	4,438	968	985	867	881
Net expenditure before (losses)/gains on investments	(4,372)	(4,438)	(968)	(985)	(867)	(881)
Net movement of pooled investment fund units	(4,304)	153,275	(954)	33,958	(853)	30,385
Endowment fund balances carried forward	1,190,437	1,199,113	263,723	265,645	235,983	237,703

Endowment funds represent capital amounts held by the charity for the longer term to generate income for the charity or the other trusts which are administered by the Society.

Expendable endowments can be spent if the trustees see fit, but in certain cases the charity is restricted to the areas in which the capital can be spent. Where the charity holds permanent endowments there is no ability to spend the capital funds.

Name of Fund

Wilmslow British School Endowment Fund
(subsidiary of Charity number 314286)

Purpose of Fund

The fund is an expendable endowment, however the capital is restricted. The original value of the capital is unknown. As authorised by the Charity Commissioners, The British & Foreign School Society continues to apply the clear income of this fund for its general purposes.

Darlington College Building Fund

The fund is an expendable endowment, however the capital is restricted. The original value of the capital is unknown. As authorised by the Charity Commissioners, The British & Foreign School Society continues to apply the clear income of this fund for its general purposes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12. ENDOWMENT FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY THE SOCIETY (continued)

Alfred Bourne		British School Charity		Old British School		West Street	
2020	2019	2020	2019	2020	2019	2020	2019
£	£	£	£	£	£	£	£
35,464	31,062	328,310	287,559	243,256	213,063	88,735	77,721
129	130	1,197	1,216	887	898	324	328
(129)	(130)	(1,197)	(1,216)	(887)	(898)	(324)	(328)
(127)	4,532	(1,179)	41,967	(873)	31,091	(318)	11,342
35,208	35,464	325,934	328,310	241,496	243,256	88,093	88,735

Name of Fund

The Alfred Bourne Trust Fund (subsidiary of Charity number 314286)

The British School Charity (subsidiary of Charity number 314286)

Old British School (Charity number 309444)

West Street Old British School, Wareham (subsidiary of Charity number 314286)

Purpose of Fund

The fund is a permanent endowment of which the original value is estimated to be £21,366. The income of the endowment is restricted as detailed in note 11.

The charity incorporates a permanent endowment of which the original value is estimated to be £150,529. The income of the endowment is restricted as detailed in note 11.

The Old British School is an expendable endowment. The income of the endowment is restricted as detailed in note 11.

The fund is a permanent endowment. The original value of the fund is £10,000. As authorised by the Charity Commissioners, The British & Foreign School Society continues to apply the clear income of this fund for its general purposes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets and investment property	Pooled funds	Net current assets	Total 2020
	£	£	£	£
Endowment funds				
Alfred Bourne- permanent endowment	-	35,208	-	35,208
British School Charity- permanent endowment	-	325,934	-	325,934
Old British School- expendable endowment	-	241,496	-	241,496
Wilmslow Fund - expendable endowment	-	263,723	-	263,723
Darlington College Building Fund - expendable endowment	-	235,983	-	235,983
West Street Old British School- permanent endowment	-	88,093	-	88,093
	-	1,190,437	-	1,190,437
Restricted funds				
Richard Pain Trust	-	-	41,135	41,135
BFSS Trust	-	184,545	11,520	196,065
Alfred Bourne	-	-	5,902	5,902
Berridge Trust	-	38,384	5,550	43,934
British School Charity	-	-	42,816	42,816
South Church Trust	-	43,481	12,404	55,885
Sarah Walker and Spafford	-	140,579	19,111	159,690
Old British School	-	-	13,825	13,825
	-	406,989	152,263	559,252
Unrestricted funds				
British & Foreign School Society	164,524	25,109,728	(103,370)	25,170,882
	164,524	26,707,154	48,893	26,920,571
Total 2020				
	164,524	26,707,154	48,893	26,920,571
Total 2019				
	166,354	25,292,740	(153,305)	25,305,789
	166,354	26,901,809	(12,294)	27,055,869

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Karen Hughes

Vic Craggs

Leslie Stephen

Charlotte Cashman (from July 2020)

Graham Kingsley (until July 2020)

Jane Creasy (from July 2020)

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Committee

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Leslie Stephen (until July 2020)

Peter Miller

Karen Hughes

Janice Miller (from July 2020)

DELEGATES OF BFSS TRUST FUNDS

The Alfred Bourne Trust Fund

Officers of BFSS

Berridge Trust

Officers of BFSS

The British School Charity

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Claire Cameron

Diana Hoy

Matthew Blayney

Ann Geeves (from Nov 2020)

Alison Stewart (from Nov 2020)

Sarah Walker & Spafford Memorial Fund

Officers of BFSS

South Church Educational Fund

John Bell (until Aug 2020)

Dr Martin Richardson

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BFSS Council

TRUSTEES OF THE OLD BRITISH SCHOOL

BFSS Council

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Sandra Lawman

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