

# SHREWSBURY SCHOOL

England & Wales · Charity number 528413

## Details

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**Status** Registered

**Legal form** Other

**Registered** 1966-08-03

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

## Contact

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**Address** The Bursary  
Kingsland House  
The Schools  
Shrewsbury  
Shropshire  
SY3 7AA

**Phone** 01743280828

**Email** [enquiry@shrewsbury.org.uk](mailto:enquiry@shrewsbury.org.uk)

**Website** [www.shrewsbury.org.uk](http://www.shrewsbury.org.uk)

## Activities

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**Objects:** THE ADVANCEMENT OF EDUCATION, INCLUDING THE PROVISION OF BOARDING AND DAY SCHOOLING

**Activities:** The provision of education to pupils between the ages of 4 to 18.

## Classification

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

## Geography

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- Shropshire

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£39,307,459	£39,582,826	£48,971,015	534
2024-07-31	£39,278,914	£38,511,745	£48,795,814	528
2023-07-31	£35,842,688	£34,081,923	£47,481,546	519
2022-07-31	£32,419,097	£30,885,366	£46,046,466	496
2021-07-31	£30,844,165	£28,274,832	£42,839,413	492
2020-07-31	£34,235,939	£27,930,778	£38,775,296	504

## Trustees

Name	Role	Appointed
<b>James Pitt</b>	Chair	2019-01-01
Carl Stewart Ward		2024-09-17
Carol Lesley Berndt		2024-09-17
DAVID ROBERT STACEY		2020-01-01
Fiona Lindsay Schofield		2020-01-01
Gillian Hamer		2024-01-01
Grainne Walters		2018-09-27
JONATHAN LEIGH		2022-10-03
Mr D Chance		2018-01-01
Mr M Moir		2017-06-01
Mr R Boys-Stones		2017-09-28
Mrs C Howarth		2014-01-01
Sara Louise Hankin		2021-09-16
Saskia Jones-Perrott		2019-08-31
Simon Frederick Dalrymple Ellis		2024-06-03
William Kenyon		2022-07-01

**SHREWSBURY SCHOOL**

England & Wales - Charity number 528413

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# Accounts

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**SHREWSBURY SCHOOL**

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2025**

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SHREWSBURY SCHOOL

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## SHREWSBURY SCHOOL

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 JULY 2025

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<b>Governors</b>	J.D.C. Pitt, MBA, BSc (Co-opted member), Chairman <sup>1,2,4</sup> JC Berndt (Co-opted member) <sup>6</sup> R. Boys-Stones, BSc, FCA (Co-opted member) <sup>1,4</sup> D Chance MBA (Co-opted member) <sup>1,2</sup> S.F.D. Ellis (Co-opted member) <sup>6</sup> G. Hammer DL (Appointed by the Lord Lieutenant of Shropshire) <sup>1</sup> S.L.Hankin BA (Co-opted member) <sup>5</sup> C. Howarth LLB, MA (Co-opted member) <sup>2,6</sup> Dr S. Jones-Perrott BA, MBBS, FRCP (Co-opted member) <sup>3,5,7</sup> W. Kenyon MA, FCA (Co-opted member) <sup>3</sup> J.M.H. Moir, BA, MBA (Co-opted member) <sup>1,4</sup> Councillor D. Morris BA, (Appointed by Shropshire Council - term ended July 2025) <sup>3,6</sup> Councillor C.M. Motley BA (Appointed by Shropshire Council - term ended July 2025) <sup>1,2,7</sup> F.L. Schofield BA, PGCE (Co-opted member - resigned July 2025) <sup>5,7</sup> Canon J. Leigh MA, FRSA (Co-opted member) <sup>5,6</sup> D.R. Stacey DL (Co-opted member) <sup>1,3,7</sup> G. Walters BBLs (Co-opted member) <sup>6</sup> C Ward (Co-opted member) <sup>5</sup>
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- 1 Finance and General Purposes Committee
- 2 Nominations and Remuneration Committee
- 3 Audit and Risk Committee
- 4 Investment Committee
- 5 Education and Safeguarding Committee
- 6 International Development Committee
- 7 The Prep School Committee

**Charity registered number**

528413

**Principal address and Registered Office**

The Bursary  
Kingsland House  
Shrewsbury School  
The Schools  
Shrewsbury  
SY3 7AA

**Headmaster**

N L Winkley, MA, MEd (Open), PGCert Bus Admin (Open)

**The Bailiff, Bursar and Clerk to the Governing Body**

R.M. Schofield (Interim August 2024-April 2025)  
Dr. N.J. Dodd BA, MSc (from April 2025)

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SHREWSBURY SCHOOL

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS  
(CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2025

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<b>Independent auditor</b>	Crowe U.K. LLP Fourth Floor St James House St James Square Cheltenham GL50 3PR
<b>Bankers</b>	Barclays Bank Plc 44/46 Castle Street Shrewsbury SY1 2BU  Handelsbanken Plc 1st Floor, Willow House West Shrewsbury Business Park Shrewsbury SY2 6LG  Lloyds Bank Plc 1 Pride Hill Shrewsbury SY1 1DG
<b>Investment Advisors</b>	Sarasin & Partners LLP Juxon House 100 St. Paul's Churchyard London EC4M 8BU

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT FOR THE YEAR ENDED 31 JULY 2025

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The Governors present their annual report for the year ended 31 July 2025, under the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter comply with the Act, the Shrewsbury School Statutes and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", the Charities SORP (FRS102) effective 1 January 2019.

#### REFERENCE AND ADMINISTRATIVE INFORMATION

Shrewsbury School was founded in 1552 as "The Free Grammar School of King Edward VI" and is registered with the Charity Commission under charity number 528413. The Governors, Officers and principal address and particulars of the Charity's professional advisers are as listed on pages 1-2.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing Document

Shrewsbury School is governed in accordance with the Shrewsbury School Statutes, approved by the late HM Queen Elizabeth II in Council on 12 October 2016.

##### Recruitment and Training of Governors

The Governing Body consists of both appointed and co-opted members.

The Master of St John's College, Cambridge is an ex-officio member of the Governing Body. The current Master of St John's has decided not to take up her post as a Governor of Shrewsbury School in line with the policy of the College council. Three members are appointed to the Governing Body by persons or a body of persons as specified in Shrewsbury School's Statutes and effectively provide an informal link with Shrewsbury Town and its County. One member is elected by the Assistant Teachers of Shrewsbury School (Common Room).

Fourteen members (maximum) are co-opted by the current Governors, their names being brought forward for appointment by the Nominations and Remuneration Committee of the Governing Body. There is a regular audit of Governors' qualifications, skills and experience. Governors are encouraged to attend appropriate training courses and seminars. and certain training requirements are mandatory.

New Governors are introduced to the workings of the Charity and the Governing Body largely by past financial statements, management accounts, minutes of Governor and sub-committee meetings, and a day's visit to Shrewsbury School, including meeting representatives of staff and employees. General information is provided in Statutes, the School Handbook, information for pupils, and Charity Commission regulations. Specific issues are addressed at an academic-year-end strategy meeting with the Headmaster. Governors are encouraged to keep abreast of new regulations. All Governors are required to undergo a Disclosure and Barring check for child protection purposes.

##### Organisational Management

The members of the Governing Body, as Trustees of the Charity, are legally responsible for the overall management and control of both schools and meet as the full decision making Governing Body at least three times a year.

There are seven committees to which powers of investigation and recommendation are delegated, and which meet regularly under their respective chairmen. Minutes are kept of all meetings of the Trustees and of the Committees. Draft minutes are circulated to all Governors for discussion at meetings of the full Governing Body.

The Finance and General Purposes Committee (F&GP) is the working Committee responsible for making recommendations on the financial and operational policy to the Governing Body and for ensuring that the decisions and policies of the Governing Body are implemented. The F&GP meets at least three times a year, prior to full Governing Body meetings. The F&GP during the year was chaired by R Boys-Stones.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2025

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The other committees are the Nominations and Remuneration Committee, chaired by D Chance. The International Development Committee, chaired by C Howarth; the Audit Committee, chaired by W Kenyon; the Investment Committee, chaired by M Moir; the Education and Safeguarding Committee, chaired by J Leigh; and the Prep School Committee, chaired by C Motley. Each Committee meets at least once a year.

The Governing Body has approved the terms of reference for each of the committees. The day-to-day running of Shrewsbury School itself is delegated to the Headmaster, who is supported by the Bursar and their various management teams. The Packwood Haugh School Headmaster reports into the Headmaster of Shrewsbury School, and is supported by the Packwood Bursar and Packwood Leadership Team. These groups form the key management personnel.

The Shrewsbury Headmaster and the Shrewsbury Bursar attend Governing Body and F&GP Committee meetings, and the meetings of other committees as appropriate. Other teaching and support staff attend Governing Body and committee meetings on an ad hoc basis to advise and inform Governors on specific areas of the Shrewsbury School's and Packwood's activities.

Policies and guidelines for the effective governance and management of Shrewsbury School are regularly reviewed by the Audit Committee and their recommendations passed to the F&GP and the Governing Body for action. The Prep School Committee performs a similar function for Packwood.

The remuneration of the key management personnel of both schools is set by the Nominations and Remuneration Committee. The policy objectives are to provide appropriate incentives to encourage enhanced performance and to reward fairly and responsibly individual contributions to the success of both schools.

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

#### **Group Structure and Relationships**

During the year, the Charity had two wholly owned subsidiaries:

- Shrewsbury School Enterprises Limited (non-charitable)
- Shrewsbury School Trading Company Limited (non-charitable).

The activities of these companies are discussed later in this report.

In addition, the Charity pays the employment, administrative and other costs, and expenses of Shrewsbury School Foundation. These costs are categorised as fund raising costs within the Consolidated Statement of Financial Activities. The Governors have agreed that the Charity will incur these costs to the extent that Shrewsbury School Foundation exercises and continues to exercise its charitable objects (the "Shrewsbury School Charitable Objects") as set out in the Foundation Trust Deed. Shrewsbury School and Packwood Haugh School both operate within the Shrewsbury School charity.

#### **Risk Management**

The Governing Body is responsible for the management of the risks faced by both schools. Detailed analysis of the risks is delegated to the Audit Committee, who in turn delegates review of each risk type to the relevant sub-Committees. In this review, the Governing Body sub-Committees are assisted by the leadership team from each school. Risks are identified, assessed and controls established throughout the year. The risks are identified under the following headings: mission and objects; law and regulations; governance and management; external factors; marketing/pupil recruitment; academic factors; operational factors; human resources; environmental; technological and financial. A formal review of the major risks facing the Charity and the concomitant risk management processes is performed annually by the Governing Body.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2025

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The key controls used by the Charity include:

- formal agendas and papers where appropriate for all Committee and Governing Body meetings with detailed minutes taken for each and circulated in draft to relevant participants and members unable to attend.
- clear and detailed terms of reference for each Committee.
- comprehensive strategic planning, budgeting and management accounting, timely, clear and accurate management financial information readily available and formal written policies agreed.
- established organisational management structure and lines of reporting, clear authorisation and approval levels for payments.
- Governors who have designated responsibility for child protection, health and safety and estates.

It is recognised that these control systems provide a reasonable, but not an absolute, assurance that risks are being managed properly. The Governors are satisfied that the major risks being faced by both schools this year have been identified and are being adequately addressed in order to avoid each, or to mitigate the effects of an unavoidable occurrence.

#### **OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

##### **Charitable Objects**

The Objects of the Charity are the advancement of education, including the provision of boarding and day schooling.

Within these Objects the Charity has a number of permanent endowed funds held for special purposes in connection with the development of Shrewsbury School's facilities and for scholarships, bursaries, prizes and other educational purposes.

##### **Public Benefit Aims and Intended Impact**

Shrewsbury School was founded in 1552 by Royal Charter to provide charitable education in the Shrewsbury area. Shrewsbury attracts entrants from all over the United Kingdom - and also from abroad - whilst still retaining its strong links with the town and its citizens. Since August 2019, Packwood Haugh School has been part of the overall Shrewsbury School charitable entity.

Our aim is that a Shrewsbury education will educate and empower each individual to flourish in life and contribute positively to the world around them. Shrewsbury School delivers whole person education in a thriving and inclusive boarding and day school community that champions the individual. We believe that the true purpose of education is the cultivation of inner virtues, life skills and character strengths that equip our young people with the confidence and direction to pursue meaningful and successful lives.

Packwood Haugh School operates as an independent boarding and day Preparatory School for boys and girls aged from 4 to 13. Packwood covers all that is required by the National Curriculum Key Stages 1 and 2, and the first two years of Key Stage 3 and substantially more. Packwood aims for the highest quality of academic tuition and pastoral care and the development of wider sporting, artistic and social skills in all its pupils, while offering an environment in which each pupil can develop and fulfil their potential.

In setting both schools' objectives and planning of activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and fee charging.

Shrewsbury and Packwood provide substantial public benefit not only to the recipients of educational grants but also to the local community and a wider public. A member of the Shrewsbury School Leadership Team has specific responsibility for Partnership and Community Engagement in order to focus the different strands of activity in this area and to measure the impact on beneficiaries.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2025

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#### **Educational grants to widen access to Shrewsbury School and Packwood.**

Scholarships, bursaries and other awards are made available from three sources: funds controlled by the Governing Body as Trustees; funds managed by the Trustees of the Shrewsbury School Foundation; and the general income of both schools. In the year, 372 (2024 - 375) Shrewsbury pupils were assisted of whom 205 were means tested (2024 - 204). The value of this means tested support at Shrewsbury was £3,822,689 (2024 - £3,541,684). This figure includes 10 pupils (2024 - 12) who were in receipt of 100% means tested remissions.

Packwood offered £306,254 (2024 - £368,082) in bursary and scholarship support in 2024-25, of which £176,679 (2024 - £237,443) was means tested.

Such a significant level of fee support is in keeping with the aims of the schools and underscores the charitable purpose.

#### **Charitable Activities The Shewsy**

Shrewsbury School engages in substantial charitable fundraising for both local, national and international organisations. Of special interest is the on-going financial support for Shrewsbury House, known as 'The Shewsy', a youth club in Liverpool established by Shrewsbury School in 1903 to serve the needs of the socially and economically disadvantaged community in Everton. During 2024-25, significant fundraising by students and the wider Salopian community took place in support of The Shewsy's annual 'Big Give' campaign at Christmas, with over £100k being raised to help provide further support for youth programmes. Planning for the 5 yearly whole-school sponsored walk in September 2026 has begun.

In addition to fundraising during the period, Shrewsbury School is actively involved in governance with the Headmaster as Chair of Trustees and two teachers also on the Board. The School has provided human resources and marketing advice and other services related to audit and risk, free of charge, to Shrewsbury House.

In the last academic year, all new Year 9 Shrewsbury School pupils visited The Shewsy as part of the volunteering component of their BASE programme and worked in the 'Everton in the Community' garden and in Junior Club. Themed residential visits to Liverpool were offered to Lower Sixth Form Students – covering Law, Medicine, Business and Politics.

Over 850 hours' of staff and pupil time (planning and delivery) is estimated to have gone into the above programme.

#### **Case Study 1 – Thursday Volunteering – primary schools, specialist school, Homework club**

Volunteering in Primary Schools proves to be the most popular of our weekly volunteering activities. With new Primary Schools joining our partnership programme each year we now have 106 students assisting in local Primary Schools, the Refugee Homework Club and the Severndale Specialist Academy. In total 66% of our volunteering students opt to work with younger children gaining skills in empathy, kindness, patience and creativity. The students also have to adapt to an 'adult world' in which they have a responsibility for safeguarding and motivation.

The Primary Schools that we supported during 2024-5 were; Oakmeadow Primary School, The Grange Primary School (both in the Marches Academy Trust), The Cathedral School (Our Lady of Christians Catholic Academy Trust), Woodfield Infants School (Empower Multi Academy Trust), Radbrook Primary School (Severn Bridges Multi Academy Trust), Martin Wilson (SHINE Academies Trust) and Bowbrook Primary School (3-18 Education Trust). Plans to add Long Mountain School for 2025-6 have reached fruition. When working with younger years, the Shrewsbury School students are paired up with students to act as readers, listening and patiently helping infant learners to aid development of literacy skills. At Severndale Specialist Academy the student volunteers display exemplary flexibility and resilience working with disabled students aged between 3 and 18 years old. In our Homework Club our student volunteers have to be versatile in adapting to differing guest attendance and

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2025**

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needs each week. The 16 volunteering members of staff work hard to ensure that good communication and high standards are maintained in order to uphold both Shrewsbury School and partnership school values.

**Case Study 2 – STEM Potential with Shropshire schools and Imperial College London**

The School's STEM Potential project celebrated its first full cycle this academic year with students who joined us in Yr10 from state secondaries and sixth form colleges across the county gaining their A levels and, in many cases, moving on to study STEM subjects at leading UK universities including Imperial, Oxford and Cambridge. With entry points for GCSE and A Level recruitment is strong and targets students who meet Imperial's criteria for widening access. As well as voting with their feet on Saturdays (attending STEM classes and Futures events throughout the year), students' feedback was unanimously positive about the value and impact of gaining extra practical experience alongside other similarly ambitious and talented scientists. Sessions are designed to be enriching and to provide academic stretch. For Yr10 students, there is a day visit to Imperial where they learn about the application process, the range of courses on offer and life as a student. All students have access to our Futures Department with career advice, support with work experience and applications. Students (and their parents) are invited to attend STEM-related the School's 'Dialogues' programme, the Higher Education Fair and Medical Conference where they joined our own pupils. In total, over 200 hours of tuition was provided by 50 staff to 100+ pupils. students.

**Case Study 3 – Symphonic Sunday and Sinfonia**

Symphonic Sunday and Sinfonia go from strength to strength and are a jewel in the crown of Shrewsbury's wider cultural partnership programme. Under the passionate and strategic leadership of the Director of Music, Maria McKenzie, close to 200 musicians and singers from state and independent schools, aged 7-17, were brought together from across Shropshire, Telford and Wrekin, Cheshire and mid-Wales to rehearse and then perform in a stunning summer Gala Performance held in the Alington Hall before an audience of around 400 proud supporters. This work opens up opportunity for partnership cross-sector at primary and secondary levels and is inclusive of all abilities, from beginners to advanced students preparing for Grade 8 exams. Private sponsorship has been secured to purchase instruments which have then been used in a target fashion to give opportunity in local schools where provision would not otherwise be possible. Shrewsbury musicians and choir leads supported the programme throughout and eight pupils helped with the choir and six pupils augmented the orchestra for the final rehearsal and concert. Feedback from partner schools and the participants' parents has been glowing in terms of recognition of the opportunity and collective achievement of the musicians gathered together.

Other community engagement:

A detailed inventory of the School's Partnership and Community Engagement work can be found at <https://www.shrewsbury.org.uk/pce>

As well as supporting charitable fundraising by pupils and staff, the School regularly makes available its facilities to various external charities, either at no cost to the charity or at heavily discounted rates to cover school costs – in particular the Food Bank+ where pupils volunteer throughout the year.

School staff are encouraged to participate in the local and wider community, providing their time free of charge. Such participation ranges from acting as governors or trustees of local primary, secondary and specialist schools, to volunteering for local charities, to taking part in environmental projects.

The School's annual concert series is open to the public and is well attended by members of the local community and community choir continues to thrive.

**Fundraising**

Shrewsbury School did not participate in any fundraising activities on its own account during the year and therefore there are no fundraising disclosures necessary under S162A of the Charities Act.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2025

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#### Objectives for the Year

This year, the focus has been on:

- The implementation of the integration of day boys into existing boys' boarding houses.
- Focus on funding and increasing the number of means tested transformative bursaries (75% to 110% off fees).
- The continued development of a cross sector programme of partnership and community engagement.
- Future planning to mitigate the impact of potential future changes to the taxation regime for independent schools.
- The operation of the first Shrewsbury School Summer School.

#### REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

##### Operational Performance of the schools

This year, Shrewsbury School numbers averaged 827 (2024 - 839) pupils of whom 631 (2024 - 617) were boarders and 196 (2024 - 222) were day pupils. Packwood Haugh School numbers averaged 195 (2024 - 217) of whom 48 (2024 - 54) were boarders.

Shrewsbury School pupil numbers at the start of the 2024/25 academic year were 830, and Packwood Haugh had 193 pupils.

A Level and GCSE results both reflected a national tightening of grade boundaries. 77.0% of A Level candidates received the equivalent of A\* to B, and these results enabled 87% of our leavers to take up their first choice university destination. At GCSE 60.0% of candidates received grades 9 to 7.

##### Grants and Awards

The Charity in total awarded bursaries, scholarships and allowances of £5,392,936 (2024 - £5,210,662). Shrewsbury School, despite not possessing a large endowment reserve, continues to support and assist pupils to come to Shrewsbury. During the year Shrewsbury School awarded a total of £5,086,682 (2024 - £4,842,579) of scholarships, grants, bursaries and other allowances to pupils, of which £807,796 (2024 - £779,968) came from restricted funds, including £796,674 (2024 - £760,914) from Shrewsbury School Foundation. Packwood made awards to pupils totalling £306,254 (2024 - £368,082).

Shrewsbury School holds a scholarship competition for suitably qualified candidates under the age of 14 each year. It awards up to four Butler Scholarships to a value of 30% of fees; up to four Kennedy Scholarships; and two Moss Scholarships worth up to one-fifth of fees; and up to seven Alington Exhibitions worth £2,000 per year. There are also up to four Music Scholarships worth up to 30% of fees, each year, and two Art Scholarships worth one-fifth of fees.

For entrants to Shrewsbury at Sixth Form level, there are a range of academic, music and sporting awards. In addition, the School offers two means tested Sixth Form sporting scholarships, worth up to 100% of fees.

Foundation bursaries are awarded to pupils who will make a significant contribution to the School whether it be academically in sport or through the arts. The funding for these awards comes from Shrewsbury School Foundation. In total, Shrewsbury School Foundation financially supported 23 pupils (2024 - 27 pupils) of whom 10 pupils (2024 - 9 pupils) received 100% funding.

The Governors publish a detailed grant making policy on Shrewsbury School's website. In short, the Governors' policy is to make bursary awards on the basis of the individual's educational ability and his or her family's ability to pay, subject to the particular conditions imposed by the original donor where the award is taken from restricted funds.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2025

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#### Financial Review and Results for Year

The financial statements reflect the activities and results of the Charity (Shrewsbury School and Packwood) and its two subsidiary companies, Shrewsbury School Enterprises Limited and Shrewsbury School Trading Company Limited.

The group had net outgoing resources of £275,367 (2024 net incoming resources £767,169) for the year.

The School's strategic plan assumes the following means of financing the continued investment in the School's facilities:

- Achieving operating surpluses that generate substantial cash flows. This involves continuously reviewing the cost base of the School in all areas to ensure best use is being made of the School's resources, while maintaining a commitment to excellence; and
- Shrewsbury School Foundation will continue to provide financial support for the School. This is primarily in the form of funding for scholarships and bursaries, including Foundation Bursaries, but also includes donations towards specific building projects; and
- For large capital projects, the School will consider borrowing funds in the medium term, whilst ensuring that the overall level of borrowing is prudent; and
- Further increasing the commercial income of the School: new or refurbished School facilities are designed not only for use by the School, but also for commercial lettings, and to maximise the opportunity for the wider community; and
- Increase income generated by the School's overseas activities.

Net assets decreased to £48,971,015 from £48,795,814. The decrease comprised net outgoing resources of £275,367; an increase in the market value of Charity's investments of £493,568; and £43,000 actuarial loss relating to Shrewsbury School's defined benefit pension scheme under FRS 102.

The School's defined benefit scheme valuation under the requirements of Financial Reporting Standard 102 (FRS102) showed that the scheme was in surplus at 31 July 2025, the Charity did not regard it as prudent to record the asset on its balance sheet.

Capital expenditure totalled £2,104,316. £743,241 was spent on the completion of refurbishment of Churchills and Ingrams, £435,616 on the refurb of School House £345,752 on other refurb projects, £198,232 on IT projects, and £381,475 on other fixtures, fittings & equipment.

The Charity's two subsidiary companies continued to trade during the year. Shrewsbury School Enterprises Limited remained the vehicle through which Shrewsbury School conducts its overseas school business; Shrewsbury School Trading Company Limited, continued to operate the School shop, sporting and leisure activities and commercial lets of the School premises.

Shrewsbury School Trading Company Limited results include the second year of running Shrewsbury School Summer School, which attracted pupils from overseas to attend a two week bioscience, geoscience and maths courses.

#### International School Developments

Income from our international schools grew by 10.6% this year with net income contributing to current bursarial support as well as accruals into a designated fund to underpin transformative bursaries of 100% and above.

The regular rotation of Advisory Board meetings took place this year, featuring active UK Governor participation and valuable engagement with international principals, staff, pupils, and parents.

In January, we hosted recruitment weeks for our international schools at both Shrewsbury and Packwood – a valued aspect for international partners of belonging to the Shrewsbury Family of Schools.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2025

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Shrewsbury International School India remains on track to open in August 2025, while Shrewsbury International School Phnom Penh, is progressing with the design and construction of the Sen Sok Main Campus, with Secondary provision scheduled to open in September 2026.

A summary of progress across our current international family of schools is given below:

**Bangkok Riverside** - remains in a strong position, with enrolment continuing to grow strongly despite increased competition. The pupil roll stands at 2,023 with Principal Rob Millar carrying on the excellent legacy of the school.

**Bangkok City Campus** - enrolment continues to grow with 549 pupils on roll. Principal Amanda Dennison continues to lead a strong team.

**Hong Kong** - Enrolment stands at 335 students, and Principal Ben Keeling and his senior team continue to do an excellent job leading the school. Following a successful recruitment process, Priya Kanthan has been appointed as the new Principal and will assume the role from Ben in September 2025.

**Cambodia** - The Primary School campus lead by Principal Toby Waterson for students aged 3 to 11 successfully opened in September 2024. Construction is now underway on the main Sen Sok campus, which will house the Secondary School as well as Early Years and Primary. Design and construction are underway for the new 17-acre campus, set to open in September 2026, which will feature impressive facilities, including a Performing Arts Centre, Aquatics Centre, running track, and fives courts.

**India** - Shrewsbury International School India remains on track to open in August 2025 and recruitment drive for the first cohort of pupils is underway. The founding Headmaster, Dominic Tomalin, has been appointed, together with several key members of the Leadership Team. Dominic recently completed an immersion programme at Shrewsbury School in the UK to ensure that Shrewsbury's high standards of academic excellence, pastoral care, and ethos are firmly embedded within the Bhopal campus.

Set on a breathtaking 140-acre purpose-built campus, the co-educational full boarding school for students aged 11 to 18 will embody Shrewsbury's distinctive Floreat philosophy of whole person education.

Closely modelled on Shrewsbury School in the UK, the India campus will offer state-of-the-art academic, co-curricular, and residential facilities, providing an exceptional educational journey leading to GCSE and A Level qualifications. The school is also in the process of becoming accredited by COBIS (the Council of British International Schools).

#### **Fundraising Performance**

The School received donations of £1,166,975 during the year (2024 - £905,050).

Shrewsbury School Foundation (a separate Charity) raises funds to donate to the School for bursary support, capital and educational projects. In the current year the School received from the Foundation a total of £939,437 of this £796,674 was to support bursaries.

#### **RESERVES POLICY**

The School does not possess large endowment reserves to generate income to assist in the financing of the School.

At the year-end Endowed Funds totalled £1,588,407 and Restricted Funds totalled £729,699, because of the particular spending constraints attached to them they are not available for funding the general operations of the School. Unrestricted Funds totalling £46,652,909 are expendable in accordance with the Objects of the School. The School has no current free reserves as the unrestricted reserves are less than the net book value of fixed assets. Given our plans for new buildings, this nil balance will continue for several years.

This is in accordance with the long-term plans of the Trustees for the development of the School and they are satisfied that the resources available to the School through external bank finance are adequate for its projected requirements. In addition to the operational land and buildings, the School owns residential properties for housing some of its staff.

There are also artefacts and works of art, which have been acquired and accumulated over very many years. These are of huge educational and wider cultural benefit to the School community and some are made available, under appropriate conditions, to external researchers and scholars. They are not revalued in the Balance Sheet

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2025

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and the Governors are of the view that there is no benefit to be gained from incurring the costs of valuations other than for insurance purposes.

The annual revenue expenditure requirements of the School are generally met from annual income. Prudent budgeting and tight financial control are designed to ensure that adequate but not excessive cash headroom is maintained, and this is supported by a seasonal overdraft facility.

The Governors are confident that the capital development plan can be achieved by the policies set out above, supported by prudent borrowing and support from Shrewsbury School Foundation on selected projects.

The Governors have established a designated fund, which aims to provide bursarial support to enable pupils to attend the School. The intention of the Governors is to allocate a proportion of the School's commercial income each year, based on an agreed calculation, subject to operating requirements. The intention is to build up the fund over the forthcoming years, with income from it being used to provide bursarial support to pupils attending the School. During the year, the Trustees not allocated anything to the fund. At the year end the value of this designated fund was £5,205,084.

#### **INVESTMENT POLICY**

The Governors, as Trustees, have wide powers to invest in property and securities, including stocks and shares.

The Governors review, on a regular basis, the investment profile of the School, the risks and returns achieved and the likely future performance.

The fees in advance funds have been transferred to cash funds, in order to reduce the possibility of loss of capital and take advantage of the current high interest rates. These investments support the fees in advance liabilities.

The policy of the School with regard to endowed and designated investments is to ensure that they produce a regular and growing income stream, together with capital growth. The School's investments are managed by Sarasin & Partners. The School funds are held in the Sarasin Endowments Fund Class A Income Fund, a global multi-asset portfolio with an integrated socially responsible investment policy. The fund seeks to provide growth (in terms of investment value and growth) of 4% per year more than the CPI over a rolling five-year period. The

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

As explained above, the Governors have considered the principal risks and uncertainties facing the School. The economic climate affects the ability of parents to afford the school fees, and the affordability of fees is considered as an important factor in the long-term financial planning. The imposition of VAT on school fees from January 2025, impacted both pupil numbers and the number of requests for financial assistance needed to attend Shrewsbury. In terms of unexpected costs, the Governors ensure that insurance is in place for known and insurable risks. With a large built estate, the School also monitors and plans for foreseeable future building repairs.

The management team also carefully monitors the level of scholarships and bursaries to ensure that grant commitments are maintained at a sustainable level, carefully reviewing the future grant funding available from Shrewsbury School Foundation.

The School has also considered non-financial risks. As the health and safety of the pupils and staff is paramount, the Trustees consider any potential breach of health and safety to be a principal risk. To mitigate the School has developed policies to ensure the regulations and guidelines for the welfare of pupils and staff are observed.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2025

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#### FUTURE PLANS

- Focus on funding and increasing the number of means tested transformative bursaries (75% to 110% off fees).
- The continued development of a cross-sector programme of partnership and community engagement.
- Detailed medium term financial modelling of the impact of VAT on the School's finances and cash balances and the actions required in order to maintain a financially stable environment.
- Building on the success of Shrewsbury School Summer School, to offer a wider provision of courses and thereby attract more participants.
- Following the merger and acquisition of two prep schools, align all our policies and principles to develop the Shrewsbury Family of Schools.

#### ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governing Body is required by law to prepare financial statements for each financial year, which give a true and fair view of the financial activities of the Charity and of its financial position at the end of that year. In preparing those financial statements the Governing Body is required to:

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

Taking into account the specific economic and geopolitical risks, the Governing Body has reviewed future school cashflows and is confident that it is appropriate to produce financial statements on a going concern basis.

The Governing Body is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011 and the Shrewsbury School Statutes, approved by the late HM Queen Elizabeth II in Council on 12 October 2016. It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In determining how amounts are presented with in items in the statement of financial activities and balance sheet, the Governors have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

So far as each of the Governors is aware at the time the report is approved:

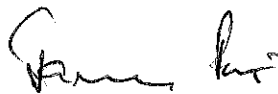
- There is no relevant audit information of which the company's auditors are unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors Crowe U.K. LLP have indicated their willingness to remain in office.

This report was approved by the Governors and signed on their behalf by:

Approved by order of the members of the board of Governors and signed on their behalf by:

**J.D.C. Pitt**  
Chair  
Date:

  
18.3.2026

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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL

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#### Opinion

We have audited the financial statements of Shrewsbury School (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 July 2025 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards 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 been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 July 2025 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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 Group's or the parent 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 Governors with respect to going concern are described in the relevant sections of this report.

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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Governors are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Matters on which we are required to report by exception

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

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

#### Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement, the Governors are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the Group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the 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.

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:

We obtained an understanding of the legal and regulatory frameworks within which the Charity and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, taxation legislation, employment legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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

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

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

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

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

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SHREWSBURY SCHOOL

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INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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**Use of our report**

This report is made solely to the charity's Governors, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

*Crowe UK LLP*

**Crowe U.K. LLP**  
Statutory Auditor  
Fourth Floor  
St James House  
St James Square  
Cheltenham  
GL50 3PR

Date: 29 May 2026

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

SHREWSBURY SCHOOL

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 JULY 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
<b>Income and endowments from:</b>						
Grants and donations	3	-	1,166,975	-	1,166,975	905,050
Charitable activities:						
School fees	4	34,311,785	-	-	34,311,785	34,808,537
Other educational income	5	409,060	-	-	409,060	465,952
Other ancillary trading income	5	326,921	-	-	326,921	275,503
Other trading activities	6	2,948,951	-	-	2,948,951	2,626,235
Investments	7	112,791	29,086	1,890	143,767	197,637
<b>Total income and endowments</b>		<b>38,109,508</b>	<b>1,196,061</b>	<b>1,890</b>	<b>39,307,459</b>	<b>39,278,914</b>
<b>Expenditure on:</b>						
Raising funds:						
Trading activities	8	1,626,558	-	-	1,626,558	1,445,184
Fundraising costs	8	423,606	-	-	423,606	308,426
Financing costs	9	641,933	-	-	641,933	711,354
Charitable activities: 10						
Education and grant making		35,897,677	993,052	-	36,890,729	36,046,781
<b>Total expenditure</b>		<b>38,589,774</b>	<b>993,052</b>	<b>-</b>	<b>39,582,826</b>	<b>38,511,745</b>

SHREWSBURY SCHOOL

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2025**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Note					
<b>Net income before net gains/(losses) on investments</b>	(480,266)	203,009	1,890	(275,367)	767,169
Net gains on investments	446,282	-	47,286	493,568	622,099
<b>Net income before transfers</b>	(33,984)	203,009	49,176	218,201	1,389,268
Transfers between funds	21 191,543	(191,543)	-	-	-
<b>Net movement in funds before other recognised losses</b>	157,559	11,466	49,176	218,201	1,389,268
Actuarial losses on defined benefit pension schemes	26 (43,000)	-	-	(43,000)	(75,000)
<b>Net movement in funds</b>	114,559	11,466	49,176	175,201	1,314,268
<b>Reconciliation of funds:</b>					
Total funds brought forward	46,538,350	718,233	1,539,231	48,795,814	47,481,546
Net movement in funds	114,559	11,466	49,176	175,201	1,314,268
<b>Total funds carried forward</b>	46,652,909	729,699	1,588,407	48,971,015	48,795,814

The notes on pages 24 to 64 form part of these financial statements.

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**SHREWSBURY SCHOOL**

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**CONSOLIDATED BALANCE SHEET  
AS AT 31 JULY 2025**

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	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	13	52,503,742	54,100,280
Investments	14	13,099,235	12,463,045
		65,602,977	66,563,325
<b>Current assets</b>			
Stocks	15	278,798	265,887
Debtors	16	2,764,356	2,497,916
Cash at bank and in hand		3,222,733	6,828,988
		6,265,887	9,592,791
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	17	(10,156,074)	(11,585,025)
<b>Net current liabilities</b>		(3,890,187)	(1,992,234)
<b>Total assets less current liabilities</b>		61,712,790	64,571,091
Creditors: amounts falling due after more than one year	18	(12,741,775)	(15,775,277)
<b>Net assets excluding pension asset</b>		48,971,015	48,795,814
Defined benefit pension scheme asset	26	-	-
<b>Total net assets</b>		48,971,015	48,795,814

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SHREWSBURY SCHOOL

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CONSOLIDATED BALANCE SHEET (CONTINUED)  
AS AT 31 JULY 2025

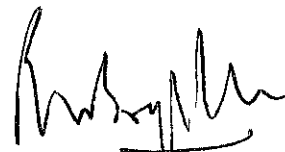
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	Note	2025 £	2024 £
<b>Charity funds</b>			
Endowment funds	21	1,588,407	1,539,231
Restricted funds	21	729,699	718,233
Unrestricted funds	21	46,652,909	46,538,350
<b>Total funds</b>		<u>48,971,015</u>	<u>48,795,814</u>

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:



J.D.C. Pitt, MBA, BSc (Co-opted member)  
(Chair)



R. Boys-Stones

Date: 16.3.2026

The notes on pages 24 to 64 form part of these financial statements.

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**SHREWSBURY SCHOOL**

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**CHARITY BALANCE SHEET  
AS AT 31 JULY 2025**

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	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	13	52,495,392	54,086,192
Investments	14	13,099,235	12,463,045
		65,594,627	66,549,237
<b>Current assets</b>			
Stocks	15	76,189	85,475
Debtors	16	3,525,081	2,999,347
Cash at bank and in hand		2,684,956	6,253,645
		6,286,226	9,338,467
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	17	(10,167,092)	(11,318,153)
<b>Net current liabilities</b>		(3,880,866)	(1,979,686)
<b>Total assets less current liabilities</b>		61,713,761	64,569,551
Creditors: amounts falling due after more than one year	18	(12,741,775)	(15,775,277)
<b>Net assets excluding pension asset</b>		48,971,986	48,794,274
Defined benefit pension scheme asset	26	-	-
<b>Total net assets</b>		48,971,986	48,794,274

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SHREWSBURY SCHOOL

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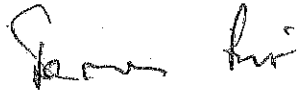
CHARITY BALANCE SHEET (CONTINUED)  
AS AT 31 JULY 2025

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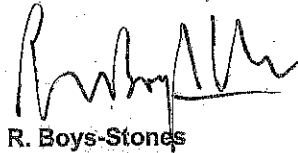
	Note	2025 £	2024 £
<b>Charity funds</b>			
Endowment funds	21	1,588,407	1,539,231
Restricted funds	21	729,699	718,233
Unrestricted funds	21	45,326,853	46,536,810
<b>Total funds</b>		<u>48,971,986</u>	<u>48,794,274</u>

The Charity's net movement in funds for the year was £177,712 (2024 - £1,318,335).

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:



J.D.C. Pitt, MBA, BSc (Co-opted member)  
(Chair)



R. Boys-Stones

Date: 16.3.2026

The notes on pages 24 to 64 form part of these financial statements.

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SHREWSBURY SCHOOL

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CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JULY 2025

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		2025 £	2024 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	22	4,757	9,076,181
<b>Cash flows from investing activities</b>			
Dividends and interest from investments		143,767	197,637
Proceeds from the sale of tangible fixed assets		130,671	29,199
Purchase of tangible fixed assets		(2,104,316)	(5,473,432)
Proceeds from sale of investments		6,763	4,836,112
Purchase of investments		(153,147)	(8,099,600)
<b>Net cash used in investing activities</b>		<b>(1,976,262)</b>	<b>(8,510,084)</b>
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(1,307,260)	(1,271,131)
Interest paid on borrowings		(331,252)	(400,099)
<b>Net cash used in financing activities</b>		<b>(1,638,512)</b>	<b>(1,671,230)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(3,610,017)</b>	<b>(1,105,133)</b>
Cash and cash equivalents at the beginning of the year		6,834,305	7,939,438
<b>Cash and cash equivalents at the end of the year</b>	23	<b>3,224,288</b>	<b>6,834,305</b>

The notes on pages 24 to 64 form part of these financial statements

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

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#### 1. Legal status of the Charity

The School is governed in accordance with the Shrewsbury School Statutes approved by the Queen's Most Excellent Majesty in Council on 12 October 2016, whose registered office and primary place of business is Shrewsbury School, The Schools, Shrewsbury, SY3 7AA. It has no share capital. Its principal activity is the provision of boarding and day schooling. It is a registered Charity in England and Wales and its Charity registration number is 528413.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Shrewsbury School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Charity alone. The net result for the year relating to the School amounted to a surplus of £177,712 (2024 - £1,318,335).

##### 2.2 Going concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 12.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025

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2. Accounting policies (continued)

2.3 Critical accounting estimates and areas of judgment

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

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

**Useful economic lives of tangible assets**

The annual depreciation charges for the tangible assets are sensitive to changes in the estimate useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the tangible assets and note 2.8 for the useful lives for each class of asset.

**Impairment of debtors**

The group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of the debtors.

2.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes.

Endowment funds are donations required to be retained as capital in accordance with the donors' wishes – permanent or expendable according to the nature of the restrictions. The costs of raising and administering such funds are charged against the specific fund.

The aim and use of each restricted and endowment fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

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#### 2. Accounting policies (continued)

##### 2.5 Income

All incoming resources are included in the Statement of Financial Activities when the School has entitlement to the income, the amount can be quantified with reasonable accuracy and the economic benefit to the School is considered probable.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School.

Income from other trading activities comprises revenue recognised by the School's wholly owned subsidiaries in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

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

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where through the terms of an appeal or from the donor there is a trust law restriction on the use of any voluntary income, the income is credited to the relevant restricted fund or endowment. Gifts in Kind would be valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption or at the value to the School in the case of donated services of facilities.

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

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#### 2. Accounting policies (continued)

##### 2.6 Expenditure

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Expenditure is accrued as soon as a liability is considered probable discounted to present value for longer term liabilities and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Liabilities are recognised where there is a legal or constructive obligation committing the entities to the expenditure.

Fundraising costs are those incurred in seeking voluntary contributions in relation to Shrewsbury School Foundation, a connected charity (Charity number 528415). Provided that, and so long as, Shrewsbury School Foundation exercises and continues to exercise its charitable objects in furtherance of the objects (the "Shrewsbury School Charitable Objects") set out in the Foundation Trust Deed, the School shall pay the employment, administrative and other costs and expenses of the Foundation in furthering Shrewsbury School's Charitable Objects.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Included in support costs of the School are bursary costs, payroll administration, budgeting and accounting, information technology, human resources and finance. School trip expenditure is included under support costs.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Governance costs comprise the costs of running the charity including strategic planning for its future development, also internal and external audit, any legal advice for the Governors and all costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

##### 2.7 Government grants

Government grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

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#### 2. Accounting policies (continued)

##### 2.8 Tangible fixed assets and depreciation

Computer equipment costing more than £300 is capitalised and carried in the Balance Sheet at historical cost.

Major refurbishment expenditure, equipment, boats and vehicles costing more than £1,000 are capitalised and carried in the Balance Sheet at historical cost.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 10-50 years
Furniture, fixtures and fittings and equipment	- 3-10 years
Boats	- 10 years
Ground machines and vehicles	- 4-10 years

Depreciation is not charged on freehold land or assets under the course of construction.

Leasehold property is depreciated over the term of the lease.

Depreciation is calculated on a monthly basis.

The School owns a number of cultural and historic artefacts which are considered to be heritage assets. During the year ended 31 July 2023 a formal valuation of these assets was undertaken by Sotheby's who valued the assets on both an insurance basis and an auction basis. The valuations provided ranged between £6.050M and £12.214M. Given the highly specialist nature of the items and the resulting broad valuation range, the Governors have concluded that there is insufficient information to recognise them with material accuracy and therefore no value has been attributed to them in the Balance Sheet and no depreciation charged, on the basis that reliable information is not available, as permitted by the Charity SORP.

##### 2.9 Investments

Investments are stated at market value at the Balance Sheet date. The Consolidated statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost less provision for impairment.

##### 2.10 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025

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**2. Accounting policies (continued)**

**2.11 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**2.12 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised costs using the effective interest method, less any impairment.

**2.13 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.14 Fees in advance**

Parents may, subject to contractual terms and conditions, pay to the School tuition fees in advance. The money may be returned, subject to specific conditions.

Investments are held to cover the next two years capital liabilities.

**2.15 Financial instruments**

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

**2.16 Concessionary Loans**

The loans from Shrewsbury School Foundation and Shropshire Council (see note 18) are considered to meet the criteria of concessionary loans under FRS 102. They have been recorded in the financial statements at face value.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

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#### 2. Accounting policies (continued)

##### 2.17 Pensions

The School operates a defined contribution pension scheme for non-teaching staff (Shrewsbury School (2001) Retirements Benefits Scheme). This scheme gives exemption from the requirement to offer a stakeholder pension scheme. During the year the total contributions were £309,079 (2024 - £321,537).

The School also contributes to a personal pension scheme for the benefit of certain Packwood Haugh School employees. The scheme is a defined contribution scheme administered by Scottish Widows. During the year the total contributions were £47,709 (2024 - £46,338).

On 1 September 2021, Shrewsbury School and Packwood Haugh School, gave notice to the Teachers' Pension Scheme, that they would be implementing the "phased withdraw" regulations. New teaching staff at both Schools would be enrolled into defined contribution pension schemes, at each School (Shrewsbury School 2021 DC Pension Scheme and Shrewsbury School – Packwood Haugh 2021 DC pension Scheme). The Schemes are administered by Legal & General. During the year the total contributions were £949,161 (2024 - £551,202)

The School contributes to a defined benefit pension scheme (final salary scheme) for the academic staff, which is a national scheme operated for the Department for Education and Skills, which requires contributions to be made to a separately administered fund. The total premiums paid during the year were £1,460,584 (2024 - £1,597,807).

In addition, the School operates a defined benefit pension scheme for non teaching staff (Shrewsbury School (1971) Pension and Life Assurance Scheme), which is closed to new members. The basis of contributions to the Scheme is calculated according to the advice of the Scheme actuary. During the year the total contributions were £14,426 (2024 - £13,474).

The School also contributes a defined contribution scheme administered by Standard Life. During the year the total contributions were £187,363 (2024 - £Nil).

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**3. Income from grants and donations**

	<b>Restricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Donations	1,166,975	<b>1,166,975</b>	<b>905,050</b>
<b>Total 2025</b>	1,166,975	<b>1,166,975</b>	<b>905,050</b>
<i>Total 2024</i>	<b>905,050</b>	<b>905,050</b>	

**4. Charitable activities - School fees receivable**

	<b>2025 £</b>	<i>2024 £</i>
<b>The School's fee income comprised:</b>		
Gross fees	<b>38,896,925</b>	<b>39,239,231</b>
Less: Total bursaries, scholarships and allowances	<b>(5,392,936)</b>	<b>(5,210,662)</b>
	<b>33,503,989</b>	<b>34,028,569</b>
Add back bursaries, scholarships and allowances paid for by Restricted Funds	<b>807,796</b>	<b>779,968</b>
	<b>34,311,785</b>	<b>34,808,537</b>

Scholarships, bursaries and other awards were paid to 451 pupils (2024 - 468).

Within this means tested bursaries totalling £3,999,638 paid to 234 pupils (2024 - £3,779,127 to 254 pupils).

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**5. Charitable activities - Other income**

	<b>2025</b>	<i>2024</i>
	£	£
<b>Other educational charitable income</b>		
Entrance and registration fees	<b>104,825</b>	<b>120,222</b>
Courses and sub-lettings	<b>222,154</b>	<b>276,118</b>
Royalties received	<b>82,081</b>	<b>69,612</b>
	<u><b>409,060</b></u>	<u><b>465,952</b></u>
	<b>2025</b>	<i>2024</i>
	£	£
<b>Other ancillary activities</b>		
Commissions received	<b>12</b>	<b>1,334</b>
School trips	<b>326,709</b>	<b>273,769</b>
Late payment surcharges	<b>200</b>	<b>400</b>
	<u><b>326,921</b></u>	<u><b>275,503</b></u>

**6. Other trading activities**

	<b>2025</b>	<i>2024</i>
	£	£
Trading activities SSEL	<b>1,418,202</b>	<b>1,282,334</b>
Trading activities SSTCL	<b>1,530,749</b>	<b>1,343,901</b>
	<u><b>2,948,951</b></u>	<u><b>2,626,235</b></u>

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

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#### Other trading activities (continued)

##### Shrewsbury School Enterprises Limited (SSEL)

The Charity owns the whole of the £1 ordinary share capital of Shrewsbury School Enterprises Limited (Company registration number 4535585), incorporated in England. The Company's principal activity is the provision of consulting services to international Schools.

Its trading results for the period, as extracted from the audited accounts, are summarised below:

	2025 £	2024 £
Turnover	1,418,202	1,282,322
Administration	(387,686)	(354,493)
<b>Operating profit</b>	<b>1,030,516</b>	<b>927,829</b>
Interest payable	(7,748)	(8,609)
Interest receivable	-	12
<b>Profit for the year</b>	<b>1,022,768</b>	<b>919,232</b>
Taxation	(644)	-
<b>Profit after tax</b>	<b>1,022,124</b>	<b>919,232</b>
Gift aid payment	(1,022,502)	(919,494)
<b>Retained loss</b>	<b>(378)</b>	<b>(262)</b>

Shrewsbury School Enterprises Limited approved a gift aid donation of £1,022,502 (2024 - £919,494) to Shrewsbury School during the year.

The net assets of Shrewsbury School Enterprises Limited at 31 July 2025 amounted to £1 (2024 - £379).

At the year end Shrewsbury School Enterprises Limited owed Shrewsbury School £1,134,699 (2024 - £1,044,638). Of this amount £137,635 (2024 - £137,635) is an unsecured loan, repayable with one year's notice and interest charges at 1% above Lloyds Bank Plc base rate.

The management charge from the School to Shrewsbury Enterprises Limited was £322,790 (2024 - £279,332). In addition there is a licence fee of £10,000 (2024 - £10,000).

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

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#### Other trading activities (continued)

#### Shrewsbury School Trading Company Limited (SSTCL)

The Charity owns the whole of the £100 ordinary share capital of Shrewsbury School Trading Company Limited (Company registration number 5580019), incorporated in England. The principal activity of the Company was the operation of the School shop and other recreational activities.

Its trading results for the period, as extracted from the audited accounts, are summarised below:

	2025 £	2024 £
Turnover	1,530,749	1,343,679
Cost of sales	(768,336)	(681,549)
<b>Gross profit</b>	<b>762,413</b>	<b>662,130</b>
Administration	(462,854)	(401,032)
<b>Operating profit</b>	<b>299,559</b>	<b>261,098</b>
Interest receivable	-	222
<b>Profit for the year</b>	<b>299,559</b>	<b>261,320</b>
Taxation	710	499
<b>Profit after tax</b>	<b>300,269</b>	<b>261,819</b>
Gift aid payment	(302,402)	(265,624)
<b>Retained loss</b>	<b>(2,133)</b>	<b>(3,805)</b>

Shrewsbury School Trading Company Limited approved a gift aid donation of £302,402 (2024 - £265,624) to Shrewsbury School during the year.

The net liabilities of Shrewsbury School Trading Company Limited at 31 July 2025 amounted to £972 (2024 – £1,161 assets).

At the year end Shrewsbury School Trading Company Limited owed Shrewsbury School £511,018 (2024 - £410,580).

The management charge from the School to Shrewsbury School Trading Company Limited was £181,341 (2024 – £156,960).

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**7. Investment income**

	<b>Unrestricted funds 2025 £</b>	<b>Restricted funds 2025 £</b>	<b>Endowment funds 2025 £</b>	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Interest	7,947	-	-	<b>7,947</b>	<b>9,756</b>
Income from listed investments	104,844	29,086	1,890	<b>135,820</b>	<b>187,881</b>
<b>Total 2025</b>	<u>112,791</u>	<u>29,086</u>	<u>1,890</u>	<u><b>143,767</b></u>	<u><b>197,637</b></u>
<i>Total 2024</i>	<u><b>155,471</b></u>	<u><b>39,594</b></u>	<u><b>2,572</b></u>	<u><b>197,637</b></u>	

**8. Expenditure on raising funds**

**Trading costs of the subsidiaries**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Other costs	904,539	<b>904,539</b>	<b>664,791</b>
Staff costs	714,895	<b>714,895</b>	<b>772,658</b>
Depreciation	7,124	<b>7,124</b>	<b>7,735</b>
<b>Total 2025</b>	<u>1,626,558</u>	<u><b>1,626,558</b></u>	<u><b>1,445,184</b></u>
<i>Total 2024</i>	<u><b>1,445,184</b></u>	<u><b>1,445,184</b></u>	

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**8. Expenditure on raising funds (continued)**

**Fundraising for voluntary resources**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Other costs	147,908	<b>147,908</b>	<b>110,337</b>
Staff costs	275,698	<b>275,698</b>	<b>198,089</b>
<b>Total 2025</b>	<u>423,606</u>	<u><b>423,606</b></u>	<u><b>308,426</b></u>
<i>Total 2024</i>	<u><b>308,426</b></u>	<u><b>308,426</b></u>	

**9. Financing costs**

	<b>Unrestricted funds 2025 £</b>	<b>Total funds 2025 £</b>	<i>Total funds 2024 £</i>
Fees in advance financing cost	220,949	<b>220,949</b>	<b>116,305</b>
Bad debts and debt collection	103,596	<b>103,596</b>	<b>215,685</b>
Bank and investment manager charges	28,136	<b>28,136</b>	<b>27,265</b>
Loan interest	331,252	<b>331,252</b>	<b>400,099</b>
Pension scheme financing cost	(42,000)	<b>(42,000)</b>	<b>(48,000)</b>
<b>Total 2025</b>	<u>641,933</u>	<u><b>641,933</b></u>	<u><b>711,354</b></u>
<i>Total 2024</i>	<u><b>711,354</b></u>	<u><b>711,354</b></u>	

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Teaching	15,593,692	-	15,593,692	15,047,006
Welfare	5,835,165	-	5,835,165	6,200,387
Premises	9,016,747	-	9,016,747	8,924,274
Support and governance	5,452,073	-	5,452,073	5,005,297
Grants, awards and prizes	-	993,052	993,052	869,817
<b>Total 2025</b>	<b>35,897,677</b>	<b>993,052</b>	<b>36,890,729</b>	<b>36,046,781</b>
<i>Total 2024</i>	<b>35,176,964</b>	<b>869,817</b>	<b>36,046,781</b>	

Summary by expenditure type

	Staff costs 2025 £	Depreciation 2025 £	Other costs 2025 £	Total 2025 £	Total 2024 £
Teaching	13,925,561	-	1,668,131	15,593,692	15,047,006
Welfare	1,422,784	-	4,412,381	5,835,165	6,200,387
Premises	2,951,573	3,582,106	2,483,068	9,016,747	8,924,274
Support and governance	2,958,021	-	2,494,052	5,452,073	5,005,297
Grants, awards and prizes	-	-	993,052	993,052	869,817
<b>Total 2025</b>	<b>21,257,939</b>	<b>3,582,106</b>	<b>12,050,684</b>	<b>36,890,729</b>	<b>36,046,781</b>
<i>Total 2024</i>	<b>19,881,505</b>	<b>3,098,014</b>	<b>13,067,262</b>	<b>36,046,781</b>	

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**Grants, awards and prizes**

	<b>2025</b>	<i>2024</i>
	<b>£</b>	<b>£</b>
<b>From restricted funds:</b>		
Bursaries and scholarships	<b>807,796</b>	<b>779,968</b>
Prizes and awards	<b>185,256</b>	<b>89,849</b>
	<b>993,052</b>	<b>869,817</b>

**Governance included in support costs:**

	<b>2025</b>	<i>2024</i>
	<b>£</b>	<b>£</b>
Remuneration paid to auditor for audit services	<b>58,620</b>	<b>55,800</b>
Remuneration paid to auditor for non- audit services	<b>32,055</b>	<b>29,940</b>
Other governance costs	<b>254,509</b>	<b>172,871</b>
	<b>345,184</b>	<b>258,611</b>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**11. Governors' remuneration and expenses**

During the year, no Governors received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 July 2025, expenses totalling £11,971 were reimbursed or paid directly to 6 Governors (2024 - £28,103, 9). The expenses related to travel and accommodation.

**12. Staff costs**

	<b>Group 2025 £</b>	<i>Group 2024 £</i>	<b>Charity 2025 £</b>	<i>Charity 2024 £</i>
Wages and salaries	17,547,300	16,682,018	16,928,911	15,989,865
Social security costs	1,959,737	1,696,366	1,899,429	1,646,909
Other pension costs (Note 26)	2,741,495	2,514,858	2,705,297	2,483,810
	<u>22,248,532</u>	<u>20,893,242</u>	<u>21,533,637</u>	<u>20,120,584</u>
Capitalised labour	-	(40,990)	-	(40,990)
	<u><u>22,248,532</u></u>	<u><u>20,852,252</u></u>	<u><u>21,533,637</u></u>	<u><u>20,079,594</u></u>

During the year there were redundancy or termination payments recognised which amounted to £146,541 (2024 - £161,784). There was £34,490 (2024 - £131,784) outstanding at year end.

The average number of persons employed by the Charity during the year was as follows:

	<b>Group 2025 No.</b>	<i>Group 2024 No.</i>
Teaching	251	248
Welfare	62	64
Premises	128	125
Support	79	78
Other activities	14	13
	<u>534</u>	<u>528</u>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**12. Staff costs (continued)**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>Group 2025 No.</b>	<i>Group 2024 No.</i>
In the band £60,001 - £70,000	<b>46</b>	<b>48</b>
In the band £70,001 - £80,000	<b>25</b>	<b>19</b>
In the band £80,001 - £90,000	<b>7</b>	<b>5</b>
In the band £90,001 - £100,000	<b>3</b>	<b>3</b>
In the band £100,001 - £110,000	<b>4</b>	<b>1</b>
In the band £110,001 - £120,000	-	<b>1</b>
In the band £120,001 - £130,000	-	<b>1</b>
In the band £130,001 - £140,000	<b>1</b>	-
In the band £150,001 - £160,000	<b>1</b>	<b>2</b>
In the band £160,001 - £170,000	<b>1</b>	-
In the band £250,001 - £260,000	<b>1</b>	-
In the band £230,001 - £240,000	-	<b>1</b>
Aggregate employee benefits of key management personnel	<b><u>1,863,874</u></b>	<b><u>1,723,121</u></b>

Key management includes the Leadership team.

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025

13. Tangible fixed assets

Group

	Assets in course of construction £	Freehold Land & Buildings £	Furniture, Fixtures and fittings £	Boats £	Ground Machines & Vehicles £	Total £
<b>Cost or valuation</b>						
At 1 August 2024	4,989,235	69,444,059	14,170,993	1,289,780	1,484,558	91,378,625
Additions	1,524,609	-	481,393	37,421	60,893	2,104,316
Disposals	-	(111,623)	-	-	-	(111,623)
Transfers between classes	(6,243,479)	6,243,479	-	-	-	-
At 31 July 2025	<u>270,365</u>	<u>75,575,915</u>	<u>14,652,386</u>	<u>1,327,201</u>	<u>1,545,451</u>	<u>93,371,318</u>
<b>Depreciation</b>						
At 1 August 2024	-	24,884,475	10,596,674	941,148	856,048	37,278,345
Charge for the year	-	2,353,600	1,010,488	68,985	156,158	3,589,231
At 31 July 2025	<u>-</u>	<u>27,238,075</u>	<u>11,607,162</u>	<u>1,010,133</u>	<u>1,012,206</u>	<u>40,867,576</u>
<b>Net book value</b>						
At 31 July 2025	<u>270,365</u>	<u>48,337,840</u>	<u>3,045,224</u>	<u>317,068</u>	<u>533,245</u>	<u>52,503,742</u>
At 31 July 2024	<u>4,989,235</u>	<u>44,559,584</u>	<u>3,574,319</u>	<u>348,632</u>	<u>628,510</u>	<u>54,100,280</u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025

13. Tangible fixed assets (continued)

Charity

	Assets in course of construction £	Freehold Land & Buildings £	Furniture, Fixtures & fittings £	Boats £	Ground Machines & Vehicles £	Total £
<b>Cost or valuation</b>						
At 1 August 2024	4,989,235	69,444,059	14,134,808	1,289,780	1,484,558	91,342,440
Additions	1,524,609	-	480,007	37,421	60,893	2,102,930
Disposals	-	(111,623)	-	-	-	(111,623)
Transfers between classes	(6,243,479)	6,243,479	-	-	-	-
At 31 July 2025	<u>270,365</u>	<u>75,575,915</u>	<u>14,614,815</u>	<u>1,327,201</u>	<u>1,545,451</u>	<u>93,333,747</u>
<b>Depreciation</b>						
At 1 August 2024	-	24,884,475	10,574,577	941,148	856,048	37,256,248
Charge for the year	-	2,353,600	1,003,364	68,985	156,158	3,582,107
At 31 July 2025	<u>-</u>	<u>27,238,075</u>	<u>11,577,941</u>	<u>1,010,133</u>	<u>1,012,206</u>	<u>40,838,355</u>
<b>Net book value</b>						
At 31 July 2025	<u>270,365</u>	<u>48,337,840</u>	<u>3,036,874</u>	<u>317,068</u>	<u>533,245</u>	<u>52,495,392</u>
At 31 July 2024	<u>4,989,235</u>	<u>44,559,584</u>	<u>3,560,231</u>	<u>348,632</u>	<u>628,510</u>	<u>54,086,192</u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025

14. Fixed asset investments

Group and Charity	Designated Fund £	Endowed Funds £	Fees in Advance £	Total £
<b>Cost or valuation</b>				
At 1 August 2024	4,962,000	1,515,542	5,985,503	12,463,045
Additions	149,445	3,702	-	153,147
Disposals	-	-	(6,762)	(6,762)
Net investment gains	161,056	47,321	285,190	493,567
Movements in cash deposits	(1,757)	(454)	(1,551)	(3,762)
At 31 July 2025	<u>5,270,744</u>	<u>1,566,111</u>	<u>6,262,380</u>	<u>13,099,235</u>
<b>Net book value</b>				
At 31 July 2025	<u>5,270,744</u>	<u>1,566,111</u>	<u>6,262,380</u>	<u>13,099,235</u>
At 31 July 2024	<u>4,962,000</u>	<u>1,515,542</u>	<u>5,985,503</u>	<u>12,463,045</u>

Investments are primarily held to provide an investment return to the School.

**Investments at market value comprise:**

	2025 £	2024 £
Cash managed funds	6,262,361	5,983,933
Quoted stocks	6,835,319	6,473,795
Cash	1,555	5,317
	<u>13,099,235</u>	<u>12,463,045</u>

**Material investments**

The following investments are held which represent more than 5% of the total market value of investments held:

	2025 £	2024 £
ICS - Sterling Liquidity Fund	4,777,404	4,566,651
Fidelity Sterling Fund	1,484,957	1,417,282
Sarasin Endowments Fund Class A Inc	<u>6,835,319</u>	<u>6,473,795</u>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**15. Stocks**

	<b>Group 2025 £</b>	<i>Group 2024 £</i>	<b>Charity 2025 £</b>	<i>Charity 2024 £</i>
Goods for resale and consumables	<b>278,798</b>	<b>265,887</b>	<b>76,189</b>	<b>85,475</b>

**16. Debtors**

	<b>Group 2025 £</b>	<i>Group 2024 £</i>	<b>Charity 2025 £</b>	<i>Charity 2024 £</i>
<b>Due within one year</b>				
School fees	<b>874,680</b>	<b>755,424</b>	<b>874,680</b>	<b>755,424</b>
Amounts owed by group undertakings	-	-	<b>1,697,281</b>	<b>1,455,218</b>
Other debtors	<b>1,345,339</b>	<b>1,104,706</b>	<b>431,354</b>	<b>237,732</b>
Prepayments and accrued income	<b>543,128</b>	<b>637,287</b>	<b>521,766</b>	<b>550,973</b>
Deferred taxation	<b>1,209</b>	<b>499</b>	-	-
	<b>2,764,356</b>	<b>2,497,916</b>	<b>3,525,081</b>	<b>2,999,347</b>

An impairment gain of £92,365 (2024 - £211,196) was recognised against the School fee debtors.

Included within amounts due from group undertakings is a loan to Shrewsbury School Enterprises Limited of £137,635 (2024 - £137,635). The is unsecured and repayable with one year's notice and is charged at 1% above Lloyds Bank Plc base rate.

**SHREWSBURY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

**17. Creditors: Amounts falling due within one year**

	<b>Group 2025 £</b>	<i>Group 2024 £</i>	<b>Charity 2025 £</b>	<i>Charity 2024 £</i>
Trade creditors	903,934	1,205,204	900,004	1,196,793
Corporation tax	644	-	-	-
Other taxation and social security	499,889	446,849	704,269	402,304
Fee deposits	1,194,255	1,223,405	1,194,255	1,223,405
Fees in advance (see note 19)	4,119,903	4,481,250	4,119,903	4,481,250
Other creditors	1,300,862	868,928	1,287,113	855,481
Accruals and deferred income	904,350	2,052,129	729,311	1,851,660
Other loan	65,000	65,000	65,000	65,000
Term loan 1	323,524	418,031	323,524	418,031
Term loan 2	443,713	424,229	443,713	424,229
Term loan 3	400,000	400,000	400,000	400,000
	<b>10,156,074</b>	<b>11,585,025</b>	<b>10,167,092</b>	<b>11,318,153</b>

Within other creditors is £340,199 (2024 - £286,750) payable in respect of pension contributions.

**18. Creditors: Amounts falling due after more than one year**

	<b>Group 2025 £</b>	<i>Group 2024 £</i>	<b>Charity 2025 £</b>	<i>Charity 2024 £</i>
Loan from Shrewsbury School Foundation	1,296,046	1,296,046	1,296,046	1,296,046
Fees deposits	3,306,981	3,200,213	3,306,981	3,200,213
Fees in advance (see note 19)	3,241,580	5,149,613	3,241,580	5,149,613
Other loan	368,334	433,334	368,334	433,334
Term loan 1	-	323,524	-	323,524
Term loan 2	3,728,834	4,172,547	3,728,834	4,172,547
Term loan 3	800,000	1,200,000	800,000	1,200,000
	<b>12,741,775</b>	<b>15,775,277</b>	<b>12,741,775</b>	<b>15,775,277</b>

The loan from Shrewsbury School Foundation is unsecured, interest free and has no fixed payment terms. The loan is considered a concessionary loan.

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**Creditors: Amounts falling due after more than one year (continued)**

**Other loan**

The other loan has been provided by Shropshire Council. The loan is repayable by April 2032 paid by monthly instalments. The loan is interest free and is secured on the following properties: Mosers Hall, The New House, 6 Ashton Road, 13 and 15 Ashton Road. This loan is considered to be a concessionary loan.

The other loan falls due as follows:

	<b>2025</b>	<b>2024</b>
	£	£
Between 1-2 years	<b>65,000</b>	<b>65,000</b>
Between 2-5 years	<b>195,000</b>	<b>195,000</b>
Over 5 years	<b>108,334</b>	<b>173,334</b>
	<u><b>368,334</b></u>	<u><b>433,334</b></u>

**Term loan 1**

The loan from Handelsbanken is unsecured. The loan is repayable by April 2026 in 24 quarterly instalments. The interest rate is fixed at 3.63%.

The term loan falls due as follows:

	<b>2025</b>	<b>2024</b>
	£	£
Between 1-2 years	<u><b>-</b></u>	<u><b>323,524</b></u>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**Creditors: Amounts falling due after more than one year (continued)**

**Term loan 2**

The loan from Lloyds bank is secured over the freehold land and buildings at the Tudors, Tudor House, including Emma Darwin Hall. The loan is repayable by July 2033 in 40 quarterly instalments. The interest rate is fixed at 4.528%.

The term loan falls due as follows:

	<b>2025</b>	<i>2024</i>
	£	£
Between 1-2 years	<b>463,613</b>	<b>443,713</b>
Between 2-5 years	<b>1,521,886</b>	<b>1,455,440</b>
Over 5 years	<b>1,743,335</b>	<b>2,273,394</b>
	<u><b>3,728,834</b></u>	<u><b>4,172,547</b></u>

**Term loan 3**

The loan from Handelsbanken is unsecured. The loan is repayable by June 2028 in 20 quarterly instalments. The interest rate is fixed at 6.07%.

The term loan falls due as follows:

	<b>2025</b>	<i>2024</i>
	£	£
Between 1-2 years	<b>400,000</b>	<b>400,000</b>
Between 2-5 years	<b>400,000</b>	<b>800,000</b>
	<u><b>800,000</b></u>	<u><b>1,200,000</b></u>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**19. Fees in advance**

Parents may, subject to contractual terms and conditions, pay to the School tuition fees in advance. The money may be returned, subject to specific conditions but, assuming the relevant pupils remain in the School, advance fees will be applied as follows:

	2025 £	2024 £
Within 1-2 years	1,386,319	2,577,090
Within 2-5 years	1,596,205	2,079,564
Over 5 years	259,056	492,959
	<u>3,241,580</u>	<u>5,149,613</u>
Within 1 year	4,119,904	4,481,250
	<u>7,361,484</u>	<u>9,630,863</u>

The balance represents the accrued liability under the contracts. The movement during the year was:

	2025 £	2024 £
Balance at 1 August 2024	9,630,863	3,687,870
New contracts	2,287,053	8,800,831
Amounts accrued to contracts	220,949	116,271
	<u>12,138,865</u>	<u>12,604,972</u>
Amounts utilised in payment of fees to the School	(4,777,381)	(2,974,109)
Balance at 31 July 2025	<u>7,361,484</u>	<u>9,630,863</u>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2025 £</b>	<b>Restricted funds 2025 £</b>	<b>Endowment funds 2025 £</b>	<b>Total funds 2025 £</b>
Tangible fixed assets	52,503,742	-	-	<b>52,503,742</b>
Fixed asset investments	11,533,124	-	1,566,111	<b>13,099,235</b>
Current assets	5,513,892	729,699	22,296	<b>6,265,887</b>
Creditors due within one year	(10,156,074)	-	-	<b>(10,156,074)</b>
Creditors due in more than one year	(12,741,775)	-	-	<b>(12,741,775)</b>
<b>Total</b>	<b>46,652,909</b>	<b>729,699</b>	<b>1,588,407</b>	<b>48,971,015</b>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Endowment funds 2024 £</i>	<i>Total funds 2024 £</i>
Tangible fixed assets	<b>54,100,280</b>	-	-	<b>54,100,280</b>
Fixed asset investments	<b>10,947,503</b>	-	<b>1,515,542</b>	<b>12,463,045</b>
Current assets	<b>8,850,869</b>	<b>718,233</b>	<b>23,689</b>	<b>9,592,791</b>
Creditors due within one year	<b>(11,585,025)</b>	-	-	<b>(11,585,025)</b>
Creditors due in more than one year	<b>(15,775,277)</b>	-	-	<b>(15,775,277)</b>
<b>Total</b>	<b>46,538,350</b>	<b>718,233</b>	<b>1,539,231</b>	<b>48,795,814</b>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025

21. Statement of funds

Statement of funds - current year

	Balance at 1 August 2024 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 July 2025 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated funds	4,940,228	103,800	-	-	161,056	5,205,084
<b>Unrestricted funds</b>						
General funds	41,596,582	35,056,757	(35,638,312)	191,543	242,226	41,448,796
Subsidiary trading	1,540	2,948,951	(2,951,462)	-	-	(971)
	41,598,122	38,005,708	(38,589,774)	191,543	242,226	41,447,825
<b>Total Unrestricted funds</b>	46,538,350	38,109,508	(38,589,774)	191,543	403,282	46,652,909
<b>Endowment funds</b>						
Capital	1,376,187	-	-	-	44,401	1,420,588
Re-endowment fund	162,544	1,890	-	-	2,885	167,319
Henschrew Prize Fund	500	-	-	-	-	500
	1,539,231	1,890	-	-	47,286	1,588,407

**SHREWSBURY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

**21. Statement of funds (continued)**

	Balance at 1 August 2024 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 July 2025 £
<b>Restricted funds</b>						
Shrewsbury School Foundation	6,636	939,437	(822,129)	(123,543)	-	401
Guyer Family Prize	190	-	(30)	-	-	160
Hentschrew Prize	80	-	-	-	-	80
Darwin Scholarship	7,212	-	-	-	-	7,212
Hargreaves Legacy	500	-	-	-	-	500
Salopian Club	-	226,846	(158,846)	(68,000)	-	-
Duffell Prize Fund	4,940	-	-	-	-	4,940
Shrewsbury School Parents' Association	-	692	(692)	-	-	-
Consolidated Fund: Unappropriated income	696,675	29,086	(11,355)	-	-	714,406
Art Fund	2,000	-	-	-	-	2,000
	<u>718,233</u>	<u>1,196,061</u>	<u>(993,052)</u>	<u>(191,543)</u>	<u>-</u>	<u>729,699</u>
<b>Total of funds</b>	<u><u>48,795,814</u></u>	<u><u>39,307,459</u></u>	<u><u>(39,582,826)</u></u>	<u><u>-</u></u>	<u><u>450,568</u></u>	<u><u>48,971,015</u></u>

SHREWSBURY SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

**21. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 August 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/(out) £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 July 2024 £</i>
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated funds	3,774,113	125,742	-	671,470	368,903	4,940,228
<b>Unrestricted funds</b>						
General funds	41,585,633	35,579,721	(35,011,626)	(607,131)	49,985	41,596,582
Subsidiary trading	5,607	2,626,235	(2,630,302)	-	-	1,540
	<u>41,591,240</u>	<u>38,205,956</u>	<u>(37,641,928)</u>	<u>(607,131)</u>	<u>49,985</u>	<u>41,598,122</u>
<b>Total Unrestricted funds</b>	<u>45,365,353</u>	<u>38,331,698</u>	<u>(37,641,928)</u>	<u>64,339</u>	<u>418,888</u>	<u>46,538,350</u>
<b>Endowment funds</b>						
Capital	1,285,921	-	-	(30,123)	120,389	1,376,187
Re-endowment fund	122,027	2,572	-	30,123	7,822	162,544
Hentschrew Prize Fund	500	-	-	-	-	500
	<u>1,408,448</u>	<u>2,572</u>	<u>-</u>	<u>-</u>	<u>128,211</u>	<u>1,539,231</u>

SHREWSBURY SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

**21. Statement of funds (continued)**

	<i>Balance at 1 August 2023</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/(out)</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 July 2024</i>
	£	£	£	£	£	£
<b>Restricted funds</b>						
Shrewsbury School Foundation	20,256	855,469	(807,492)	(61,597)	-	6,636
Guyer Family Prize	180	40	(30)	-	-	190
Henschrew Prize	80	-	-	-	-	80
Darwin Scholarship	7,212	-	-	-	-	7,212
Hargreaves Legacy	500	-	-	-	-	500
Salopian Club	-	31,843	(29,101)	(2,742)	-	-
Duffell Prize Fund	4,940	-	-	-	-	4,940
Consolidated Fund: Unappropriated income	672,577	39,594	(15,496)	-	-	696,675
Art Fund	2,000	-	-	-	-	2,000
Sabrina Club	-	13,783	(13,783)	-	-	-
External Bursaries	-	3,915	(3,915)	-	-	-
	<u>707,745</u>	<u>944,644</u>	<u>(869,817)</u>	<u>(64,339)</u>	<u>-</u>	<u>718,233</u>
<b>Total of funds</b>	<u><u>47,481,546</u></u>	<u><u>39,278,914</u></u>	<u><u>(38,511,745)</u></u>	<u><u>-</u></u>	<u><u>547,099</u></u>	<u><u>48,795,814</u></u>

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

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#### Statement of funds (continued)

##### Designated Fund

A fund established by the Governors to assist future pupils with bursarial support to attend the School.

##### Re-endowment Fund

A fund established in 1924 to contribute to the upkeep of the estate and to the support of pupils at Shrewsbury School who are in financial need.

##### Shrewsbury School Foundation

A registered charity supporting a range of educational objectives through financial contributions to Shrewsbury School and its pupils. Donations received totalled £939,437 (2024 - £855,469) of which £822,129 (2024 - £793,872) was given to support bursaries awarded to pupils and £123,543 (2024 - £61,597) for capital projects.

##### Guyer Family Prize

An annual prize for an outstanding contribution to the music department.

##### Hentschrew Prize

An annual prize to the boy in the School House who contributes most to the well running of the house, in a social rather than academic or sporting context.

##### Darwin Scholarship

A scholarship awarded to pupils attending the School from Hong Kong who are judged outstanding academically, in the arts, music or sport.

##### Hargreaves Legacy

A legacy left by an old boy, to be used for educational purposes.

##### Salopian Club Fund

The donations received from the Salopian Club to assist with costs relating to staff and the Salopian magazine.

##### Duffell Prize Fund

A donation received to fund a prize to a pupil who excels in design and technology.

##### Consolidated Fund

A consolidation of 70 small funds the income from which, is used to provide prizes, scholarships and bursaries to pupils at Shrewsbury School.

##### Art Fund

A donation received to support the Art Department.

##### Sabrina Club

A donation received to assist with the purchase of a boat.

##### External Bursaries

Donations received assist pupils who would not otherwise be able to attend Shrewsbury School.

##### Packwood - Redevelopment of Science Facilities

Donations received to assist with the redevelopment costs of the science facilities at Packwood Haugh School.

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**Statement of funds (continued)**

Transfers between funds

The transfer between restricted and general funds of £191,543 (2024 - £64,339) represents capital items purchased from restricted funds (capital items purchased are in accordance with the donors wishes).

The transfer between general and designated funds in prior year of £671,470 represents the transfer approved to the designated fund by the Trustees during the year.

**22. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>Group 2025 £</b>	<i>Group 2024 £</i>
Net income for the year (as per Statement of Financial Activities)	<b>218,201</b>	<b>1,389,268</b>
<b>Adjustments for:</b>		
Depreciation charges	<b>3,589,231</b>	<b>3,105,749</b>
Gains on investments	<b>(493,568)</b>	<b>(622,099)</b>
Dividends and interest from investments	<b>(143,767)</b>	<b>(197,637)</b>
Profit on the sale of fixed assets	<b>(19,048)</b>	<b>(26,280)</b>
(Increase)/decrease in stocks	<b>(12,911)</b>	<b>7,378</b>
Increase in debtors	<b>(266,440)</b>	<b>(356,461)</b>
(Decrease)/increase in creditors	<b>(3,155,193)</b>	<b>5,451,164</b>
Pension scheme movement	<b>(43,000)</b>	<b>(75,000)</b>
Interest paid on borrowings	<b>331,252</b>	<b>400,099</b>
<b>Net cash provided by operating activities</b>	<b>4,757</b>	<b>9,076,181</b>

**23. Analysis of cash and cash equivalents**

	<b>Group 2025 £</b>	<i>Group 2024 £</i>
Cash at bank	<b>3,222,733</b>	<b>6,828,988</b>
Cash held in investments	<b>1,555</b>	<b>5,317</b>
<b>Total cash and cash equivalents</b>	<b>3,224,288</b>	<b>6,834,305</b>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**24. Analysis of changes in net debt**

	At 1 August 2024	Cash flows	Other non- cash changes	At 31 July 2025
	£	£	£	£
Cash at bank	6,828,988	(3,606,255)	-	3,222,733
Debt due within 1 year	(1,307,260)	1,307,260	(1,232,237)	(1,232,237)
Debt due after 1 year	(7,425,451)	-	1,232,237	(6,193,214)
	(1,903,723)	(2,298,995)	-	(4,202,718)

**25. Capital commitments**

At 31 July 2025 the group and charity had capital commitments as follows:

	2025	2024
	£	£
Contracted for but not provided in these financial statements	-	1,286,773
	-	1,286,773

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025

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**26. Pension commitments**

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff who joined pre September 2021. The pension charge for the year includes contributions payable to the TPS of £1,460,584 (2024 - £1,597,807) and at the year-end £165,923 (2024 - £210,533) was accrued in respect of contributions to this scheme.

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

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

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

**Shrewsbury School (1971) Pension and Life Assurance Scheme**

The School has a defined benefit pension scheme for certain support staff (Shrewsbury School (1971) Pension and Life Assurance Scheme) and its assets are invested in pooled, bond and gilt funds with Legal & General Investment Managers. The scheme has been closed to new members since 2001.

The amounts in the financial statements for the year ended 31 July 2024, relating to pensions, are based on a full actuarial valuation dated 31 May 2022.

The valuation, as of 31 May 2022, revealed a funding deficit of £759,000. Subsequent to the valuation date, there was a significant improvement in the Scheme's funding position and the Trustees of the Scheme and the School, agreed and implemented a de-risking investment strategy, holding 100% of matching assets in order to protect the funding surplus and reduce any funding volatility. As a result of this strategy, the Scheme is now in surplus, and the statutory funding objective has been met.

This post valuation experience has resulted in the following:

1. The school paid contributions of 23.8% of pensionable salaries up to 31 August 2023, and from 1 September 2023, 23.5% of pensionable salaries, to meet the cost of future accrual for active members of the Scheme, in line with the Schedule of Contributions dated 24 August 2023.
2. In accordance with the Schedule of Contributions dated 24 August 2023, the School paid additional contributions of £138,000 a year to 31 August 2023. As from 1 September 2023, these additional contributions are no longer required as the Scheme is in surplus.

In addition, with the agreement the Trustees of the Pension Scheme and the School, the administration expenses of the Scheme could be borne by the Scheme, up to £100,000 a year, if not the School will continue to meet the administrative expenses of the Scheme.

The Trustees of the Pension Scheme, have a charge over the following School properties: 33 Porthill Road, 23 and 23a Ashton Road.

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**26. Pension commitments (continued)**

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	<b>At 31 July 2025 %</b>	<i>At 31 July 2024 %</i>
Discount rate	5.55	4.95
Future salary increases - pre 2030	2.05	2.25
Future salary increases - post 2030	2.75	2.95
Inflation assumption (RPI) - pre 2030	2.95	3.15
Inflation assumption (RPI) - post 2030	2.75	2.95
Inflation assumption (CPI) - pre 2030	2.05	2.25
Inflation assumption (CPI) - post 2030	2.75	2.95
Pre 6/4/1997 (fixed 3%)	3.00	3.00
Post 6/4/1997 (RPI min 3%, max 5% - Option A members) - pre 2030	3.50	3.60
Post 6/4/1997 (RPI min 3%, max 5% - Option A members) - post 2030	3.45	3.55
Post 6/4/1997 (CPI min 3%, max 5% - Option B members) - pre 2030	3.25	3.30
Post 6/4/1997 (CPI min 3%, max 5% - Option B members) - post 2030	3.45	3.55
	<hr/> <hr/>	<hr/> <hr/>
	<b>At 31 July 2025 Years</b>	<i>At 31 July 2024 Years</i>
Mortality rates (in years)		
- for a male aged 65 now	21.8	21.5
- at 65 for a male aged 45 now	22.8	22.4
- for a female aged 65 now	24.1	24.0
- at 65 for a female aged 45 now	25.2	25.1
	<hr/> <hr/>	<hr/> <hr/>

**Sensitivity analysis**

	<b>At 31 July 2025 £</b>	<i>At 31 July 2024 £</i>
Discount rate +0.25%	(122,000)	(143,000)
RPI rate +0.25%	37,000	45,000
CPI rate +0.25%	20,000	22,000
Assumed life expectancy age 65 - increase by 1 year	255,000	273,000
	<hr/> <hr/>	<hr/> <hr/>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**26. Pension commitments (continued)**

The Group's share of the assets in the scheme was:

	<b>At 31 July 2025 £</b>	<i>At 31 July 2024 £</i>
Bonds	<b>5,014,000</b>	<b>5,516,000</b>
Insurance annuities	<b>848,000</b>	<b>968,000</b>
Cash	<b>85,000</b>	<b>45,000</b>
<b>Total fair value of assets</b>	<b><u>5,947,000</u></b>	<b><u>6,529,000</u></b>

The actual return on scheme assets was £(167,000) (2024 - £198,000).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	<b>2025 £</b>	<i>2024 £</i>
Current service cost - within Schools and grant making	<b>13,000</b>	<b>12,000</b>
Net interest on pension scheme liabilities - within finance charges	<b>(42,000)</b>	<b>(48,000)</b>
<b>Total amount recognised in the Consolidated Statement of Financial Activities</b>	<b><u>(29,000)</u></b>	<b><u>(36,000)</u></b>

Movements in the present value of the defined benefit obligation were as follows:

	<b>2025 £</b>	<i>2024 £</i>
Opening defined benefit obligation	<b>5,686,000</b>	<b>5,705,000</b>
Contributions by scheme participants	<b>3,000</b>	<b>3,000</b>
Actuarial gains	<b>(357,000)</b>	<b>(2,000)</b>
Benefits paid	<b>(432,000)</b>	<b>(321,000)</b>
Current service cost	<b>13,000</b>	<b>12,000</b>
Interest cost	<b>271,000</b>	<b>289,000</b>
<b>Closing defined benefit obligation</b>	<b><u>5,184,000</u></b>	<b><u>5,686,000</u></b>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**26. Pension commitments (continued)**

Movements in the fair value of the Group's share of scheme assets were as follows:

	<b>2025</b>	<i>2024</i>
	£	£
Opening fair value of scheme assets	<b>5,686,000</b>	<b>5,705,000</b>
Interest income	<b>312,000</b>	<b>337,000</b>
Actuarial losses	<b>(400,000)</b>	<b>(77,000)</b>
Contributions by employer	<b>14,000</b>	<b>39,000</b>
Contributions by scheme participants	<b>3,000</b>	<b>3,000</b>
Benefits paid	<b>(431,000)</b>	<b>(321,000)</b>
<b>Closing fair value of scheme assets</b>	<b>5,184,000</b>	<b>5,686,000</b>

Reconciliation of funded status:

	<b>2025</b>	<i>2024</i>
	£	£
Opening deficit	-	-
Employer contributions	<b>14,000</b>	<b>39,000</b>
Charge recorded in Statement of Financial Activities	<b>29,000</b>	<b>36,000</b>
Actuarial loss received in Statement of Financial Activities	<b>(43,000)</b>	<b>(75,000)</b>
	-	-

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**27. Operating lease commitments**

At 31 July 2025 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group and Charity 2025 £</b>	<i>Group and Charity 2024 £</i>
<b>Group and Charity Amounts payable:</b>		
Within 1 year	<b>51,318</b>	<b>69,627</b>
Between 1 and 5 years	<b>101,795</b>	<b>178,422</b>
	<b>153,113</b>	<b>248,049</b>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	<b>Group and Charity 2025 £</b>	<i>Group and Charity 2024 £</i>
<b>Group and Charity</b>		
Operating lease rentals	<b>60,117</b>	<b>53,293</b>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025**

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**28. Financial instruments**

	<b>Group 2025 £</b>	<i>Group 2024 £</i>	<b>Charity 2025 £</b>	<i>Charity 2024 £</i>
<b>Financial assets</b>				
Financial assets measured at fair value through income and expenditure	<b>13,099,235</b>	<b>12,463,045</b>	<b>13,099,235</b>	<b>12,463,045</b>

Financial assets measured at fair value through income and expenditure comprises investments in UK listed securities.

The Group's income, expense, gains and losses in respect of financial instruments are summarised below:

	<b>Group 2025 £</b>	<i>Group 2024 £</i>	<b>Charity 2025 £</b>	<i>Charity 2024 £</i>
Total investment income for financial assets measured at fair value through income and expenditure	<b>143,767</b>	<b>197,637</b>	<b>143,767</b>	<b>197,637</b>
Net (gain)/loss on financial assets measured at fair value through income and expenditure	<b>(493,568)</b>	<b>(622,099)</b>	<b>(493,568)</b>	<b>(622,099)</b>
Impairment loss on financial assets measured at amortised cost	<b>92,365</b>	<b>211,196</b>	<b>92,365</b>	<b>211,196</b>
Total interest expense for financial liabilities held at amortised cost	<b>331,252</b>	<b>135,376</b>	<b>331,252</b>	<b>400,099</b>

**29. Related party transactions**

During the year Shrewsbury School had various transactions and balances outstanding at the year end with its two wholly owned trading subsidiaries, Shrewsbury School Enterprises Limited and Shrewsbury School Trading Company Limited. These are disclosed in note 6.

Governors' remuneration and expenses are disclosed in note 11 and key management personal remuneration is disclosed in note 12.

There are no other related party transactions to disclose.

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2025

30. Consolidated Statement of Financial Activities for the year ended 31 July 2024

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
<b>Income and endowments from:</b>				
Grants and donations	-	905,050	-	905,050
Charitable activities:				
School fees	34,808,537	-	-	34,808,537
Other educational income	465,952	-	-	465,952
Other ancillary trading	275,503	-	-	275,503
Other trading activities	2,626,235	-	-	2,626,235
Investments	155,471	39,594	2,572	197,637
<b>Total income</b>	<b>38,331,698</b>	<b>944,644</b>	<b>2,572</b>	<b>39,278,914</b>
<b>Expenditure on:</b>				
Raising funds:				
Trading activities	1,445,184	-	-	1,445,184
Fundraising costs	308,426	-	-	308,426
Financing costs	711,354	-	-	711,354
Charitable activities:				
Education and grant making	35,176,964	869,817	-	36,046,781
<b>Total expenditure</b>	<b>37,641,928</b>	<b>869,817</b>	<b>-</b>	<b>38,511,745</b>
<b>Net income before net losses on investments</b>	<b>689,770</b>	<b>74,827</b>	<b>2,572</b>	<b>767,169</b>
Net gains in investments	493,888	-	128,211	622,099
<b>Net income before transfers</b>	<b>1,183,658</b>	<b>74,827</b>	<b>130,783</b>	<b>1,389,268</b>
Transfers between funds	64,339	(64,339)	-	-
<b>Net movement in funds before other recognised losses</b>	<b>1,247,997</b>	<b>10,488</b>	<b>130,783</b>	<b>1,389,268</b>
Actuarial losses on defined benefit pension schemes	(75,000)	-	-	(75,000)
<b>Net movement in funds</b>	<b>1,172,997</b>	<b>10,488</b>	<b>130,783</b>	<b>1,314,268</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	45,365,353	707,745	1,408,448	47,481,546
Net movement in funds	1,172,997	10,488	130,783	1,314,268
<b>Total funds carried forward</b>	<b>46,538,350</b>	<b>718,233</b>	<b>1,539,231</b>	<b>48,795,814</b>

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

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#### **31. Post balance sheet events**

On 1 August 2025, a merger took place between Shrewsbury School and Terra Nova School Trust Limited (company number 00554799). Terra Nova School Limited is a preparatory school for pupils aged between 4 and 13 based in Cheshire. The assets, liabilities and trading activities of Terra Nova School Trust Limited were transferred to Shrewsbury School.

The merger will be accounted for in the School's financial statements for the year ended 31 July 2026, with the total value of the funds being transferred being treated as a donation in the consolidated Statement of Financial Activities. The total value of funds as at 1 August 2025 to be transferred has yet to be finalised, but the total value of funds held by Terra Nova School Trust Limited at 31 August 2024 was £1,410,435. Further details regarding the merger can be found in the Trustees report.

On 10 October 2025, Shrewsbury School acquired the shares of Prestfelde School Limited (company number 05023969). Prestfelde School Limited is a preparatory school for pupils aged between 4 and 13 based in Shropshire. The assets, liabilities and trading activities of Prestfelde School Limited were transferred to Shrewsbury School. The investment in subsidiary will be accounted for in the School's financial statements for the year ended 31 July 2026, with the total value of the funds being acquired and the balance of consideration accounted as goodwill. The total value of funds as at 10 October 2026 to be transferred has yet to be finalised, but the total value of funds held by Prestfelde School Limited at 31 August 2024 was £4,523,359. Further details regarding the share purchase can be found in the Trustees report.

**SHREWSBURY SCHOOL**

England & Wales - Charity number 528413

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# Accounts

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Charity number: 528413

**SHREWSBURY SCHOOL**

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2024**

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SHREWSBURY SCHOOL

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## SHREWSBURY SCHOOL

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 JULY 2024

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<b>Governors</b>	J.D.C. Pitt, MBA, BSc (Co-opted member), Chairman <sup>1,2,4,6</sup> JC Berndt (Co-opted member) (appointed 17 September 2024) <sup>6</sup> R. Boys-Stones, BSc, FCA (Co-opted member) <sup>1,4</sup> D Chance MBA (Co-opted member) <sup>1,2</sup> J.R. Clark MA (Co-opted member) (resigned 31 July 2024) <sup>3,5,6</sup> S.F.D. Ellis (Co-opted member) (appointed 3 June 2024) <sup>6</sup> D. Flint, DL (Appointed by the Lord Lieutenant of the County of Shropshire) (resigned 31 December 2023) <sup>1,2,5</sup> G. Hamer DL (appointed 1 January 2024) <sup>1</sup> S.L.Hankin BA (Co-opted member) <sup>5</sup> C. Howarth LLB, MA (Co-opted member) <sup>2,6</sup> Dr S. Jones-Perrott BA, MBBS, FRCP (Co-opted member) <sup>3,5,7</sup> W. Kenyon MA, FCA (Co-opted member) <sup>3</sup> Professor A.J. McCarthy BSc, PhD (Co-opted member) (resigned 3 January 2024) <sup>2,5</sup> J.M.H. Moir, BA, MBA (Co-opted member) <sup>1,4</sup> Councillor D. Morris BA, (Appointed by Shropshire Council) <sup>3,6</sup> Councillor C.M. Motley BA (Appointed by Shropshire Council) <sup>1,2,7</sup> F.L. Schofield BA, PGCE (Co-opted member) <sup>5,7</sup> Canon J. Leigh MA, FRSA (Co-opted member) <sup>5</sup> D.R. Stacey DL (Co-opted member) <sup>1,3,7</sup> G. Walters BBLs (Co-opted member) <sup>6</sup> C Ward (appointed 17 September 2024)(Co-opted member) <sup>5</sup>
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- 1 Finance and General Purposes Committee
- 2 Nominations and Remuneration Committee
- 3 Audit Committee
- 4 Investment Committee
- 5 Education and Safeguarding Committee
- 6 International Development Committee
- 7 The Prep School Committee

**Charity registered  
number**

528413

**Principal address and  
Registered Office**

The Bursary  
Kingsland House  
Shrewsbury School  
The Schools  
Shrewsbury  
SY3 7AA

**Headmaster**

N L Winkley MA, MEd

**The Bailiff, Bursar and  
Clerk to the Governing  
Body**

M J Ware, MA, ACA (resigned 16 August 2024)

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SHREWSBURY SCHOOL

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS  
(CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2024

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<b>Independent auditor</b>	Crowe U.K. LLP Fourth Floor St James House St James Square Cheltenham GL50 3PR
<b>Bankers</b>	Barclays Bank UK Plc 44/46 Castle Street Shrewsbury SY1 1BU  Handelsbanken Plc 1st Floor, Willow House West Shrewsbury Business Park Shrewsbury SY2 6LG  Lloyds Bank Plc 1 Pride Hill Shrewsbury SY1 1DG
<b>Investment Advisors</b>	Sarasin & Partners LLP Juxon House 100 St. Paul's Churchyard London EC2M 8BU

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT FOR THE YEAR ENDED 31 JULY 2024

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The Governors present their annual report for the year ended 31 July 2024, under the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter comply with the Act, the Shrewsbury School Statutes and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", the Charities SORP (FRS102) effective 1 January 2019.

#### REFERENCE AND ADMINISTRATIVE INFORMATION

Shrewsbury School was founded in 1552 as "The Free Grammar School of King Edward VI" and is registered with the Charity Commission under charity number 528413. The Governors, Officers and principal address and particulars of the Charity's professional advisers are as listed on pages 1-2.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing Document

Shrewsbury School is governed in accordance with the Shrewsbury School Statutes, approved by the late HM Queen Elizabeth II in Council on 12 October 2016.

##### Recruitment and Training of Governors

The Governing Body consists of both appointed and co-opted members.

The Master of St John's College, Cambridge is an ex-officio member of the Governing Body. The current Master of St John's has decided not to take up her post as a Governor of Shrewsbury School in line with the policy of the College council. Three members are appointed to the Governing Body by persons or a body of persons as specified in Shrewsbury School's Statutes and effectively provide an informal link with Shrewsbury Town and its County. One member is elected by the Assistant Teachers of Shrewsbury School (Common Room).

Fourteen members (maximum) are co-opted by the current Governors, their names being brought forward for appointment by the Nominations and Remuneration Committee of the Governing Body. There is a regular audit of Governors' qualifications, skills and experience. Governors are encouraged to attend appropriate training courses and seminars.

New Governors are introduced to the workings of the Charity and the Governing Body largely by past financial statements, management accounts, minutes of Governor and sub-committee meetings, and a day's visit to Shrewsbury School, including meeting representatives of staff and employees. General information is provided in Statutes, the School Handbook, information for pupils, and Charity Commission regulations. Specific issues are addressed at an academic-year-end strategy meeting with the Headmaster. Governors are encouraged to keep abreast of new regulations. All Governors are required to undergo a Disclosure and Barring check for child protection purposes.

##### Organisational Management

The members of the Governing Body, as Trustees of the Charity, are legally responsible for the overall management and control of both schools and meet as the full decision making Governing Body at least three times a year.

There are seven committees to which powers of investigation and recommendation are delegated, and which meet regularly under their respective chairmen. Minutes are kept of all meetings of the Trustees and of the Committees. Draft minutes are circulated to all Governors for discussion at meetings of the full Governing Body.

The Finance and General Purposes Committee (F&GP) is the working Committee responsible for making recommendations on the financial and operational policy to the Governing Body and for ensuring that the decisions and policies of the Governing Body are implemented. The F&GP meets at least three times a year, prior to full Governing Body meetings. The F&GP during the year was chaired by R Boys-Stones.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

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The other committees are the Nominations and Remuneration Committee, chaired by D Chance. The International Development Committee, chaired by C Howarth; the Audit Committee, chaired by W Kenyon; the Investment Committee, chaired by M Moir; the Education and Safeguarding Committee, chaired by J Leigh; and the Prep School Committee, chaired by C Motley. Each Committee meets at least once a year.

The Governing Body has approved the terms of reference for each of the committees. The day-to-day running of Shrewsbury School itself is delegated to the Headmaster, who is supported by the Bursar and their various management teams. The Packwood Haugh School Headmaster reports into the Headmaster of Shrewsbury School, and is supported by the Packwood Bursar and Packwood Leadership Team. These groups form the key management personnel.

The Shrewsbury Headmaster and the Shrewsbury Bursar attend Governing Body and F&GP Committee meetings, and the meetings of other committees as appropriate. Other teaching and support staff attend Governing Body and committee meetings on an ad hoc basis to advise and inform Governors on specific areas of the Shrewsbury School's and Packwood's activities.

Policies and guidelines for the effective governance and management of Shrewsbury School are regularly reviewed by the Audit Committee and their recommendations passed to the F&GP and the Governing Body for action. The Prep School Committee performs a similar function for Packwood.

The remuneration of the key management personnel of both schools is set by the Nominations and Remuneration Committee. The policy objectives are to provide appropriate incentives to encourage enhanced performance and to reward fairly and responsibly individual contributions to the success of both schools.

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

#### **Group Structure and Relationships**

During the year, the Charity had two wholly owned subsidiaries:

- Shrewsbury School Enterprises Limited (non-charitable)
- Shrewsbury School Trading Company Limited (non-charitable).

The activities of these companies are discussed later in this report.

In addition, the Charity pays the employment, administrative and other costs, and expenses of Shrewsbury School Foundation. These costs are categorised as fund raising costs within the Consolidated Statement of Financial Activities. The Governors have agreed that the Charity will incur these costs to the extent that Shrewsbury School Foundation exercises and continues to exercise its charitable objects (the "Shrewsbury School Charitable Objects") as set out in the Foundation Trust Deed. Shrewsbury School and Packwood Haugh School both operate within the Shrewsbury School charity.

#### **Risk Management**

The Governing Body is responsible for the management of the risks faced by both schools. Detailed analysis of the risks is delegated to the Audit Committee, who in turn delegates review of each risk type to the relevant sub-Committees. In this review, the Governing Body sub-Committees are assisted by the leadership team from each school. Risks are identified, assessed and controls established throughout the year. The risks are identified under the following headings: mission and objects; law and regulations; governance and management; external factors; marketing/pupil recruitment; academic factors; operational factors; human resources; environmental; technological and financial. A formal review of the major risks facing the Charity and the concomitant risk management processes is performed annually by the Governing Body.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

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The key controls used by the Charity include:

- formal agendas and papers where appropriate for all Committee and Governing Body meetings with detailed minutes taken for each and circulated in draft to relevant participants and members unable to attend.
- clear and detailed terms of reference for each Committee.
- comprehensive strategic planning, budgeting and management accounting, timely, clear and accurate management financial information readily available and formal written policies agreed.
- established organisational management structure and lines of reporting, clear authorisation and approval levels for payments.
- Governors who have designated responsibility for child protection, health and safety, estates and admissions.

It is recognised that these control systems provide a reasonable, but not an absolute, assurance that risks are being managed properly. The Governors are satisfied that the major risks being faced by both schools this year have been identified and are being adequately addressed in order to avoid each, or to mitigate the effects of an unavoidable occurrence.

#### **OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

##### **Charitable Objects**

The Objects of the Charity are the advancement of education, including the provision of boarding and day schooling.

Within these Objects the Charity has a number of permanent endowed funds held for special purposes in connection with the development of Shrewsbury School's facilities and for scholarships, bursaries, prizes and other educational purposes.

##### **Public Benefit Aims and Intended Impact**

Shrewsbury School was founded in 1552 by Royal Charter to provide charitable education in the Shrewsbury area. Shrewsbury attracts entrants from all over the United Kingdom - and also from abroad - whilst still retaining its strong links with the town and its citizens. Since August 2019, Packwood Haugh School has been part of the overall Shrewsbury School charitable entity.

Our aim is that a Shrewsbury education will educate and empower each individual to flourish in life and contribute positively to the world around them. Shrewsbury School delivers whole person education in a thriving and inclusive boarding and day school community that champions the individual. We believe that the true purpose of education is the cultivation of inner virtues, life skills and character strengths that equip our young people with the confidence and direction to pursue meaningful and successful lives.

Packwood Haugh School operates as an independent boarding and day Preparatory School for boys and girls aged from 4 to 13. Packwood covers all that is required by the National Curriculum Key Stages 1 and 2, and the first two years of Key Stage 3 and substantially more. Packwood aims for the highest quality of academic tuition and pastoral care and the development of wider sporting, artistic and social skills in all its pupils, while offering an environment in which each pupil can develop and fulfil their potential.

In setting both schools' objectives and planning of activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and fee charging.

Shrewsbury and Packwood provide substantial public benefit not only to the recipients of educational grants but also to the local community and a wider public. A member of the Shrewsbury School Leadership Team has specific responsibility for Partnership and Community Engagement in order to focus the different strands of activity in this area and to measure the impact on beneficiaries.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

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#### **Educational grants and widening access to Shrewsbury School and Packwood.**

Scholarships, bursaries and other awards are made available from three sources: funds controlled by the Governing Body as Trustees; funds managed by the Trustees of the Shrewsbury School Foundation; and the general income of both schools. In the year, 375 (2023 - 385) Shrewsbury pupils were assisted of whom 204 were means tested (2023 - 198). The value of this means tested support at Shrewsbury was £3,541,684 (2023 - £3,188,752). This figure includes 12 pupils (2023 - 11) who were in receipt of 100% means tested remissions.

Packwood offered £368,082 (2023 - £367,015) in bursary and scholarship support in 2023-24, of which £234,954 (2023 - £262,642) was means tested.

Such a significant level of fee support is in keeping with the aims of the schools and underscores the charitable purpose.

#### **Partnerships with local schools and the Shrewsbury House, Everton "The Shewsy".**

Shrewsbury School engages in substantial charitable fundraising for both local, national and international organisations. Of special interest is the on-going financial support for Shrewsbury House, known as 'The Shewsy', a youth club in Liverpool established by Shrewsbury School in 1903 to serve the needs of the socially and economically disadvantaged community in Everton. During 2023-4, significant fundraising by students and the wider Salopian community took place in support of The Shewsy's annual 'Big Give' campaign at Christmas, with over £95k being raised to help provide further support for youth programmes.

In addition to fundraising, Shrewsbury School is actively involved in governance, provides accounting and other services, free of charge, to Shrewsbury House. In the last academic year, all new Year 9 Shrewsbury School pupils visited The Shewsy as part of the volunteering component of their BASE programme and worked in the 'Everton in the Community' garden and in Junior Club. Themed residential visits to Liverpool were offered to Lower Sixth Form Students – covering Law, Medicine, Business and Politics.

Over 250 hours' of staff time (planning and delivery) is estimated to have gone into the above programme.

During the 2023-24 academic year Shrewsbury School continued to develop partnership activity with state schools, charities and other organisations, both locally and nationally. Programmes covered academics, co-curricular (sport, music and arts), support with careers and pastoral aspects of school life – some of these were regular activities over a term or the whole year, others were one-off events or special occasions. Amongst the highlights of 2023-24 are the following case studies:

#### **Case Study 1 – Support for the Food Bank+**

During the year the School community raised a record amount of funds for the Food Bank+ through events including the House Singing Competition, hosting the annual Christmas Fayre in Quod, the staff/community football tournament and Jazz in the Barnes evening – totalling c£10k. Salopians volunteered working at the Food Bank+ each Thursday throughout the year and pupils and teachers participated in the Christmas hamper campaign in the week leading up to Christmas. This redoubling of effort demonstrates Shrewsbury School's commitment to this local charity / partner, particularly when the 'Cost of Living' crisis was peaking with even more individuals and families requiring the support of this charity.

#### **Case Study 2 – Thursday Afternoon Volunteering – weekly commitment**

Under the leadership of Naomi Pritchard the School's Volunteering programme is thriving. Last year activities included supporting literacy in a range of state primary schools, care home and hospital visits, charity shop support, homework club for refugees – a total of close to 20 different settings. Each week teaching staff dedicated 60+ hours of their time to this area of school life, facilitating the programme to over 200 Salopians reaching an estimated 500 members of the community. Many of these weekly activities – typically lasting 2 hours – were extended into a longer period during Field Days often with a special project planned and more contact time to mutual benefit of our own students alongside the partners.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

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#### **Case Study 3 – Restart Africa**

The School developed its relationship with Restart Africa in Gil Gil, Kenya, in support of abused and homeless children, primarily through funding transformative educational opportunities. Alongside an educational piece of work (the CEO of Restart visited and gave a whole school assembly) for our students, opportunities were afforded for volunteers to do virtual mentoring each week. Fundraising happened at whole school and house levels (events included All Nighters, hockey and football tournaments, bakes), raising a total of c£25k. This paid for in-house teaching support at Gil Gil, as well as units of £350 whole year school fees for residents of the Restart centre in local schools. In March of 2024 20 students and 4 staff visited Restart, volunteering at the centre, helping deliver suitcases full of high need items, sharing experiences, facilitating informal education programmes. Students who visited will take the lead in future work with Restart – their advocacy will be powerful.

#### **Case Study 4 – Sporting Outreach**

The School supported and promoted sporting opportunities in many ways during 2023-4. This is work planned and delivered by Ed Moore, Sports Facilities Manager, and his team. In addition to hiring out facilities at a competitive / discounted price (notably the swimming pool, squash courts, astroturfs and cricket centre), partnerships with the Marches Academy Trust, Alpha Academies Trust and the Trusted Sports Alliance have been developed pro bono to widen access to our first-class facilities and support the curricular and co-curricular sporting aims of each partner. For the Marches Academy Trust, we hosted primary and secondary Varsity competitions, ranging from swimming galas, football tournaments, cricket and rounders. For Alpha Academies Trust, we ran a carousel of sporting challenges and introductions to new sports such as Fives for all of their Yr8 pupils as part of the wider universal offer designed to develop teamwork and leadership skills. For the Trusted Sports Alliance, swimming galas and football tournaments were organised for participating primary schools. Alongside the above, we have developed our Dedicated Athletes Programme, with our Strength & Conditioning lead making weekly visits to Shrewsbury Academy School and hosting a group from The Priory School on site, also on a weekly basis.

Other community engagement:

A detailed inventory of the School's Partnership and Community Engagement work can be found at <https://www.shrewsbury.org.uk/pce>

As well as supporting charitable fundraising by pupils and staff, the School regularly makes available its facilities to various external charities, either at no cost to the charity or at heavily discounted rates to cover school costs – in particular the Food Bank+ where pupils volunteer throughout the year.

School staff are encouraged to participate in the local and wider community, providing their time free of charge. Such participation ranges from acting as governors or trustees of local primary, secondary and specialist schools, to volunteering for local charities, to taking part in environmental projects.

The School's annual concert series is open to the public and is well attended by members of the local community and community choir continues to thrive.

#### **Fundraising**

Shrewsbury School did not participate in any fundraising activities on its own account during the year and therefore there are no fundraising disclosures necessary under S162A of the Charities Act.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

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#### Objectives for the Year

This year, the focus has been on:

- Focus on funding and increasing the number of means tested transformative bursaries (75% to 110% off fees).
- The continued development of a cross sector programme of partnership and community engagement.
- Future planning to mitigate the impact of potential future changes to the taxation regime for independent schools.
- The operation of the first Shrewsbury School Summer School.

#### REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

##### Operational Performance of the schools

This year, Shrewsbury School numbers averaged 839 (2023 - 828) pupils of whom 617 (2023 - 600) were boarders and 222 (2023 - 228) were day pupils. Packwood Haugh School numbers averaged 217 (2023 - 226) of whom 54 (2023 - 54) were boarders.

Shrewsbury School pupil numbers at the start of the 2024/25 academic year were 830, and Packwood Haugh had 220 pupils.

A Level and GCSE results at Shrewsbury in 2024 were improved from those in 2023. 74.2% of A Level results were graded A\* - B and these enabled 87% of our leavers to take up their first choice university destination. At (I)GCSE 54.2% of results were graded 9 - 7.

##### Grants and Awards

The Charity in total awarded bursaries, scholarships and allowances of £5,210,662 (2023 - £4,911,162). Shrewsbury School, despite not possessing a large endowment reserve, continues to support and assist pupils to come to Shrewsbury. During the year Shrewsbury School awarded a total of £4,842,579 (2023 - £4,544,147) of scholarships, grants, bursaries and other allowances to pupils, of which £779,968 (2023 - £676,047) came from restricted funds, including £760,914 (2023 - £649,017) from Shrewsbury School Foundation. Packwood made awards to pupils totalling £368,082 (2023 - £367,015).

Shrewsbury School holds a scholarship competition for suitably qualified candidates under the age of 14 each year. It awards up to four Butler Scholarships to a value of 30% of fees; up to four Kennedy Scholarships; and two Moss Scholarships worth up to one-fifth of fees; and up to seven Alington Exhibitions worth £2,000 per year. There are also up to four Music Scholarships worth up to 30% of fees, each year, and two Art Scholarships worth one-fifth of fees.

For entrants to Shrewsbury at Sixth Form level, there are a range of academic, music and sporting awards. In addition, the School offers two means tested Sixth Form sporting scholarships, worth up to 100% of fees.

Foundation bursaries are awarded to pupils who will make a significant contribution to the School whether it be academically in sport or through the arts. The funding for these awards comes from Shrewsbury School Foundation. In total, Shrewsbury School Foundation financially supported 27 pupils (2023 - 27 pupils) of whom 9 pupils (2023 - 7 pupils) received 100% funding.

The Governors publish a detailed grant making policy on Shrewsbury School's website. In short, the Governors' policy is to make bursary awards on the basis of the individual's educational ability and his or her family's ability to pay, subject to the particular conditions imposed by the original donor where the award is taken from restricted funds.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

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#### Financial Review and Results for Year

The financial statements reflect the activities and results of the Charity (Shrewsbury School and Packwood) and its two subsidiary companies, Shrewsbury School Enterprises Limited and Shrewsbury School Trading Company Limited.

The group had net incoming resources of £767,169 (2023 - £1,760,765) for the year.

The School's strategic plan assumes the following means of financing the continued investment in the School's facilities:

- Achieving operating surpluses that generate substantial cash flows. This involves continuously reviewing the cost base of the School in all areas to ensure best use is being made of the School's resources, while maintaining a commitment to excellence; and
- Shrewsbury School Foundation will continue to provide financial support for the School. This is primarily in the form of funding for scholarships and bursaries, including Foundation Bursaries, but also includes donations towards specific building projects; and
- For large capital projects, the School will consider borrowing funds in the medium term, whilst ensuring that the overall level of borrowing is prudent; and
- Further increasing the commercial income of the School: new or refurbished School facilities are designed not only for use by the School, but also for commercial lettings, and to maximise the opportunity for the wider community; and
- Increase income generated by the School's overseas activities.

Net assets increased to £48,795,814 from £47,481,546. The increase comprised net incoming resources of £766,670; an increase in the market value of Charity's investments of £622,099; and £75,000 actuarial loss relating to Shrewsbury School's defined benefit pension scheme under FRS 102.

The School's defined benefit scheme valuation under the requirements of Financial Reporting Standard 102 (FRS102) showed that the scheme was in surplus at 31 July 2024, the Charity did not regard it as prudent to record the asset on its balance sheet.

Capital expenditure totalled £5,473,432. £2,324,815 was spent on the refurbishment of Churchills and Ingrams, £720,280 on the completion of the Queen Elizabeth Hall, £1,037,687 on IT projects,

The Charity's two subsidiary companies continued to trade during the year. Shrewsbury School Enterprises Limited remained the vehicle through which Shrewsbury School conducts its overseas school business; Shrewsbury School Trading Company Limited, continued to operate the School shop, sporting and leisure activities and commercial lets of the School premises.

Shrewsbury School Trading Company Limited results improved, as a result of the running of the first Shrewsbury School Summer School, which attracted pupils from overseas to attend a two week biology course, centred around Darwin.

#### International School Developments

The International Development Director has continued to work with the international development committee on existing and new international schools.

There are currently three schools operated by SIA. Shrewsbury International School Bangkok (Riverside) provides an important income stream, reflecting the success of the venture. It currently has 2,000 pupils, aged between 3 to 18. There is a close working relationship between the schools. Shrewsbury International School Bangkok (City Campus) now has over 543 pupils between the ages of 3 and 11 and continues to grow to capacity. Shrewsbury School International School, Hong Kong now has 323 pupils also between the ages of 3 and 11.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

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Shrewsbury International School Phnom Penh opened its purpose-built primary school in September 2024 following two years of early years provision with a new Hong Kong based investor group. A secondary school is due to open in September 2026.

Shrewsbury International School is on track to open in Madhya Pradesh, India in August 2025 with new investors the Jagran Social Welfare Society. The full boarding co-educational school for pupils aged 11 to 18 will be situated on a purpose-built state of the art 150-acre campus.

Further details on our international schools can be found at <https://www.shrewsbury.org.uk/ShrewsburySchoolInternational>

#### **Fundraising Performance**

The School received donations of £905,050 during the year (2023 - £771,140).

Shrewsbury School Foundation (a separate Charity) raises funds to donate to the School for bursary support, capital and educational projects. In the current year the School received from the Foundation a total of £855,468 of this £760,914 was to support bursaries.

#### **RESERVES POLICY**

The School does not possess large endowment reserves to generate income to assist in the financing of the School.

At the year-end Endowed Funds totalled £1,539,231 and Restricted Funds totalled £718,233, because of the particular spending constraints attached to them they are not available for funding the general operations of the School. Unrestricted Funds totalling £46,538,350 are expendable in accordance with the Objects of the School. The School has no current free reserves as the unrestricted reserves are less than the net book value of fixed assets. Given our plans for new buildings, this nil balance will continue for several years.

This is in accordance with the long-term plans of the Trustees for the development of the School and they are satisfied that the resources available to the School through external bank finance are adequate for its projected requirements. In addition to the operational land and buildings, the School owns residential properties for housing some of its staff.

There are also artefacts and works of art, which have been acquired and accumulated over very many years. These are of huge educational and wider cultural benefit to the School community and some are made available, under appropriate conditions, to external researchers and scholars. They are not revalued in the Balance Sheet and the Governors are of the view that there is no benefit to be gained from incurring the costs of valuations other than for insurance purposes.

The annual revenue expenditure requirements of the School are generally met from annual income. Prudent budgeting and tight financial control are designed to ensure that adequate but not excessive cash headroom is maintained, and this is supported by a seasonal overdraft facility.

The Governors are confident that the capital development plan can be achieved by the policies set out above, supported by prudent borrowing and support from Shrewsbury School Foundation on selected projects.

The Governors have established a designated fund, which aims to provide bursarial support to enable pupils to attend the School. The intention of the Governors is to allocate a proportion of the School's commercial income each year, based on an agreed calculation, subject to operating requirements. The intention is to build up the fund over the forthcoming years, with income from it being used to provide bursarial support to pupils attending the School. During the year, the Trustees allocated £641,470 to the fund. At the year end the value of this designated fund was £4,940,228.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

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#### INVESTMENT POLICY

The Governors, as Trustees, have wide powers to invest in property and securities, including stocks and shares.

The Governors review, on a regular basis, the investment profile of the School, the risks and returns achieved and the likely future performance.

The fees in advance funds have been transferred to cash funds, in order to reduce the possibility of loss of capital and take advantage of the current high interest rates. These investments provide the backing of two years fees in advance liabilities.

The policy of the School with regard to endowed and designated investments is to ensure that they produce a regular and growing income stream, together with capital growth. The School's investments are managed by Sarasin & Partners. The School funds are held in the Sarasin Endowments Fund Class A Income Fund, a global multi-asset portfolio with an integrated socially responsible investment policy. The fund seeks to provide growth (in terms of investment value and growth) of 4% per year more than the CPI over a rolling five-year period. The School's investments increased in capital value by £497,211 (9.6%) over the previous year.

#### PRINCIPAL RISKS AND UNCERTAINTIES

As explained above, the Governors have considered the principal risks and uncertainties facing the School. The economic climate affects the ability of parents to afford the school fees, and the affordability of fees is considered as an important factor in the long-term financial planning. The imposition of VAT on school fees from January 2025, may impact on both pupil numbers and the number of requests for financial assistance needed to attend Shrewsbury. In terms of unexpected costs, the Governors ensure that insurance is in place for known and insurable risks. With a large built estate, the School also monitors and plans for foreseeable future building repairs.

The management team also carefully monitors the level of scholarships and bursaries to ensure that grant commitments are maintained at a sustainable level, carefully reviewing the future grant funding available from Shrewsbury School Foundation.

The School has also considered non-financial risks. As the health and safety of the pupils and staff is paramount, the Trustees consider any potential breach of health and safety to be a principal risk. To mitigate the School has developed policies to ensure the regulations and guidelines for the welfare of pupils and staff are observed.

#### FUTURE PLANS

- Focus on funding and increasing the number of means tested transformative bursaries (75% to 110% off fees).
- The continued development of a cross-sector programme of partnership and community engagement.
- Detailed medium term financial modelling of the impact of VAT on the School's finances and cash balances and the actions required in order to maintain a financially stable environment.
- Building on the success of the first Shrewsbury School Summer School, to offer a wider provision of courses and thereby attract more participants.

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SHREWSBURY SCHOOL

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GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2024

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**ACCOUNTING AND REPORTING RESPONSIBILITIES**

The Governing Body is required by law to prepare financial statements for each financial year, which give a true and fair view of the financial activities of the Charity and of its financial position at the end of that year. In preparing those financial statements the Governing Body is required to:

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

Taking into account the specific economic and geopolitical risks, the Governing Body has reviewed future school cashflows and is confident that it is appropriate to produce financial statements on a going concern basis.

The Governing Body is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011 and the Shrewsbury School Statutes, approved by the late HM Queen Elizabeth II in Council on 12 October 2016. It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In determining how amounts are presented with in items in the statement of financial activities and balance sheet, the Governors have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

So far as each of the Governors is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors Crowe U.K. LLP have indicated their willingness to remain in office.

This report was approved by the Governors, on 30 November 2024 and signed on their behalf by:



**J.D.C. Pitt**  
Chair

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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL

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#### Opinion

We have audited the financial statements of Shrewsbury School (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 July 2024 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards 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 been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 July 2024 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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 Group's or the parent 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 Governors with respect to going concern are described in the relevant sections of this report.

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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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#### **Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Governors are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

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

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

#### **Responsibilities of Governors**

As explained more fully in the Governors' responsibilities statement, the Governors are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the Group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the 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.

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:

We obtained an understanding of the legal and regulatory frameworks within which the Charity and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, taxation legislation, employment legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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

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

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

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

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

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SHREWSBURY SCHOOL

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INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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**Use of our report**

This report is made solely to the charity's Governors, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

*Crowe U.K. LLP.*

**Crowe U.K. LLP**  
Statutory Auditor  
Fourth Floor  
St James House  
St James Square  
Cheltenham  
GL50 3PR

Date: 31 January 2025

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

SHREWSBURY SCHOOL

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 JULY 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
<b>Income and endowments from:</b>						
Grants and donations	3	-	905,050	-	905,050	771,140
Charitable activities:	16					
School fees	4	34,808,537	-	-	34,808,537	31,658,779
Other educational income	5	465,952	-	-	465,952	446,572
Other ancillary trading income	5	275,503	-	-	275,503	416,719
Other trading activities	6	2,626,235	-	-	2,626,235	2,292,022
Investments	7	155,471	39,594	2,572	197,637	203,428
Other income	8	-	-	-	-	54,028
<b>Total income and endowments</b>		<b>38,331,698</b>	<b>944,644</b>	<b>2,572</b>	<b>39,278,914</b>	<b>35,842,688</b>
<b>Expenditure on:</b>						
Raising funds:						
Trading activities	9	1,445,184	-	-	1,445,184	1,298,264
Fundraising costs	9	308,426	-	-	308,426	380,728
Financing costs	10	711,354	-	-	711,354	340,679
Charitable activities:	11					
Education and grant making		35,176,964	869,817	-	36,046,781	32,062,252
<b>Total expenditure</b>		<b>37,641,928</b>	<b>869,817</b>	<b>-</b>	<b>38,511,745</b>	<b>34,081,923</b>

SHREWSBURY SCHOOL

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)**  
FOR THE YEAR ENDED 31 JULY 2024

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
<b>Net income before net gains/(losses) on investments</b>	689,770	74,827	2,572	767,169	1,760,765
Net gains/(losses) on investments	493,888	-	128,211	622,099	(182,685)
<b>Net income before transfers</b>	<u>1,183,658</u>	<u>74,827</u>	<u>130,783</u>	<u>1,389,268</u>	<u>1,578,080</u>
Transfers between funds	22    64,339	(64,339)	-	-	-
<b>Net movement in funds before other recognised losses</b>	<u>1,247,997</u>	<u>10,488</u>	<u>130,783</u>	<u>1,389,268</u>	<u>1,578,080</u>
Actuarial losses on defined benefit pension schemes	27    (75,000)	-	-	(75,000)	(143,000)
<b>Net movement in funds</b>	<u><u>1,172,997</u></u>	<u><u>10,488</u></u>	<u><u>130,783</u></u>	<u><u>1,314,268</u></u>	<u><u>1,435,080</u></u>
<b>Reconciliation of funds:</b>					
Total funds brought forward	45,365,353	707,745	1,408,448	47,481,546	46,046,466
Net movement in funds	1,172,997	10,488	130,783	1,314,268	1,435,080
<b>Total funds carried forward</b>	<u><u>46,538,350</u></u>	<u><u>718,233</u></u>	<u><u>1,539,231</u></u>	<u><u>48,795,814</u></u>	<u><u>47,481,546</u></u>

The notes on pages 24 to 63 form part of these financial statements.

SHREWSBURY SCHOOL

CONSOLIDATED BALANCE SHEET  
AS AT 31 JULY 2024

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	14	54,100,280	51,735,516
Investments	15	12,463,045	8,596,916
		<u>66,563,325</u>	<u>60,332,432</u>
<b>Current assets</b>			
Stocks	16	265,887	273,265
Debtors	17	2,497,916	2,141,455
Cash at bank and in hand		6,828,988	7,914,663
		<u>9,592,791</u>	<u>10,329,383</u>
Creditors: amounts falling due within one year	18	<u>(11,585,025)</u>	<u>(9,911,293)</u>
<b>Net current liabilities / assets</b>		<b>(1,992,234)</b>	<b>418,090</b>
<b>Total assets less current liabilities</b>		<b>64,571,091</b>	<b>60,750,522</b>
Creditors: amounts falling due after more than one year	19	(15,775,277)	(13,268,976)
<b>Net assets excluding pension asset</b>		<b>48,795,814</b>	<b>47,481,546</b>
Defined benefit pension scheme asset	27	-	-
<b>Total net assets</b>		<b>48,795,814</b>	<b>47,481,546</b>

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SHREWSBURY SCHOOL

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CONSOLIDATED BALANCE SHEET (CONTINUED)  
AS AT 31 JULY 2024

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	Note	2024 £	2023 £
<b>Charity funds</b>			
Endowment funds	22	1,539,231	1,408,448
Restricted funds	22	718,233	707,745
Unrestricted funds	22	46,538,350	45,365,353
<b>Total funds</b>		<b>48,795,814</b>	<b>47,481,546</b>

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:



J.C.D. Pitt, MBA, BSc (Co-opted member)  
Chair



R. Boys-Stones

Date: 30 November 2024

The notes on pages 24 to 63 form part of these financial statements.

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SHREWSBURY SCHOOL

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CHARITY BALANCE SHEET  
AS AT 31 JULY 2024

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	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	14	54,086,192	51,728,382
Investments	15	12,463,045	8,596,916
		66,549,237	60,325,298
<b>Current assets</b>			
Stocks	16	85,475	77,124
Debtors	17	2,999,347	3,595,508
Cash at bank and in hand		6,253,645	6,492,046
		9,338,467	10,164,678
Creditors: amounts falling due within one year	18	(11,318,153)	(9,745,061)
<b>Net current liabilities / assets</b>		(1,979,686)	419,617
<b>Total assets less current liabilities</b>		64,569,551	60,744,915
Creditors: amounts falling due after more than one year	19	(15,775,277)	(13,268,976)
<b>Net assets excluding pension asset</b>		48,794,274	47,475,939
Defined benefit pension scheme asset	27	-	-
<b>Total net assets</b>		48,794,274	47,475,939

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SHREWSBURY SCHOOL

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CHARITY BALANCE SHEET (CONTINUED)  
AS AT 31 JULY 2024

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	Note	2024 £	2023 £
<b>Charity funds</b>			
Endowment funds	22	1,539,231	1,408,448
Restricted funds	22	718,233	707,745
Unrestricted funds	22	45,351,692	45,359,746
<b>Total funds</b>		<b>48,794,274</b>	<b>47,475,939</b>

The Charity's net movement in funds for the year was £1,318,335 (2023 - £1,438,554).

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:



**J.C.D. Pitt, MBA, BSc (Co-opted member)**  
Chair



**R. Boys-Stones**

Date: 30 November 2024

The notes on pages 24 to 63 form part of these financial statements.

SHREWSBURY SCHOOL

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JULY 2024**

		2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	23	9,076,181	5,505,993
<b>Cash flows from investing activities</b>			
Dividends and interest from investments		197,637	203,428
Proceeds from the sale of tangible fixed assets		29,199	39,050
Purchase of tangible fixed assets		(5,473,432)	(10,585,034)
Proceeds from sale of investments		4,836,112	1,893
Purchase of investments		(8,099,600)	(617,294)
<b>Net cash used in investing activities</b>		<b>(8,510,084)</b>	<b>(10,957,957)</b>
<b>Cash flows from financing activities</b>			
Cash inflows from new borrowing		-	7,000,000
Repayments of borrowing		(1,271,131)	(453,801)
Interest paid on borrowings		(400,099)	(135,376)
<b>Net cash (used)/provided in financing activities</b>		<b>(1,671,230)</b>	<b>6,410,823</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(1,105,133)</b>	<b>958,859</b>
Cash and cash equivalents at the beginning of the year		7,939,438	6,980,579
<b>Cash and cash equivalents at the end of the year</b>	<b>24</b>	<b>6,834,305</b>	<b>7,939,438</b>

The notes on pages 24 to 63 form part of these financial statements

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

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#### 1. Legal status of the Charity

The School is governed in accordance with the Shrewsbury School Statutes approved by the Queen's Most Excellent Majesty in Council on 12 October 2016, whose registered office and primary place of business is Shrewsbury School, The Schools, Shrewsbury, SY3 7AA. It has no share capital. Its principal activity is the provision of boarding and day schooling. It is a registered Charity in England and Wales and its Charity registration number is 528413.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Shrewsbury School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Charity alone. The net result for the year relating to the School amounted to a surplus of £1,318,335 (2023 - £1,438,554).

##### 2.2 Going concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 12.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

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**2. Accounting policies (continued)**

**2.3 Critical accounting estimates and areas of judgment**

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

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

**Useful economic lives of tangible assets**

The annual depreciation charges for the tangible assets are sensitive to changes in the estimate useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the tangible assets and note 2.8 for the useful lives for each class of asset.

**Impairment of debtors**

The group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 17 for the net carrying amount of the debtors.

**2.4 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes.

Endowment funds are donations required to be retained as capital in accordance with the donors' wishes – permanent or expendable according to the nature of the restrictions. The costs of raising and administering such funds are charged against the specific fund.

The aim and use of each restricted and endowment fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

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#### 2. Accounting policies (continued)

##### 2.5 Income

All incoming resources are included in the Statement of Financial Activities when the School has entitlement to the income, the amount can be quantified with reasonable accuracy and the economic benefit to the School is considered probable.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School.

Income from other trading activities comprises revenue recognised by the School's wholly owned subsidiaries in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

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

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where through the terms of an appeal or from the donor there is a trust law restriction on the use of any voluntary income, the income is credited to the relevant restricted fund or endowment. Gifts in Kind would be valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption or at the value to the School in the case of donated services of facilities.

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

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## 2. Accounting policies (continued)

### 2.6 Expenditure

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Expenditure is accrued as soon as a liability is considered probable discounted to present value for longer term liabilities and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Liabilities are recognised where there is a legal or constructive obligation committing the entities to the expenditure.

Fundraising costs are those incurred in seeking voluntary contributions in relation to Shrewsbury School Foundation, a connected charity (Charity number 528415). Provided that, and so long as, Shrewsbury School Foundation exercises and continues to exercise its charitable objects in furtherance of the objects (the "Shrewsbury School Charitable Objects") set out in the Foundation Trust Deed, the School shall pay the employment, administrative and other costs and expenses of the Foundation in furthering Shrewsbury School's Charitable Objects.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Included in support costs of the School are bursary costs, payroll administration, budgeting and accounting, information technology, human resources and finance. School trip expenditure is included under support costs.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Governance costs comprise the costs of running the charity including strategic planning for its future development, also internal and external audit, any legal advice for the Governors and all costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

### 2.7 Government grants

Government grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

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## 2. Accounting policies (continued)

### 2.8 Tangible fixed assets and depreciation

Computer equipment costing more than £300 is capitalised and carried in the Balance Sheet at historical cost.

Major refurbishment expenditure, equipment, boats and vehicles costing more than £1,000 are capitalised and carried in the Balance Sheet at historical cost.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 10-50 years
Furniture, fixtures and fittings and equipment	- 3-10 years
Boats	- 10 years
Ground machines and vehicles	- 4-10 years

Depreciation is not charged on freehold land or assets under the course of construction.

Leasehold property is depreciated over the term of the lease.

Depreciation is calculated on a monthly basis.

The School owns a number of cultural and historic artefacts which are considered to be heritage assets. During the year ended 31 July 2023 a formal valuation of these assets was undertaken by Sotheby's who valued the assets on both an insurance basis and an auction basis. The valuations provided ranged between £6.050M and £12.214M. Given the highly specialist nature of the items and the resulting broad valuation range, the Governors have concluded that there is insufficient information to recognise them with material accuracy and therefore no value has been attributed to them in the Balance Sheet and no depreciation charged, on the basis that reliable information is not available, as permitted by the Charity SORP.

### 2.9 Investments

Investments are stated at market value at the Balance Sheet date. The Consolidated statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost less provision for impairment.

### 2.10 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

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#### 2. Accounting policies (continued)

##### 2.11 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

##### 2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised costs using the effective interest method, less any impairment.

##### 2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.14 Fees in advance

Parents may, subject to contractual terms and conditions, pay to the School tuition fees in advance. The money may be returned, subject to specific conditions.

Investments are held to cover the next two years capital liabilities.

##### 2.15 Financial instruments

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

##### 2.16 Concessionary Loans

The loans from Shrewsbury School Foundation and Shropshire Council (see note 19) are considered to meet the criteria of concessionary loans under FRS 102. They have been recorded in the financial statements at face value.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

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#### 2. Accounting policies (continued)

##### 2.17 Pensions

The School operates a defined contribution pension scheme for non-teaching staff (Shrewsbury School (2001) Retirements Benefits Scheme). This scheme gives exemption from the requirement to offer a stakeholder pension scheme. During the year the total contributions were £321,537 (2023 - £378,972).

The School also contributes to a personal pension scheme for the benefit of certain Packwood Haugh School employees. The scheme is a defined contribution scheme administered by Scottish Widows. During the year the total contributions were £46,338 (2023 - £45,783).

On 1 September 2021, Shrewsbury School and Packwood Haugh School, gave notice to the Teachers' Pension Scheme, that they would be implementing the "phased withdraw" regulations. New teaching staff at both Schools would be enrolled into defined contribution pension schemes, at each School (Shrewsbury School 2021 DC Pension Scheme and Shrewsbury School – Packwood Haugh 2021 DC pension Scheme). The Schemes are administered by Legal & General. During the year the total contributions were £551,202 (2023 - £326,829)

The School contributes to a defined benefit pension scheme (final salary scheme) for the academic staff, which is a national scheme operated for the Department for Education and Skills, which requires contributions to be made to a separately administered fund. The total premiums paid during the year were £1,597,807 (2023 - £1,510,487).

In addition, the School operates a defined benefit pension scheme for non teaching staff (Shrewsbury School (1971) Pension and Life Assurance Scheme), which is closed to new members. The basis of contributions to the Scheme is calculated according to the advice of the Scheme actuary. During the year the total contributions were £13,474 (2023 - £12,988).

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

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3. Income from grants and donations

	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	905,050	<b>905,050</b>	771,140
<b>Total 2024</b>	<b>905,050</b>	<b>905,050</b>	<b>771,140</b>
<i>Total 2023</i>	<b>771,140</b>	<b>771,140</b>	

4. Charitable activities - School fees receivable

	2024 £	2023 £
<b>The School's fee income comprised:</b>		
Gross fees	39,239,231	35,893,894
Less: Total bursaries, scholarships and allowances	(5,210,662)	(4,911,162)
	<b>34,028,569</b>	<b>30,982,732</b>
Add back bursaries, scholarships and allowances paid for by Restricted Funds	779,968	676,047
	<b>34,808,537</b>	<b>31,658,779</b>

Scholarships, bursaries and other awards were paid to 468 pupils (2023 - 478).

Within this means tested bursaries totalling £3,779,127 paid to 254 pupils (2023 - £3,451,393 to 248 pupils).

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

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5. Charitable activities - Other income

	2024 £	2023 £
<b>Other educational charitable income</b>		
Entrance and registration fees	120,222	160,576
Courses and sub-lettings	276,118	219,492
Royalties received	69,612	66,504
	<u>465,952</u>	<u>446,572</u>

	2024 £	2023 £
<b>Other ancillary activities</b>		
Commissions received	1,334	5,221
School trips	273,769	411,298
Late payment surcharges	400	200
	<u>275,503</u>	<u>416,719</u>

6. Other trading activities

	2024 £	2023 £
Trading activities SSEL	1,282,334	1,209,820
Trading activities SSTCL	1,343,901	1,082,202
	<u>2,626,235</u>	<u>2,292,022</u>

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**SHREWSBURY SCHOOL**

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

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**Other trading activities (continued)**

**Shrewsbury School Enterprises Limited (SSEL)**

The Charity owns the whole of the £1 ordinary share capital of Shrewsbury School Enterprises Limited (Company registration number 4535585), incorporated in England. The Company's principal activity is the provision of consulting services to international Schools.

Its trading results for the period, as extracted from the audited accounts, are summarised below:

	2024 £	2023 £
Turnover	1,282,322	1,209,809
Administration	(354,493)	(388,157)
<b>Operating profit</b>	<b>927,829</b>	<b>821,652</b>
Interest payable	(8,609)	(6,698)
Interest receivable	12	11
<b>Profit for the year</b>	<b>919,232</b>	<b>814,965</b>
Gift aid payment	(919,494)	(818,367)
<b>Retained loss</b>	<b>(262)</b>	<b>(3,402)</b>

Shrewsbury School Enterprises Limited approved a gift aid donation of £919,494 (2023 - £818,367) to Shrewsbury School during the year.

The net assets of Shrewsbury School Enterprises Limited at 31 July 2024 amounted to £379 (2023 - £641).

At the year end Shrewsbury School Enterprises Limited owed Shrewsbury School £1,044,638 (2023 - £1,455,794). Of which £137,635 (2023 - £137,635) is an unsecured loan, repayable with one year's notice and interest charges at 1% above Lloyds Bank Plc base rate.

The management charge from the School to Shrewsbury Enterprises Limited was £279,332 (2023 - £269,367). In addition there is a licence fee of £10,000 (2023 - £10,000).

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**SHREWSBURY SCHOOL**

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

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**Other trading activities (continued)**

**Shrewsbury School Trading Company Limited (SSTCL)**

The Charity owns the whole of the £100 ordinary share capital of Shrewsbury School Trading Company Limited (Company registration number 5580019), incorporated in England. The principal activity of the Company was the operation of the School shop and other recreational activities.

Its trading results for the period, as extracted from the audited accounts, are summarised below:

	2024 £	2023 £
Turnover	1,343,679	1,081,902
Cost of sales	(681,549)	(614,555)
<b>Gross profit</b>	<b>662,130</b>	<b>467,347</b>
Administration	(401,032)	(288,854)
<b>Operating profit</b>	<b>261,098</b>	<b>178,493</b>
Interest receivable	222	300
<b>Profit for the year</b>	<b>261,320</b>	<b>178,793</b>
Taxation	499	-
<b>Profit after tax</b>	<b>261,819</b>	<b>178,793</b>
Gift aid payment	(265,624)	(178,865)
<b>Retained loss</b>	<b>(3,805)</b>	<b>(72)</b>

Shrewsbury School Trading Company Limited approved a gift aid donation of £265,624 (2023 - £178,865) to Shrewsbury School during the year.

The net assets of Shrewsbury School Trading Company Limited at 31 July 2024 amounted to £1,161 (2023 – £4,966).

At the year end Shrewsbury School Trading Company Limited owed Shrewsbury School £410,580 (2023 - £834,609).

The management charge from the School to Shrewsbury School Trading Company Limited was £156,960 (2023 – £139,342).

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**SHREWSBURY SCHOOL**

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

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**7. Investment income**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Interest	9,756	-	-	9,756	7,912
Income from listed investments	145,715	39,594	2,572	187,881	195,516
<b>Total 2024</b>	<u>155,471</u>	<u>39,594</u>	<u>2,572</u>	<u>197,637</u>	<u>203,428</u>
<i>Total 2023</i>	<u>163,672</u>	<u>37,949</u>	<u>1,807</u>	<u>203,428</u>	

**8. Other incoming resources**

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Other income	-	-	54,028
<b>Total 2024</b>	<u>-</u>	<u>-</u>	<u>54,028</u>
<i>Total 2023</i>	<u>54,028</u>	<u>54,028</u>	

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

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9. Expenditure on raising funds

Trading costs of the subsidiaries

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Other costs	664,791	664,791	767,309
Staff costs	772,658	772,658	526,560
Depreciation	7,735	7,735	4,395
<b>Total 2024</b>	<b>1,445,184</b>	<b>1,445,184</b>	<b>1,298,264</b>
<i>Total 2023</i>	<b>1,298,264</b>	<b>1,298,264</b>	

Fundraising for voluntary resources

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Other costs	110,337	110,337	186,221
Staff costs	198,089	198,089	194,507
<b>Total 2024</b>	<b>308,426</b>	<b>308,426</b>	<b>380,728</b>
<i>Total 2023</i>	<b>380,728</b>	<b>380,728</b>	

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

10. Financing costs

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Fees in advance financing cost	116,305	116,305	111,933
Bad debts and debt collection	215,685	215,685	30,783
Bank and investment manager charges	27,265	27,265	69,587
Loan interest	400,099	400,099	135,376
Pension scheme financing cost	(48,000)	(48,000)	(7,000)
<b>Total 2024</b>	<b>711,354</b>	<b>711,354</b>	<b>340,679</b>
<i>Total 2023</i>	<i>340,679</i>	<i>340,679</i>	

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	<i>Total 2023 £</i>
Teaching	15,047,006	-	15,047,006	14,309,958
Welfare	6,200,387	-	6,200,387	5,095,018
Premises	8,924,274	-	8,924,274	7,575,360
Support and governance	5,005,297	-	5,005,297	4,365,271
Grants, awards and prizes	-	869,817	869,817	716,645
<b>Total 2024</b>	<b>35,176,964</b>	<b>869,817</b>	<b>36,046,781</b>	<b>32,062,252</b>
<i>Total 2023</i>	<i>31,345,607</i>	<i>716,645</i>	<i>32,062,252</i>	

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

11. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2024 £	Depreciation 2024 £	Other costs 2024 £	Total 2024 £	Total 2023 £
Teaching	13,145,693	-	1,901,313	15,047,006	14,309,958
Welfare	1,314,525	-	4,885,862	6,200,387	5,095,018
Premises	2,673,490	3,098,014	3,152,770	8,924,274	7,575,360
Support and governance	2,747,797	-	2,257,500	5,005,297	4,365,271
Grants, awards and prizes	-	-	869,817	869,817	716,645
<b>Total 2024</b>	<b>19,881,505</b>	<b>3,098,014</b>	<b>13,067,262</b>	<b>36,046,781</b>	<b>32,062,252</b>
<i>Total 2023</i>	<b>18,372,049</b>	<b>2,577,094</b>	<b>11,113,109</b>	<b>32,062,252</b>	

Grants, awards and prizes

	2024 £	2023 £
<b>From restricted funds:</b>		
Bursaries and scholarships	779,968	676,047
Prizes and awards	89,849	40,598
	<b>869,817</b>	<b>716,645</b>

Governance included in support costs:

	2024 £	2023 £
Remuneration paid to auditor for audit services	55,800	52,260
Remuneration paid to auditor for non- audit services	29,940	21,150
Other governance costs	172,871	52,207
	<b>258,611</b>	<b>125,617</b>

SHREWSBURY SCHOOL

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

**12. Governors' remuneration and expenses**

During the year, no Governors received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 July 2024, expenses totalling £1,063 were reimbursed or paid directly to 4 Governors (2023 - £1,924, 9). The expenses related to travel and accommodation.

**13. Staff costs**

	<b>Group 2024 £</b>	<i>Group 2023 £</i>	<b>Charity 2024 £</b>	<i>Charity 2023 £</i>
Wages and salaries	16,682,018	15,244,407	15,989,865	14,793,221
Social security costs	1,696,366	1,596,620	1,646,909	1,549,276
Other pension costs (Note 27)	2,514,858	2,277,121	2,483,810	2,249,091
	<u>20,893,242</u>	<u>19,118,148</u>	<u>20,120,584</u>	<u>18,591,588</u>
Capitalised labour	(40,990)	(25,032)	(40,990)	(25,032)
	<u><u>20,852,252</u></u>	<u><u>19,093,116</u></u>	<u><u>20,079,594</u></u>	<u><u>18,566,556</u></u>

During the year there were redundancy or termination payments recognised which amounted to £161,784 (2023 - £Nil). There was £131,784 (2023 - £Nil) outstanding at year end.

The average number of persons employed by the Charity during the year was as follows:

	<b>Group 2024 No.</b>	<i>Group 2023 No.</i>
Teaching	248	247
Welfare	64	63
Premises	125	124
Support	78	71
Other activities	13	14
	<u>528</u>	<u>519</u>

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

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13. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>Group 2024 No.</b>	<i>Group 2023 No.</i>
In the band £60,001 - £70,000	48	32
In the band £70,001 - £80,000	19	14
In the band £80,001 - £90,000	5	3
In the band £90,001 - £100,000	3	3
In the band £100,001 - £110,000	1	1
In the band £110,001 - £120,000	1	1
In the band £120,001 - £130,000	1	-
In the band £140,001 - £150,000	-	1
In the band £150,001 - £160,000	2	1
In the band £230,001 - £240,000	1	-
In the band £250,001 - £260,000	-	1
Aggregate employee benefits of key management personnel	<u>1,723,121</u>	<u>1,592,973</u>

Key management includes the Leadership team.

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

14. Tangible fixed assets

Group

	Assets in course of construction £	Freehold Land & Buildings £	Furniture, Fixtures and fittings £	Boats £	Ground Machines & Vehicles £	Total £
<b>Cost or valuation</b>						
At 1 August 2023	9,201,073	61,810,826	12,448,362	1,178,484	1,277,919	85,916,664
Additions	3,651,425	-	1,492,601	111,296	218,110	5,473,432
Disposals	-	-	-	-	(11,471)	(11,471)
Transfers between classes	(7,863,263)	7,633,233	230,030	-	-	-
At 31 July 2024	<u>4,989,235</u>	<u>69,444,059</u>	<u>14,170,993</u>	<u>1,289,780</u>	<u>1,484,558</u>	<u>91,378,625</u>
<b>Depreciation</b>						
At 1 August 2023	-	22,847,693	9,766,024	873,331	694,100	34,181,148
Charge for the year	-	2,036,782	830,650	67,817	170,500	3,105,749
On disposals	-	-	-	-	(8,552)	(8,552)
At 31 July 2024	<u>-</u>	<u>24,884,475</u>	<u>10,596,674</u>	<u>941,148</u>	<u>856,048</u>	<u>37,278,345</u>
<b>Net book value</b>						
At 31 July 2024	<u>4,989,235</u>	<u>44,559,584</u>	<u>3,574,319</u>	<u>348,632</u>	<u>628,510</u>	<u>54,100,280</u>
At 31 July 2023	<u>9,201,073</u>	<u>38,963,133</u>	<u>2,682,338</u>	<u>305,153</u>	<u>583,819</u>	<u>51,735,516</u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

14. Tangible fixed assets (continued)

Charity

	Assets in course of construction £	Freehold Land & Buildings £	Furniture, Fixtures & fittings £	Boats £	Ground Machines & Vehicles £	Total £
<b>Cost or valuation</b>						
At 1 August 2023	9,201,073	61,810,826	12,426,866	1,178,484	1,277,919	85,895,168
Additions	3,651,425	-	1,477,912	111,296	218,110	5,458,743
Disposals	-	-	-	-	(11,471)	(11,471)
Transfers between classes	(7,863,263)	7,633,233	230,030	-	-	-
At 31 July 2024	<u>4,989,235</u>	<u>69,444,059</u>	<u>14,134,808</u>	<u>1,289,780</u>	<u>1,484,558</u>	<u>91,342,440</u>
<b>Depreciation</b>						
At 1 August 2023	-	22,847,693	9,751,662	873,331	694,100	34,166,786
Charge for the year	-	2,036,782	822,915	67,817	170,500	3,098,014
On disposals	-	-	-	-	(8,552)	(8,552)
At 31 July 2024	<u>-</u>	<u>24,884,475</u>	<u>10,574,577</u>	<u>941,148</u>	<u>856,048</u>	<u>37,256,248</u>
<b>Net book value</b>						
At 31 July 2024	<u>4,989,235</u>	<u>44,559,584</u>	<u>3,560,231</u>	<u>348,632</u>	<u>628,510</u>	<u>54,086,192</u>
At 31 July 2023	<u>9,201,073</u>	<u>38,963,133</u>	<u>2,675,204</u>	<u>305,153</u>	<u>583,819</u>	<u>51,728,382</u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

15. Fixed asset investments

Group and Charity	Designated Fund £	Endowed Funds £	Fees in Advance £	Total £
<b>Cost or valuation</b>				
At 1 August 2023	3,794,687	1,384,616	3,417,613	8,596,916
Additions	819,329	2,728	7,277,543	8,099,600
Disposals	-	-	(4,771,753)	(4,771,753)
Net investment gains	368,903	128,308	60,529	557,740
Movements in cash deposits	(20,919)	(110)	1,571	(19,458)
At 31 July 2024	<u>4,962,000</u>	<u>1,515,542</u>	<u>5,985,503</u>	<u>12,463,045</u>
<b>Net book value</b>				
At 31 July 2024	<u>4,962,000</u>	<u>1,515,542</u>	<u>5,985,503</u>	<u>12,463,045</u>
At 31 July 2023	<u>3,794,687</u>	<u>1,384,616</u>	<u>3,417,613</u>	<u>8,596,916</u>

Investments are primarily held to provide an investment return to the School.

**Investments at market value comprise:**

	2024 £	2023 £
Actively managed securities	-	3,417,613
Cash managed funds	5,983,933	-
Quoted stocks	6,473,795	5,154,528
Cash	5,317	24,775
	<u>12,463,045</u>	<u>8,596,916</u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

**Fixed asset investments (continued)**

**Material investments**

The following investments are held which represent more than 5% of the total market value of investments held:

	2024 £	2023 £
Link Fund Solutions - Ruffer Total Return	-	1,615,071
Link Fund Solutions - Trojan Inc	-	1,804,291
ICS - Sterling Liquidity Fund	4,566,651	-
Fidelity Sterling Fund	1,417,282	-
Sarasin Endowments Fund Class A Inc	6,473,795	5,154,527
	<u>                    </u>	<u>                    </u>

**16. Stocks**

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Goods for resale and consumables	265,887	273,265	85,475	77,124
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

**17. Debtors**

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
<b>Due within one year</b>				
School fees	755,424	680,091	755,424	680,091
Amounts owed by group undertakings	-	-	1,455,218	2,290,403
Other debtors	1,104,706	1,071,627	237,732	236,935
Prepayments and accrued income	637,287	389,737	550,973	388,079
Deferred taxation	499	-	-	-
	<u>2,497,916</u>	<u>2,141,455</u>	<u>2,999,347</u>	<u>3,595,508</u>

An impairment gain of £211,196 (2023 - £66,603) was recognised against the School fee debtors.

Included within amounts due from group undertakings is a loan to Shrewsbury School Enterprises Limited of £137,635 (2023 - £137,635). The is unsecured and repayable with one year's notice and is charged at 1% above Lloyds Bank Plc base rate.

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

**18. Creditors: Amounts falling due within one year**

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade creditors	1,205,204	1,826,440	1,196,793	1,823,479
Other taxation and social security	446,849	420,260	402,304	395,496
Fee deposits	1,223,405	983,902	1,223,405	983,902
Fees in advance (see note 20)	4,481,250	2,211,759	4,481,250	2,211,759
Other creditors	868,928	1,805,206	855,481	1,791,848
Accruals and deferred income	2,052,129	1,392,597	1,851,660	1,267,448
Other loan	65,000	65,000	65,000	65,000
Term loan 1	418,031	402,906	418,031	402,906
Term loan 2	424,229	403,223	424,229	403,223
Term loan 3	400,000	400,000	400,000	400,000
	<u>11,585,025</u>	<u>9,911,293</u>	<u>11,318,153</u>	<u>9,745,061</u>

Within other creditors is £286,750 (2023 - £290,300) payable in respect of pension contributions.

**19. Creditors: Amounts falling due after more than one year**

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Loan from Shrewsbury School Foundation	1,296,046	1,296,046	1,296,046	1,296,046
Fees deposits	3,200,213	3,060,152	3,200,213	3,060,152
Fees in advance (see note 20)	5,149,613	1,476,111	5,149,613	1,476,111
Other loan	433,334	498,334	433,334	498,334
Term loan 1	323,524	741,556	323,524	741,556
Term loan 2	4,172,547	4,596,777	4,172,547	4,596,777
Term loan 3	1,200,000	1,600,000	1,200,000	1,600,000
	<u>15,775,277</u>	<u>13,268,976</u>	<u>15,775,277</u>	<u>13,268,976</u>

The loan from Shrewsbury School Foundation is unsecured, interest free and has no fixed payment terms. The loan is considered a concessionary loan.

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

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**Creditors: Amounts falling due after more than one year (continued)**

**Other loan**

The other loan has been provided by Shropshire Council. The loan is repayable by April 2032 paid by monthly instalments. The loan is interest free and is secured on the following properties: Mosers Hall, The New House, 6 Ashton Road, 13 and 15 Ashton Road. This loan is considered to be a concessionary loan.

The other loan falls due as follows:

	2024 £	2023 £
Between 1-2 years	65,000	65,000
Between 2-5 years	195,000	195,000
Over 5 years	173,334	238,334
	<u>433,334</u>	<u>498,334</u>

**Term loan 1**

The loan from Handelsbanken is unsecured. The loan is repayable by April 2026 in 24 quarterly instalments. The interest rate is fixed at 3.63%.

The term loan falls due as follows:

	2024 £	2023 £
Between 1-2 years	323,524	418,031
Between 2-5 years	-	323,525
	<u>323,524</u>	<u>741,556</u>

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

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**Creditors: Amounts falling due after more than one year (continued)**

**Term loan 2**

The loan from Lloyds bank is secured over the freehold land and buildings at the Tudors, Tudor House, including Emma Darwin Hall. The loan is repayable by July 2033 in 40 quarterly instalments. The interest rate is fixed at 4.528%.

The term loan falls due as follows:

	2024 £	2023 £
Between 1-2 years	443,713	424,230
Between 2-5 years	1,455,440	1,391,910
Over 5 years	2,273,394	2,780,637
	<u>4,172,547</u>	<u>4,596,777</u>

**Term loan 3**

The loan from Handelsbanken is unsecured. The loan is repayable by June 2028 in 20 quarterly instalments. The interest rate is fixed at 6.07%.

The term loan falls due as follows:

	2024 £	2023 £
Between 1-2 years	400,000	400,000
Between 2-5 years	800,000	1,200,000
	<u>1,200,000</u>	<u>1,600,000</u>

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

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**20. Fees in advance**

Parents may, subject to contractual terms and conditions, pay to the School tuition fees in advance. The money may be returned, subject to specific conditions but, assuming the relevant pupils remain in the School, advance fees will be applied as follows:

	2024 £	2023 £
Within 1-2 years	2,577,090	794,005
Within 2-5 years	2,079,564	523,758
Over 5 years	492,959	158,348
	<u>5,149,613</u>	<u>1,476,111</u>
Within 1 year	4,481,250	2,211,759
	<u>9,630,863</u>	<u>3,687,870</u>

The balance represents the accrued liability under the contracts. The movement during the year was:

	2024 £	2023 £
Balance at 1 August 2023	3,687,870	3,921,988
New contracts	8,800,831	3,322,232
Amounts accrued to contracts	116,271	111,896
	<u>12,604,972</u>	<u>7,356,116</u>
Amounts utilised in payment of fees to the School	(2,974,109)	(3,668,246)
Balance at 31 July 2024	<u>9,630,863</u>	<u>3,687,870</u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Tangible fixed assets	54,100,280	-	-	54,100,280
Fixed asset investments	10,947,503	-	1,515,542	12,463,045
Current assets	8,850,869	718,233	23,689	9,592,791
Creditors due within one year	(11,585,025)	-	-	(11,585,025)
Creditors due in more than one year	(15,775,277)	-	-	(15,775,277)
<b>Total</b>	<b>46,538,350</b>	<b>718,233</b>	<b>1,539,231</b>	<b>48,795,814</b>

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Endowment funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	51,735,516	-	-	51,735,516
Fixed asset investments	7,212,300	-	1,384,616	8,596,916
Current assets	9,597,806	707,745	23,832	10,329,383
Creditors due within one year	(9,911,293)	-	-	(9,911,293)
Creditors due in more than one year	(13,268,976)	-	-	(13,268,976)
<b>Total</b>	<b>45,365,353</b>	<b>707,745</b>	<b>1,408,448</b>	<b>47,481,546</b>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

22. Statement of funds

Statement of funds - current year

	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 July 2024 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated funds	3,774,113	125,742	-	671,470	368,903	4,940,228
<b>Unrestricted funds</b>						
General funds	41,585,633	35,579,721	(35,011,626)	(607,131)	49,985	41,596,582
Subsidiary trading	5,607	2,626,235	(2,630,302)	-	-	1,540
	<u>41,591,240</u>	<u>38,205,956</u>	<u>(37,641,928)</u>	<u>(607,131)</u>	<u>49,985</u>	<u>41,598,122</u>
<b>Total Unrestricted funds</b>	<u>45,365,353</u>	<u>38,331,698</u>	<u>(37,641,928)</u>	<u>64,339</u>	<u>418,888</u>	<u>46,538,350</u>
<b>Endowment funds</b>						
Capital	1,285,921	-	-	(30,123)	120,389	1,376,187
Re-endowment fund	122,027	2,572	-	30,123	7,822	162,544
Hentschrew Prize Fund	500	-	-	-	-	500
	<u>1,408,448</u>	<u>2,572</u>	<u>-</u>	<u>-</u>	<u>128,211</u>	<u>1,539,231</u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

22. Statement of funds (continued)

	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 July 2024 £
<b>Restricted funds</b>						
Shrewsbury School Foundation	20,256	855,469	(807,492)	(61,597)	-	6,636
Guyer Family Prize	180	40	(30)	-	-	190
Hentschrew Prize	80	-	-	-	-	80
Darwin Scholarship	7,212	-	-	-	-	7,212
Hargreaves Legacy	500	-	-	-	-	500
Salopian Club	-	31,843	(29,101)	(2,742)	-	-
Duffell Prize Fund	4,940	-	-	-	-	4,940
Consolidated Fund: Unappropriated income	672,577	39,594	(15,496)	-	-	696,675
Art Fund	2,000	-	-	-	-	2,000
Sabrina Club	-	13,783	(13,783)	-	-	-
External Bursaries	-	3,915	(3,915)	-	-	-
	<u>707,745</u>	<u>944,644</u>	<u>(869,817)</u>	<u>(64,339)</u>	<u>-</u>	<u>718,233</u>
<b>Total of funds</b>	<u><u>47,481,546</u></u>	<u><u>39,278,914</u></u>	<u><u>(38,511,745)</u></u>	<u><u>-</u></u>	<u><u>547,099</u></u>	<u><u>48,795,814</u></u>

SHREWSBURY SCHOOL

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

**22. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 August 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/(out) £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 July 2023 £</i>
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated funds	3,245,393	97,561	-	516,245	(85,086)	3,774,113
<b>Unrestricted funds</b>						
General funds	40,570,428	32,642,209	(31,069,782)	(348,704)	(208,518)	41,585,633
Subsidiary trading	9,081	2,292,022	(2,295,496)	-	-	5,607
	<u>40,579,509</u>	<u>34,934,231</u>	<u>(33,365,278)</u>	<u>(348,704)</u>	<u>(208,518)</u>	<u>41,591,240</u>
<b>Total Unrestricted funds</b>	<u>43,824,902</u>	<u>35,031,792</u>	<u>(33,365,278)</u>	<u>167,541</u>	<u>(293,604)</u>	<u>45,365,353</u>
<b>Endowment funds</b>						
Capital	1,285,921	-	-	-	-	1,285,921
Re-endowment fund	152,301	1,807	-	-	(32,081)	122,027
Hentschrew Prize Fund	500	-	-	-	-	500
	<u>1,438,722</u>	<u>1,807</u>	<u>-</u>	<u>-</u>	<u>(32,081)</u>	<u>1,408,448</u>

SHREWSBURY SCHOOL

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

**22. Statement of funds (continued)**

	<i>Balance at 1 August 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/(out)</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 July 2023</i>
	£	£	£	£	£	£
<b>Restricted funds</b>						
Shrewsbury School Foundation	33,245	724,216	(662,006)	(75,199)	-	20,256
Guyer Family Prize	180	40	(40)	-	-	180
Hentschrew Prize	80	-	-	-	-	80
Darwin Scholarship	7,212	-	-	-	-	7,212
Hargreaves Legacy	500	-	-	-	-	500
Salopian Club	-	27,310	(27,310)	-	-	-
Duffell Prize Fund	4,940	-	-	-	-	4,940
Consolidated Fund: Unappropriated income	649,396	37,949	(14,768)	-	-	672,577
Art Fund	2,000	-	-	-	-	2,000
Sabrina Club	-	7,053	-	(7,053)	-	-
External Bursaries	-	12,521	(12,521)	-	-	-
Packwood - Redevelopment of Science Facilities	85,289	-	-	(85,289)	-	-
	<u>782,842</u>	<u>809,089</u>	<u>(716,645)</u>	<u>(167,541)</u>	<u>-</u>	<u>707,745</u>
<b>Total of funds</b>	<u><u>46,046,466</u></u>	<u><u>35,842,688</u></u>	<u><u>(34,081,923)</u></u>	<u><u>-</u></u>	<u><u>(325,685)</u></u>	<u><u>47,481,546</u></u>

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

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#### Statement of funds (continued)

##### Designated Fund

A fund established by the Governors to assist future pupils with bursarial support to attend the School.

##### Re-endowment Fund

A fund established in 1924 to contribute to the upkeep of the estate and to the support of pupils at Shrewsbury School who are in financial need.

##### Shrewsbury School Foundation

A registered charity supporting a range of educational objectives through financial contributions to Shrewsbury School and its pupils. Donations received totalled £855,469 (2023 - £724,216) of which £793,872 (2023 - £649,017) was given to support bursaries awarded to pupils and £61,597 (2023 - £75,199) for capital projects.

##### Guyer Family Prize

An annual prize for an outstanding contribution to the music department.

##### Henschrew Prize

An annual prize to the boy in the School House who contributes most to the well running of the house, in a social rather than academic or sporting context.

##### Darwin Scholarship

A scholarship awarded to pupils attending the School from Hong Kong who are judged outstanding academically, in the arts, music or sport.

##### Hargreaves Legacy

A legacy left by an old boy, to be used for educational purposes.

##### Salopian Club Fund

The donations received from the Salopian Club to assist with costs relating to staff and the Salopian magazine.

##### Duffell Prize Fund

A donation received to fund a prize to a pupil who excels in design and technology.

##### Consolidated Fund

A consolidation of 70 small funds the income from which, is used to provide prizes, scholarships and bursaries to pupils at Shrewsbury School.

##### Art Fund

A donation received to support the Art Department.

##### Sabrina Club

A donation received to assist with the purchase of a boat.

##### External Bursaries

Donations received assist pupils who would not otherwise be able to attend Shrewsbury School.

##### Packwood - Redevelopment of Science Facilities

Donations received to assist with the redevelopment costs of the science facilities at Packwood Haugh School.

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SHREWSBURY SCHOOL

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

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**Statement of funds (continued)**

Transfers between funds

The transfer between restricted and general funds of £64,339 (2023 - £167,541) represents capital items purchased from restricted funds (capital items purchased are in accordance with the donors wishes).

The transfer between general and designated funds of £671,470 (2023 - £516,245) represents the transfer approved to the designated fund by the Trustees during the year.

**23. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>Group 2024 £</b>	<i>Group 2023 £</i>
Net income for the period (as per Statement of Financial Activities)	<b>1,389,268</b>	<b>1,578,080</b>
<b>Adjustments for:</b>		
Depreciation charges	<b>3,105,749</b>	<b>2,581,489</b>
(Gains)/losses on investments	<b>(622,099)</b>	<b>182,685</b>
Dividends and interest from investments	<b>(197,637)</b>	<b>(203,428)</b>
Profit on the sale of fixed assets	<b>(26,280)</b>	<b>(21,726)</b>
Decrease in stocks	<b>7,378</b>	<b>2,378</b>
Increase in debtors	<b>(356,461)</b>	<b>(163,282)</b>
Increase in creditors	<b>5,451,164</b>	<b>1,557,421</b>
Pension scheme movement	<b>(75,000)</b>	<b>(143,000)</b>
Interest paid on borrowings	<b>400,099</b>	<b>135,376</b>
<b>Net cash provided by operating activities</b>	<b>9,076,181</b>	<b>5,505,993</b>

**24. Analysis of cash and cash equivalents**

	<b>Group 2024 £</b>	<i>Group 2023 £</i>
Cash at bank	<b>6,828,988</b>	<b>7,914,663</b>
Cash held in investments	<b>5,317</b>	<b>24,775</b>
<b>Total cash and cash equivalents</b>	<b>6,834,305</b>	<b>7,939,438</b>

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**SHREWSBURY SCHOOL**

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

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**25. Analysis of changes in net debt**

	At 1 August 2023	Cash flows £	Other non- cash changes £	At 31 July 2024 £
Cash at bank	7,914,663	(1,085,675)	-	6,828,988
Debt due within 1 year	(1,271,129)	1,271,131	(1,307,262)	(1,307,260)
Debt due after 1 year	(8,732,713)	-	1,307,262	(7,425,451)
	<u>(2,089,179)</u>	<u>185,456</u>	<u>-</u>	<u>(1,903,723)</u>

**26. Capital commitments**

At 31 July 2024 the group and charity had capital commitments as follows:

	2024 £	2023 £
Contracted for but not provided in these financial statements	<u>1,286,773</u>	<u>4,666,929</u>

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

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#### 27. Pension commitments

##### Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff who joined pre September 2021. The pension charge for the year includes contributions payable to the TPS of £1,597,807 (2023 - £1,510,487) and at the year-end £210,533 (2023 - £186,408) was accrued in respect of contributions to this scheme.

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

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

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

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

##### Shrewsbury School (1971) Pension and Life Assurance Scheme

The School has a defined benefit pension scheme for certain support staff (Shrewsbury School (1971) Pension and Life Assurance Scheme) and its assets are invested in pooled, bond and gilt funds with Legal & General Investment Managers. The scheme has been closed to new members since 2001.

The amounts in the financial statements for the year ended 31 July 2024, relating to pensions, are based on a full actuarial valuation dated 31 May 2022.

The valuation, as of 31 May 2022, revealed a funding deficit of £759,000. Subsequent to the valuation date, there was a significant improvement in the Scheme's funding position and the Trustees of the Scheme and the School, agreed and implemented a de-risking investment strategy, holding 100% of matching assets in order to protect the funding surplus and reduce any funding volatility. As a result of this strategy, the Scheme is now in surplus, and the statutory funding objective has been met.

This post valuation experience has resulted in the following:

1. The school paid contributions of 23.8% of pensionable salaries up to 31 August 2023, and from 1 September 2023, 23.5% of pensionable salaries, to meet the cost of future accrual for active members of the Scheme, in line with the Schedule of Contributions dated 24 August 2023.
2. In accordance with the Schedule of Contributions dated 24 August 2023, the School paid additional contributions of £138,000 a year to 31 August 2023. As from 1 September 2023, these additional contributions are no longer required as the Scheme is in surplus.

In addition, with the agreement the Trustees of the Pension Scheme and the School, the administration expenses of the Scheme could be borne by the Scheme, up to £100,000 a year, if not the School will continue to meet the administrative expenses of the Scheme.

**SHREWSBURY SCHOOL**

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

**27. Pension commitments (continued)**

The Trustees of the Pension Scheme, have a charge over the following School properties: 33 Porthill Road, 23 and 23a Ashton Road.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	<b>At 31 July 2024</b>	<i>At 31 July 2023</i>
	%	%
Discount rate	<b>4.95</b>	<b>5.20</b>
Future salary increases - pre 2030	<b>2.25</b>	<b>2.25</b>
Future salary increases - post 2030	<b>2.95</b>	<b>2.95</b>
Inflation assumption (RPI) - pre 2030	<b>3.15</b>	<b>3.15</b>
Inflation assumption (RPI) - post 2030	<b>2.95</b>	<b>2.95</b>
Inflation assumption (CPI) - pre 2030	<b>2.25</b>	<b>2.25</b>
Inflation assumption (CPI) - post 2030	<b>2.95</b>	<b>2.95</b>
Pre 6/4/1997 (fixed 3%)	<b>3.00</b>	<b>3.00</b>
Post 6/4/1997 (RPI min 3%, max 5% - Option A members) - pre 2030	<b>3.60</b>	<b>3.60</b>
Post 6/4/1997 (RPI min 3%, max 5% - Option A members) - post 2030	<b>3.55</b>	<b>3.55</b>
Post 6/4/1997 (CPI min 3%, max 5% - Option B members) - pre 2030	<b>3.30</b>	<b>3.30</b>
Post 6/4/1997 (CPI min 3%, max 5% - Option B members) - post 2030	<b>3.55</b>	<b>3.55</b>

	<b>At 31 July 2024</b>	<i>At 31 July 2023</i>
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	<b>21.5</b>	<b>22.0</b>
- at 65 for a male aged 45 now	<b>22.4</b>	<b>23.0</b>
- for a female aged 65 now	<b>24.0</b>	<b>24.3</b>
- at 65 for a female aged 45 now	<b>25.1</b>	<b>25.4</b>

**Sensitivity analysis**

	<b>At 31 July 2024</b>	<i>At 31 July 2023</i>
	£	£
Discount rate +0.25%	<b>(143,000)</b>	<b>(147,000)</b>
RPI rate +0.25%	<b>45,000</b>	<b>44,000</b>
CPI rate +0.25%	<b>22,000</b>	<b>23,000</b>
Assumed life expectancy age 65 - increase by 1 year	<b>273,000</b>	<b>211,000</b>

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SHREWSBURY SCHOOL

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

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**27. Pension commitments (continued)**

The Group's share of the assets in the scheme was:

	At 31 July 2024 £	At 31 July 2023 £
Bonds	5,516,000	5,492,000
Insurance annuities	968,000	1,036,000
Cash	45,000	82,000
<b>Total fair value of assets</b>	<b>6,529,000</b>	<b>6,610,000</b>

The actual return on scheme assets was £198,000 (2023 - £-338,000).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2024 £	2023 £
Current service cost - within Schools and grant making	12,000	18,000
Net interest on pension scheme liabilities - within finance charges	(48,000)	(7,000)
<b>Total amount recognised in the Consolidated Statement of Financial Activities</b>	<b>(36,000)</b>	<b>11,000</b>

Movements in the present value of the defined benefit obligation were as follows:

	2024 £	2023 £
Opening defined benefit obligation	5,705,000	6,989,000
Contributions by scheme participants	3,000	3,000
Actuarial gains	(2,000)	(1,232,000)
Benefits paid	(321,000)	(302,000)
Current service cost	12,000	18,000
Interest cost	289,000	229,000
<b>Closing defined benefit obligation</b>	<b>5,686,000</b>	<b>5,705,000</b>

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

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27. Pension commitments (continued)

Movements in the fair value of the Group's share of scheme assets were as follows:

	2024 £	2023 £
Opening fair value of scheme assets	5,705,000	6,989,000
Interest income	337,000	236,000
Actuarial losses	(77,000)	(1,375,000)
Contributions by employer	39,000	154,000
Contributions by scheme participants	3,000	3,000
Benefits paid	(321,000)	(302,000)
<b>Closing fair value of scheme assets</b>	<b>5,686,000</b>	<b>5,705,000</b>

Reconciliation of funded status:

	2024 £	2023 £
Opening deficit	-	-
Employer contributions	39,000	154,000
Charge recorded in Statement of Financial Activities	36,000	(11,000)
Actuarial loss received in Statement of Financial Activities	(75,000)	(143,000)
	-	-

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

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**28. Operating lease commitments**

At 31 July 2024 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group and Charity 2024 £</b>	<i>Group and Charity 2023 £</i>
<b>Group and Charity Amounts payable:</b>		
Within 1 year	69,627	10,416
Between 1 and 5 years	178,422	16,492
	<u>248,049</u>	<u>26,908</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	<b>Group and Charity 2024 £</b>	<i>Group and Charity 2023 £</i>
<b>Group and Charity</b>		
Operating lease rentals	<u>53,293</u>	<u>10,416</u>

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**SHREWSBURY SCHOOL**

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

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**29. Financial instruments**

	<b>Group 2024 £</b>	<i>Group 2023 £</i>	<b>Charity 2024 £</b>	<i>Charity 2023 £</i>
<b>Financial assets</b>				
Financial assets measured at fair value through income and expenditure	<b>12,463,045</b>	<b>8,596,916</b>	<b>12,463,045</b>	<b>8,596,916</b>

Financial assets measured at fair value through income and expenditure comprises investments in UK listed securities.

The Group's income, expense, gains and losses in respect of financial instruments are summarised below:

	<b>Group 2024 £</b>	<i>Group 2023 £</i>	<b>Charity 2024 £</b>	<i>Charity 2023 £</i>
Total investment income for financial assets measured at fair value through income and expenditure	<b>197,637</b>	<b>203,428</b>	<b>197,637</b>	<b>203,428</b>
Net (gain)/loss on financial assets measured at fair value through income and expenditure	<b>(622,099)</b>	<b>182,685</b>	<b>(622,099)</b>	<b>182,685</b>
Impairment loss on financial assets measured at amortised cost	<b>211,196</b>	<b>66,603</b>	<b>211,196</b>	<b>66,603</b>
Total interest expense for financial liabilities held at amortised cost	<b>400,099</b>	<b>135,376</b>	<b>400,099</b>	<b>135,376</b>

**30. Related party transactions**

During the year Shrewsbury School had various transactions and balances outstanding at the year end with its two wholly owned trading subsidiaries, Shrewsbury School Enterprises Limited and Shrewsbury School Trading Company Limited. These are disclosed in note 6.

Governors' remuneration and expenses are disclosed in note 12 and key management personal remuneration is disclosed in note 13.

There are no other related party transactions to disclose.

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024

31. Consolidated Statement of Financial Activities for the year ended 31 July 2023

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
<b>Income and endowments from:</b>				
Grants and donations	-	771,140	-	771,140
Charitable activities:				-
School fees	31,658,779	-	-	31,658,779
Other educational income	446,572	-	-	446,572
Other ancillary trading	416,719	-	-	416,719
Other trading activities	2,292,022	-	-	2,292,022
Investments	163,672	37,949	1,807	203,428
Other income	54,028	-	-	54,028
<b>Total income</b>	<b>35,031,792</b>	<b>809,089</b>	<b>1,807</b>	<b>35,842,688</b>
<b>Expenditure on:</b>				
Raising funds:				
Trading activities	1,298,264	-	-	1,298,264
Fundraising costs	380,728	-	-	380,728
Financing costs	340,679	-	-	340,679
Charitable activities:				-
Education and grant making	31,345,607	716,645	-	32,062,252
<b>Total expenditure</b>	<b>33,365,278</b>	<b>716,645</b>	<b>-</b>	<b>34,081,923</b>
<b>Net income before net losses on investments</b>	<b>1,666,514</b>	<b>92,444</b>	<b>1,807</b>	<b>1,760,765</b>
Net losses in investments	(150,604)	-	(32,081)	(182,685)
<b>Net income before transfers</b>	<b>1,515,910</b>	<b>92,444</b>	<b>(30,274)</b>	<b>1,578,080</b>
Transfers between funds	167,541	(167,541)	-	-
<b>Net movement in funds before other recognised losses</b>	<b>1,683,451</b>	<b>(75,097)</b>	<b>(30,274)</b>	<b>1,578,080</b>
Actuarial losses on defined benefit pension schemes	(143,000)	-	-	(143,000)
<b>Net movement in funds</b>	<b>1,540,451</b>	<b>(75,097)</b>	<b>(30,274)</b>	<b>1,435,080</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	43,824,902	782,763	1,438,801	46,046,466
Net movement in funds	1,540,451	(75,097)	(30,274)	1,435,080
<b>Total funds carried forward</b>	<b>45,365,353</b>	<b>707,666</b>	<b>1,408,527</b>	<b>47,481,546</b>

**SHREWSBURY SCHOOL**

England & Wales - Charity number 528413

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# Accounts

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**SHREWSBURY SCHOOL**

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2023**

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SHREWSBURY SCHOOL

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## SHREWSBURY SCHOOL

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 JULY 2023

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<b>Governors</b>	T.H.P. Haynes, BA, PGCE (Co-opted member), Chair (resigned 31 July 2023) <sup>1,2,6</sup> J.D.C. Pitt, MBA, BSc (Co-opted member) (appointed Chairman 1 August 2023) <sup>1,4</sup> R. Boys-Stones, BSc, FCA (Co-opted member) <sup>1,4</sup> D Chance MBA (Co-opted member) <sup>1,4</sup> J.R. Clark MA (Co-opted member) <sup>3,5,6</sup> D. Flint, DL (Appointed by the Lord Lieutenant of the County of Shropshire) <sup>1,2,5</sup> S.L.Hankin BA (Co-opted member) <sup>5</sup> C. Howarth LLB, MA (Co-opted member) <sup>2,6</sup> Dr S. Jones-Perrott BA, MBBS, FRCP (Co-opted member) <sup>3,5,7</sup> W. Kenyon MA, FCA (Co-opted member) <sup>3</sup> Professor A.J. McCarthy BSc, PhD (Co-opted member) <sup>2,5</sup> J.M.H. Moir, BA, MBA (Co-opted member) <sup>1,7</sup> Councillor D. Morris BA, (Appointed by Shropshire Council) <sup>3,6</sup> Councillor C.M. Motley BA (Appointed by Shropshire Council) <sup>1,2</sup> F.L. Schofield BA, PGCE (Co-opted member) <sup>5,7</sup> Canon J. Leigh MA, FRSA (Co-opted member) (appointed 1 September 2023) <sup>5,6</sup> D.R. Stacey DL (Co-opted member) <sup>1,3,7</sup> G. Walters BBLs (Co-opted member) <sup>6</sup>
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- <sup>1</sup> Finance and General Purposes Committee
- <sup>2</sup> Nominations and Remuneration Committee
- <sup>3</sup> Audit Committee
- <sup>4</sup> Investment Committee
- <sup>5</sup> Education and Safeguarding Committee
- <sup>6</sup> International Development Committee
- <sup>7</sup> The Prep School Committee

**Charity registered  
number**

528413

**Principal address and  
Registered Office**

The Bursary  
Kingsland House  
Shrewsbury School  
The Schools  
Shrewsbury  
SY3 7AA

**Headmaster**

N L Winkley MA, MEd

**The Bailiff, Bursar and  
Clerk to the Governing  
Body**

M J Ware, MA, ACA

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SHREWSBURY SCHOOL

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS  
(CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2023

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<b>Independent auditor</b>	Crowe U.K. LLP Fourth Floor St James House St James Square Cheltenham GL50 3PR
<b>Bankers</b>	Barclays Bank UK Plc 44/46 Castle Street Shrewsbury SY1 1BU  Handelsbanken Plc 1st Floor, Willow House West Shrewsbury Business Park Shrewsbury SY2 6LG  Lloyds Bank Plc 1 Pride Hill Shrewsbury SY1 1DG
<b>Investment Advisors</b>	Sarasin & Partners LLP Juxon House 100 St. Paul's Churchyard London EC2M 8BU

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT FOR THE YEAR ENDED 31 JULY 2023

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The Governors present their annual report for the year ended 31 July 2023, under the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter comply with the Act, the Shrewsbury School Statutes and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", the Charities SORP (FRS102) effective 1 January 2019.

#### REFERENCE AND ADMINISTRATIVE INFORMATION

Shrewsbury School was founded in 1552 as "The Free Grammar School of King Edward VI" and is registered with the Charity Commission under charity number 528413. The Governors, Officers and principal address and particulars of the Charity's professional advisers are as listed on pages 1-2.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing Document

Shrewsbury School is governed in accordance with the Shrewsbury School Statutes, approved by the late HM Queen Elizabeth II in Council on 12 October 2016.

##### Recruitment and Training of Governors

The Governing Body consists of both appointed and co-opted members.

The Master of St John's College, Cambridge is an ex-officio member of the Governing Body. The current Master of St John's has decided not to take up her post as a Governor of Shrewsbury School in line with the policy of the College council. Three members are appointed to the Governing Body by persons or a body of persons as specified in Shrewsbury School's Statutes and effectively provide an informal link with Shrewsbury Town and its County. One member is elected by the Assistant Teachers of Shrewsbury School (Common Room).

Fourteen members (maximum) are co-opted by the current Governors, their names being brought forward for appointment by the Nominations and Remuneration Committee of the Governing Body. There is a regular audit of Governors' qualifications, skills and experience. Governors are encouraged to attend appropriate training courses and seminars.

New Governors are introduced to the workings of the Charity and the Governing Body largely by past financial statements, management accounts, minutes of Governor and sub-committee meetings, and a day's visit to Shrewsbury School, including meeting representatives of staff and employees. General information is provided in Statutes, the School Handbook, information for pupils, and Charity Commission regulations. Specific issues are addressed at an academic-year-end strategy meeting with the Headmaster. Governors are encouraged to keep abreast of new regulations. All Governors are required to undergo a Disclosure and Barring check for child protection purposes.

##### Organisational Management

The members of the Governing Body, as Trustees of the Charity, are legally responsible for the overall management and control of both schools and meet as the full decision making Governing Body at least three times a year.

There are seven committees to which powers of investigation and recommendation are delegated, and which meet regularly under their respective chairmen. Minutes are kept of all meetings of the Trustees and of the Committees. Draft minutes are circulated to all Governors for discussion at meetings of the full Governing Body.

The Finance and General Purposes Committee (F&GP) is the working Committee responsible for making recommendations on the financial and operational policy to the Governing Body and for ensuring that the decisions and policies of the Governing Body are implemented. The F&GP meets at least three times a year, prior to full Governing Body meetings. The F&GP during the year was chaired by R Boys-Stones.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

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The other committees are the Nominations and Remuneration Committee, chaired by T Haynes. The International Development Committee, chaired by C. Howarth; the Audit Committee, chaired by W. Kenyon; the Investment Committee, chaired by D. Chance; the Education and Safeguarding Committee, chaired by Prof A McCarthy; and the Prep School Committee, chaired by M. Moir. Each Committee meets at least once a year.

The Governing Body has approved the terms of reference for each of the committees. The day-to-day running of Shrewsbury School itself is delegated to the Headmaster, who is supported by the Bursar and their various management teams. The Packwood Haugh School Headmaster reports into the Headmaster of Shrewsbury School, and is supported by the Packwood Bursar and Packwood Leadership Team. These groups form the key management personnel.

The Shrewsbury Headmaster and the Shrewsbury Bursar attend Governing Body and F&GP Committee meetings, and the meetings of other committees as appropriate. Other teaching and support staff attend Governing Body and committee meetings on an ad hoc basis to advise and inform Governors on specific areas of the Shrewsbury School's and Packwood's activities.

Policies and guidelines for the effective governance and management of Shrewsbury School are regularly reviewed by the Audit Committee and their recommendations passed to the F&GP and the Governing Body for action. The Prep School Committee performs a similar function for Packwood.

The remuneration of the key management personnel of both schools is set by the Nominations and Remuneration Committee. The policy objectives are to provide appropriate incentives to encourage enhanced performance and to reward fairly and responsibly individual contributions to the success of both schools.

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

#### **Group Structure and Relationships**

During the year, the Charity had two wholly owned subsidiaries:

- Shrewsbury School Enterprises Limited (non-charitable)
- Shrewsbury School Trading Company Limited (non-charitable).

The activities of these companies are discussed later in this report.

In addition, the Charity pays the employment, administrative and other costs, and expenses of Shrewsbury School Foundation. These costs are categorised as fund raising costs within the Consolidated Statement of Financial Activities. The Governors have agreed that the Charity will incur these costs to the extent that Shrewsbury School Foundation exercises and continues to exercise its charitable objects (the "Shrewsbury School Charitable Objects") as set out in the Foundation Trust Deed. Shrewsbury School and Packwood Haugh School both operate within the Shrewsbury School charity.

#### **Risk Management**

The Governing Body is responsible for the management of the risks faced by both schools. Detailed analysis of the risks is delegated to the Audit Committee, who in turn delegates review of each risk type to the relevant sub-Committees. In this review, the Governing Body sub-Committees are assisted by the leadership team from each school. Risks are identified, assessed and controls established throughout the year. The risks are identified under the following headings: mission and objects; law and regulations; governance and management; external factors; marketing/pupil recruitment; academic factors; operational factors; human resources; environmental; technological and financial. A formal review of the major risks facing the Charity and the concomitant risk management processes is performed annually by the Governing Body.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

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The key controls used by the Charity include:

- formal agendas and papers where appropriate for all Committee and Governing Body meetings with detailed minutes taken for each and circulated in draft to relevant participants and members unable to attend.
- clear and detailed terms of reference for each Committee.
- comprehensive strategic planning, budgeting and management accounting, timely, clear and accurate management financial information readily available and formal written policies agreed.
- established organisational management structure and lines of reporting, clear authorisation and approval levels for payments.
- Governors who have designated responsibility for child protection, health and safety, estates and admissions.

It is recognised that these control systems provide a reasonable, but not an absolute, assurance that risks are being managed properly. The Governors are satisfied that the major risks being faced by both schools this year have been identified and are being adequately addressed in order to avoid each, or to mitigate the effects of an unavoidable occurrence.

#### **OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

##### **Charitable Objects**

The Objects of the Charity are the advancement of education, including the provision of boarding and day schooling.

Within these Objects the Charity has a number of permanent endowed funds held for special purposes in connection with the development of Shrewsbury School's facilities and for scholarships, bursaries, prizes and other educational purposes.

##### **Public Benefit Aims and Intended Impact**

Shrewsbury School was founded in 1552 by Royal Charter to provide charitable education in the Shrewsbury area. Shrewsbury attracts entrants from all over the United Kingdom - and also from abroad - whilst still retaining its strong links with the town and its citizens. Since August 2019, Packwood Haugh School has been part of the overall Shrewsbury School charitable entity.

Our aim is that a Shrewsbury education will educate and empower each individual to flourish in life and contribute positively to the world around them. Shrewsbury School delivers whole person education in a thriving and inclusive boarding and day school community that champions the individual. We believe that the true purpose of education is the cultivation of inner virtues, life skills and character strengths that equip our young people with the confidence and direction to pursue meaningful and successful lives.

Packwood Haugh School operates as an independent boarding and day Preparatory School for boys and girls aged from 4 to 13. Packwood covers all that is required by the National Curriculum Key Stages 1 and 2, and the first two years of Key Stage 3 and substantially more. Packwood aims for the highest quality of academic tuition and pastoral care and the development of wider sporting, artistic and social skills in all its pupils, while offering an environment in which each pupil can develop and fulfil their potential.

In setting both schools' objectives and planning of activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and fee charging.

Shrewsbury and Packwood provide substantial public benefit not only to the recipients of educational grants but also to the local community and a wider public. A member of the Shrewsbury School Leadership Team has specific responsibility for Partnership and Community Engagement in order to focus the different strands of activity in this area and to measure the impact on beneficiaries.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

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#### **Educational grants and widening access to Shrewsbury School and Packwood.**

Scholarships, bursaries and other awards are made available from three sources: funds controlled by the Governing Body as Trustees; funds managed by the Trustees of the Shrewsbury School Foundation; and the general income of both schools. In the year, 385 (2022 - 376) Shrewsbury pupils were assisted of whom 198 were means tested (2022 - 204). The value of this means tested support at Shrewsbury was £3,188,752 (2022 - £3,129,208). This figure includes 11 pupils (2022 - 9) who were in receipt of 100% means tested remissions.

Packwood offered £367,015 (2022 - £366,370) in bursary and scholarship support in 2022-23, of which £262,642 (2022 - £262,852) was means tested.

Such a significant level of fee support is in keeping with the aims of the schools and underscores the charitable purpose.

#### **Partnerships with local schools and the Shrewsbury House, Everton "The Shewsy".**

Shrewsbury School engages in substantial charitable fund raising for both local and national organisations. Of special interest is the on-going financial support for Shrewsbury House, known as 'The Shewsy', a youth club in Liverpool established by Shrewsbury School in 1903 to serve the needs of the socially and economically disadvantaged local community. In addition to fund raising, Shrewsbury School is actively involved in governance, provides accounting and other services, free of charge, to Shrewsbury House. All new Yr9 Shrewsbury School pupils visited The Shewsy as part of the volunteering component of their BASE programme and themed residential visits to Liverpool are offered to Lower Sixth Form Students.

A shared residential visit to Snowdonia took place at Easter, and club members had the opportunity to visit the School during the course of a year for a day of activities organised by School pupil leaders. We helped to facilitate a more coordinated relationship with the Into Uni charity to support club members with their more formal education and to help raise academic performance and aspiration. Significant fundraising by Salopians took place for the Shewsy's annual 'Big Give' campaign at Christmas, with over £80k being raised to help provide further support for youth programmes.

During the 2022-23 academic year Shrewsbury School continued to develop partnership activity with state schools, charities and other organisations, both locally and nationally. Programmes covered academics, co-curricular (sport, music and arts), support with careers and pastoral aspects of school life – some of these were regular activities over a term or the whole year, others were one-off events or special occasions.

Amongst the highlights of 2022-23 are the following case studies:

#### **Case Study 1 – Refugee Homework Club**

Set up 10 years ago, in 2022-23 we worked with Shropshire Supports Refugees, helping Syrian teenagers who find themselves in a new land, adapting to a new language in a new school. Some have had great difficulties settling here, and have suffered bullying, so this club also helps with integration into British life, serving as a safe haven. It was expanded to include some primary school provision and also to support with language for accompanying parents. Over a dozen attendees regularly benefited.

#### **Case Study 2 – Partnership with Alpha Academies Trust in Stoke-on-Trent**

The School has developed a new partnership with Alpha Academies Trust (comprising two secondary and three primary schools) in Stoke. With strategic input from Leadership, opportunities for creating a mutually beneficial partnership have been put into practice with the overall aim of developing character, most notably teamwork and leadership.

Yr4 students visited Packwood Haugh to take part in a 'Healthy Living' themed day; Yr5 students visited Shrewsbury School for Darwin themed activities from collaborative laboratory work to evolution-inspired dance sessions; Yr6 students visited Packwood Haugh to have an outdoor education carousel; Yr8 students visited

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

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Shrewsbury School for a programme of sporting and classroom challenges. Around 600 Alpha students were involved. Feedback from this first pilot year was universally positive and we look forward to repeating and developing the programme.

#### Case Study 3 – Cultural programme for local primary schools

The School continued to promote opportunities for local state primary school pupils to access our facilities and to receive expert tuition in art, dance, music and singing. Priority was again given to pupils who have disadvantage in this regard, whether socio economic or due to disability. Art used the national 'Big Draw' event to engage with local Yr5 pupils in an exciting and fun carousel of media and techniques; dance days for the Marches Academy Trust primaries and weekly sessions for Severndale Specialist School were highlights in the Barnes; Symphonic Sunday (and the newly constituted Sinfonia for almost absolute beginners) was again a roaring success bringing together young musicians from across the county to learn together and perform in a summer gala concert before a large packed audience in the Alington; Singing classes brought disparate voices into harmony for youngsters who had never had such an experience. In addition, our 'Concert Party' continued to be in demand – on the road delivering music and song to charities, care homes and schools.

#### Other community engagement:

We maintained academic support across a range of subjects including Maths GCSE support at Shrewsbury Academy School and MFL (French and Spanish) at The Priory School. Our Hispanic Fellow continued to be seconded to The Priory in a now established relationship. Support for university applicants, with mentoring, UCAS and interview practice was put in place across a number of academic subjects. We shared our academic enrichment 'Dialogues' programme with state school partners. STEM Potential, supporting talented scientists from schools across Shropshire, in conjunction with Imperial College London, continued to thrive. A group of our students volunteered on a weekly basis to mentor young people based at Restart in Gil Gil Kenya – using zoom.

In sport, we continued to support local talented sportsmen and sportswomen with our Dedicated Athletes Programme – providing expert strength and conditioning coaching and wider mentoring. We hosted multiple Varsity Games events for the Marches Academy Trust (summer and winter, primary and secondary editions, using indoor and outdoor facilities). We once again hosted a successful whole school Sports Day for the Severndale Specialist Academy. We established a relationship with the Trust Sports Alliance, promoting sport amongst local Shropshire primary schools. Our swimming pool, Astro turf facilities and cricket school continued to have great local school and wider community use at much reduced tariffs. The use of the School's squash facilities continued to support the community, not least junior participation.

As well as supporting charitable fundraising by pupils and staff (in 2022-23 raising over £120k for 20 different charities in total, including over £60k for The Severn Hospice), the School regularly makes available its facilities to various external charities, either at no cost to the charity or at heavily discounted rates to cover school costs – in particular the Food Bank+ where pupils volunteer throughout the year.

School staff are encouraged to participate in the local and wider community, providing their time free of charge. Such participation ranges from acting as governors or trustees of local primary, secondary and specialist schools, to volunteering for local charities, to taking part in environmental projects.

The School's annual concert series is open to the public and is well attended by members of the local community and community choir continues to thrive.

A detailed inventory of the School's Partnership and Community Engagement work can be found at <https://www.shrewsbury.org.uk/pce>

In addition, both schools record partnership activity on the [schoolstogether.org](https://www.schoolstogether.org) website.

#### **Fundraising**

Shrewsbury School did not participate in any fundraising activities on its own account during the year and therefore there are no fundraising disclosures necessary under S162A of the Charities Act.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

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#### Objectives for the Year

This year, the focus has been on:

- Continued implementation of the strategic plan adopted by the Governing Body in September 2019 and detailed planning and consultation for the transfer of day boys from separate day houses to seven integrated day and boarding houses.
- Focus on funding and increasing the number of means tested transformative bursaries (75% to 110% off fees).
- Completion of a new Science Centre at Packwood in time for the start of the 2023-24 academic year.
- Construction of Queen Elizabeth Hall (Fifth Girls' house). This was opened in September 2023.

#### REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

##### Operational Performance of the schools

This year, Shrewsbury School numbers averaged 828 (2022 - 816) pupils of whom 600 (2022 - 611) were boarders and 228 (2022 - 205) were day pupils. Packwood Haugh School numbers averaged 226 (2022 - 208) of whom 54 (2022 - 54) were boarders.

Shrewsbury School pupil numbers at the start of the 2023/24 academic year were 843, and Packwood Haugh had 221 pupils.

A Level and GCSE results both reflected a national tightening of grade boundaries. 72.4% of A Level candidates received the equivalent of A\* to B, and these results enabled 87% of our leavers to take up their first choice university destination. At GCSE 52% of candidates received grades 9 to 7.

Outside the classroom Shrewsbury School and Packwood Haugh School continued provide a wide range of co-curricular opportunities, with many team and individual achievements. Among highlights from a packed programme a company of 42 Salopians completed a sell-out run of "Gatsby" at the 2022 Edinburgh Fringe Festival and the choristers performed Evensong at St Paul's Cathedral in April 2023. The 1st XI Boys team reached the English Schools' FA final and the U17 Boys' Cricket team were National Champions. Individual girls and boys were selected to represent team GB in rowing, athletics and fencing, and the Girls' football programme started at Shrewsbury in the Michaelmas term 2022.

##### Grants and Awards

The Charity in total awarded bursaries, scholarships and allowances of £4,911,162 (2022 - £4,720,014). Shrewsbury School, despite not possessing a large endowment reserve, continues to support and assist pupils to come to Shrewsbury. During the year Shrewsbury School awarded a total of £4,544,147 (2022 - £4,353,644) of scholarships, grants, bursaries and other allowances to pupils, of which £676,047 (2022 - £643,613) came from restricted funds, including £649,017 (2022 - £613,662) from Shrewsbury School Foundation. Packwood made awards to pupils totalling £367,015 (2022 - £336,370).

Shrewsbury School holds a scholarship competition for suitably qualified candidates under the age of 14 each year. It awards up to four Butler Scholarships to a value of 30% of fees; up to four Kennedy Scholarships; and two Moss Scholarships worth up to one-fifth of fees; and up to seven Alington Exhibitions worth £2,000 per year. There are also up to four Music Scholarships worth up to 30% of fees, each year, and two Art Scholarships worth one-fifth of fees.

For entrants to Shrewsbury at Sixth Form level, there are a range of academic, music and sporting awards. In addition, the School offers two means tested Sixth Form sporting scholarships, worth up to 100% of fees.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

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Foundation bursaries are awarded to pupils who will make a significant contribution to the School whether it be academically in sport or through the arts. The funding for these awards comes from Shrewsbury School Foundation. In total, Shrewsbury School Foundation financially supported 27 pupils (2022 - 28 pupils) of whom 7 pupils (2022 - 7 pupils) received 100% funding.

The Governors publish a detailed grant making policy on Shrewsbury School's website. In short, the Governors' policy is to make bursary awards on the basis of the individual's educational ability and his or her family's ability to pay, subject to the particular conditions imposed by the original donor where the award is taken from restricted funds.

#### **Financial Review and Results for Year**

The financial statements reflect the activities and results of the Charity (Shrewsbury School and Packwood) and its two subsidiary companies, Shrewsbury School Enterprises Limited and Shrewsbury School Trading Company Limited.

The group had net incoming resources of £1,760,765 (2022 - £1,533,731) for the year.

The School's strategic plan assumes the following means of financing the continued investment in the School's facilities:

- Achieving operating surpluses that generate substantial cash flows. This involves continuously reviewing the cost base of the School in all areas to ensure best use is being made of the School's resources, while maintaining a commitment to excellence; and
- Shrewsbury School Foundation will continue to provide financial support for the School. This is primarily in the form of funding for scholarships and bursaries, including Foundation Bursaries, but also includes donations towards specific building projects; and
- For large capital projects, the School will consider borrowing funds in the medium term (for instance for the construction of Queen Elizabeth Hall), whilst ensuring that the overall level of borrowing is prudent; and
- Further increasing the commercial income of the School: new or refurbished School facilities are designed not only for use by the School, but also for commercial lettings, and to maximise the opportunity for the wider community; and
- Increase income generated by the School's overseas activities.

Net assets increased to £47,481,546 from £46,046,466. The increase comprised net incoming resources of £1,760,765; a decrease in the market value of Charity's investments of £182,685; and £143,000 actuarial loss relating to Shrewsbury School's defined benefit pension scheme under FRS 102.

The School's defined benefit scheme valuation under the requirements of Financial Reporting Standard 102 (FRS102) showed that the scheme was in surplus at 31 July 2023, the Charity did not regard it as prudent to record the asset on its balance sheet.

Capital expenditure totalled £10,585,035. This represents a return to a more normal level of activity. £3,978,548 was spent on the completion of the Queen Elizabeth Hall, £2,086,360 was spent on the refurbishment of Churchills and Ingrams, £1,785,380 was spent on Porthill Astro and £1,192,738 was spent on the Science Centre at Packwood.

The Charity's two subsidiary companies continued to trade during the year. Shrewsbury School Enterprises Limited remained the vehicle through which Shrewsbury School conducts its overseas school business; Shrewsbury School Trading Company Limited, continued to operate the School shop, sporting and leisure activities and commercial lets of the School premises.

Shrewsbury School Trading Company Limited results remained at a slightly lower level than pre-pandemic. This was in line with the planned construction projects on the school site in July 2023, and the commensurately reduced scope of letting activities.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

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#### International School Developments

The International Development Director has continued to work with the international development committee to cement relationships with Shrewsbury International Asia (SIA), as well as to develop and execute new relationships.

There are currently three schools operated by SIA. Shrewsbury International School Bangkok (Riverside) provides an important income stream, reflecting the success of the venture. The school opened on a purpose-built greenfield site in 2003 and has just completed an expansion project to keep up with demand. It currently has just under 2,000 pupils, aged between 3 to 18. There is a close working relationship between the schools. Shrewsbury International School Bangkok (City Campus) and Shrewsbury School International School, Hong Kong completed a fifth successful year of operation and continue to grow to capacity.

Shrewsbury International School Phnom Penh, operated by new partners Tutor Impact, opened its Early Years provision in the Cambodian capital in September 2022. A primary school is planned to open in September 2024 followed by a secondary school in September 2026.

Agreements were signed in February 2023 with the Jagran Social Welfare Society to open a premium international school in Madhya Pradesh, India. The full boarding co-educational school for pupils aged 11 to 18 will be situated on a state of the art 150-acre campus.

Further details on our international schools can be found at <https://www.shrewsbury.org.uk/ShrewsburySchoolInternational>

#### Fundraising Performance

The School received donations of £771,140 during the year (2022 - £718,457).

Shrewsbury School Foundation (a separate Charity) raises funds to donate to the School for bursary support, capital and educational projects. In the current year the School received from the Foundation a total of £724,216 of this £649,017 was to support bursaries.

#### RESERVES POLICY

The School does not possess large endowment reserves to generate income to assist in the financing of the School.

At the year-end Endowed Funds totalled £1,408,448 and Restricted Funds totalled £707,745, because of the particular spending constraints attached to them they are not available for funding the general operations of the School. Unrestricted Funds totalling £45,365,353 are expendable in accordance with the Objects of the School. The School has no current free reserves as the unrestricted reserves are less than the net book value of fixed assets. Given our plans for new buildings, this nil balance will continue for several years.

This is in accordance with the long-term plans of the Trustees for the development of the School and they are satisfied that the resources available to the School through external bank finance are adequate for its projected requirements. In addition to the operational land and buildings, the School owns residential properties for housing some of its staff.

There are also artefacts and works of art, which have been acquired and accumulated over very many years. These are of huge educational and wider cultural benefit to the School community and some are made available, under appropriate conditions, to external researchers and scholars. They are not revalued in the Balance Sheet and the Governors are of the view that there is no benefit to be gained from incurring the costs of valuations other than for insurance purposes.

The annual revenue expenditure requirements of the School are generally met from annual income. Prudent budgeting and tight financial control are designed to ensure that adequate but not excessive cash headroom is

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

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maintained, and this is supported by a seasonal overdraft facility.

The Governors are confident that the capital development plan can be achieved by the policies set out above, supported by prudent borrowing and support from Shrewsbury School Foundation on selected projects.

The Governors have established a designated fund, which aims to provide bursarial support to enable pupils to attend the School. The intention of the Governors is to allocate a proportion of the School's commercial income each year, based on an agreed calculation, subject to operating requirements. The intention is to build up the fund over the forthcoming years, with income from it being used to provide bursarial support to pupils attending the School. During the year, the Trustees allocated £516,245 to the fund. At the year end the value of this designated fund was £3,774,113.

#### INVESTMENT POLICY

The Governors, as Trustees, have wide powers to invest in property and securities, including stocks and shares.

The Governors review, on a regular basis, the investment profile of the School, the risks and returns achieved and the likely future performance.

The fees in advance funds are invested in a targeted return fund with the aim of generating above inflation returns, while providing the security of investments backing two years fees in advance liabilities.

The policy of the School with regard to endowed and designated investments is to ensure that they produce a regular and growing income stream, together with capital growth. The School's investments are managed by Sarasin & Partners. The School funds are held in the Sarasin Endowments Fund Class A Income Fund, a global multi-asset portfolio with an integrated socially responsible investment policy. The fund seeks to provide growth (in terms of investment value and growth) of 4% per year more than the CPI over a rolling five-year period. The School's investments decreased in capital value by £182,685 (2%) over the previous year.

#### PRINCIPAL RISKS AND UNCERTAINTIES

As explained above, the Governors have considered the principal risks and uncertainties facing the School. The economic climate affects the ability of parents to afford the school fees, and the affordability of fees is considered as an important factor in the long-term financial planning. In terms of unexpected costs, the Governors ensure that insurance is in place for known and insurable risks. With a large built estate, the School also monitors and plans for foreseeable future building repairs. An updated buildings insurance valuation was completed in 2022.

The management team also carefully monitors the level of scholarships and bursaries to ensure that grant commitments are maintained at a sustainable level, carefully reviewing the future grant funding available from Shrewsbury School Foundation.

The School has also considered non-financial risks. As the health and safety of the pupils and staff is paramount, the Trustees consider any potential breach of health and safety to be a principal risk. To mitigate the School has developed policies to ensure the regulations and guidelines for the welfare of pupils and staff are observed.

#### FUTURE PLANS

- The successful implementation of the integration of day boys into existing boys' boarding houses.
- Launch of Queen Elizabeth Hall as a new girls' house with over 50 pupils in the founding cohort.
- Focus on funding and increasing the number of means tested transformative bursaries (75% to 110% off fees).
- The continued development of a cross sector programme of partnership and community engagement.
- Future planning to mitigate the impact of potential future changes to the taxation regime for independent schools.

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SHREWSBURY SCHOOL

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GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2023

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**ACCOUNTING AND REPORTING RESPONSIBILITIES**

The Governing Body is required by law to prepare financial statements for each financial year, which give a true and fair view of the financial activities of the Charity and of its financial position at the end of that year. In preparing those financial statements the Governing Body is required to:

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

Taking into account the specific economic and geopolitical risks, the Governing Body has reviewed future school cashflows and is confident that it is appropriate to produce financial statements on a going concern basis.

The Governing Body is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011 and the Shrewsbury School Statutes, approved by the late HM Queen Elizabeth II in Council on 12 October 2016. It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In determining how amounts are presented with in items in the statement of financial activities and balance sheet, the Governors have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

So far as each of the Governors is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors Crowe U.K. LLP have indicated their willingness to remain in office.

This report was approved by the Governors, on 2 December 2023 and signed on their behalf by:



**J.D.C. Pitt**  
Chair

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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL

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#### Opinion

We have audited the financial statements of Shrewsbury School (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 July 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards 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 been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 July 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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 Group's or the parent 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 Governors with respect to going concern are described in the relevant sections of this report.

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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Governors are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Matters on which we are required to report by exception

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

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

#### Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement, the Governors are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the Group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the 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.

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:

We obtained an understanding of the legal and regulatory frameworks within which the Charity and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, taxation legislation, employment legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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

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

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

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

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

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SHREWSBURY SCHOOL

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INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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**Use of our report**

This report is made solely to the charity's Governors, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

*Crowe UK LLP*

**Crowe U.K. LLP**  
Statutory Auditor  
Fourth Floor  
St James House  
St James Square  
Cheltenham  
GL50 3PR

Date: 01 February 2024

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

SHREWSBURY SCHOOL

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 JULY 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
<b>Income and endowments from:</b>						
Grants and donations	3	-	771,140	-	771,140	718,457
Charitable activities:						
School fees	4	31,658,779	-	-	31,658,779	29,135,472
Other educational income	5	446,572	-	-	446,572	343,919
Other ancillary trading income	5	416,719	-	-	416,719	92,786
Other trading activities	6	2,292,022	-	-	2,292,022	1,968,956
Investments	7	163,672	37,949	1,807	203,428	159,507
Other income	8	54,028	-	-	54,028	-
<b>Total income and endowments</b>		<b>35,031,792</b>	<b>809,089</b>	<b>1,807</b>	<b>35,842,688</b>	<b>32,419,097</b>
<b>Expenditure on:</b>						
Raising funds:						
Trading activities	9	1,298,264	-	-	1,298,264	1,165,251
Fundraising costs	9	380,728	-	-	380,728	335,809
Financing costs	10	340,679	-	-	340,679	208,291
Charitable activities:						
Education and grant making	11	31,345,607	716,645	-	32,062,252	29,176,015
<b>Total expenditure</b>		<b>33,365,278</b>	<b>716,645</b>	<b>-</b>	<b>34,081,923</b>	<b>30,885,366</b>

SHREWSBURY SCHOOL

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2023**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Note					
<b>Net income before net gains/(losses) on investments</b>	1,666,514	92,444	1,807	1,760,765	1,533,731
Net losses on investments	(150,604)	-	(32,081)	(182,685)	(230,678)
<b>Net income before transfers</b>	<u>1,515,910</u>	<u>92,444</u>	<u>(30,274)</u>	<u>1,578,080</u>	<u>1,303,053</u>
Transfers between funds	22    167,541	(167,541)	-	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>	<u>1,683,451</u>	<u>(75,097)</u>	<u>(30,274)</u>	<u>1,578,080</u>	<u>1,303,053</u>
Actuarial (losses)/gains on defined benefit pension schemes	27    (143,000)	-	-	(143,000)	1,904,000
<b>Net movement in funds</b>	<u>1,540,451</u>	<u>(75,097)</u>	<u>(30,274)</u>	<u>1,435,080</u>	<u>3,207,053</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward	43,824,902	782,763	1,438,801	46,046,466	42,839,413
Net movement in funds	1,540,451	(75,097)	(30,274)	1,435,080	3,207,053
<b>Total funds carried forward</b>	<u>45,365,353</u>	<u>707,666</u>	<u>1,408,527</u>	<u>47,481,546</u>	<u>46,046,466</u>

The notes on pages 24 to 63 form part of these financial statements.

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**SHREWSBURY SCHOOL**

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**CONSOLIDATED BALANCE SHEET  
AS AT 31 JULY 2023**

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	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	14	51,735,516	43,749,295
Investments	15	8,596,916	8,163,967
		60,332,432	51,913,262
<b>Current assets</b>			
Stocks	16	273,265	275,643
Debtors	17	2,141,455	1,978,173
Cash at bank and in hand		7,914,663	6,956,037
		10,329,383	9,209,853
Creditors: amounts falling due within one year	18	(9,911,293)	(7,430,777)
<b>Net current assets</b>		418,090	1,779,076
<b>Total assets less current liabilities</b>		60,750,522	53,692,338
Creditors: amounts falling due after more than one year	19	(13,268,976)	(7,645,872)
<b>Net assets excluding pension asset</b>		47,481,546	46,046,466
Defined benefit pension scheme asset	27	-	-
<b>Total net assets</b>		47,481,546	46,046,466

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SHREWSBURY SCHOOL

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CONSOLIDATED BALANCE SHEET (CONTINUED)  
AS AT 31 JULY 2023

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	Note	2023 £	2022 £
<b>Charity funds</b>			
Endowment funds	22	1,408,448	1,438,722
Restricted funds	22	707,745	782,842
Unrestricted funds	22	45,365,353	43,824,902
<b>Total funds</b>		<u>47,481,546</u>	<u>46,046,466</u>

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:



J.C.D. Pitt



R. Boys-Stones

Date: 2 December 2023

The notes on pages 24 to 63 form part of these financial statements.

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**SHREWSBURY SCHOOL**

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**CHARITY BALANCE SHEET  
AS AT 31 JULY 2023**

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	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	14	51,728,382	43,738,583
Investments	15	8,596,916	8,163,967
		60,325,298	51,902,550
<b>Current assets</b>			
Stocks	16	77,124	65,120
Debtors	17	3,595,508	2,839,351
Cash at bank and in hand		6,492,046	6,055,384
		10,164,678	8,959,855
Creditors: amounts falling due within one year	18	(9,745,061)	(7,179,148)
<b>Net current assets</b>		419,617	1,780,707
<b>Total assets less current liabilities</b>		60,744,915	53,683,257
Creditors: amounts falling due after more than one year	19	(13,268,976)	(7,645,872)
<b>Net assets excluding pension asset</b>		47,475,939	46,037,385
Defined benefit pension scheme asset	27	-	-
<b>Total net assets</b>		47,475,939	46,037,385

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SHREWSBURY SCHOOL

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CHARITY BALANCE SHEET (CONTINUED)  
AS AT 31 JULY 2023

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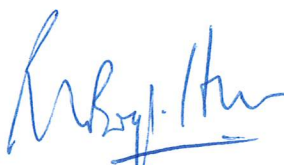
	Note	2023 £	2022 £
<b>Charity funds</b>			
Endowment funds	22	1,408,448	1,438,722
Restricted funds	22	707,745	782,842
Unrestricted funds			
Unrestricted funds excluding pension asset	22	<u>45,359,746</u>	<u>43,815,821</u>
Total unrestricted funds	22	<u>45,359,746</u>	<u>43,815,821</u>
<b>Total funds</b>		<u><u>47,475,939</u></u>	<u><u>46,037,385</u></u>

The Charity's net movement in funds for the year was £1,438,554 (2022 - £3,181,286).

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:



J.C.D. Pitt



R. Boys-Stones

Date: 2 December 2023

The notes on pages 24 to 63 form part of these financial statements.

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**SHREWSBURY SCHOOL**

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**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JULY 2023**

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		2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	23	5,505,993	5,215,606
<b>Cash flows from investing activities</b>			
Dividends and interest from investments		203,428	159,507
Proceeds from the sale of tangible fixed assets		39,050	35,075
Purchase of tangible fixed assets		(10,585,034)	(5,128,378)
Proceeds from sale of investments		1,893	-
Purchase of investments		(617,294)	(910,854)
<b>Net cash used in investing activities</b>		<b>(10,957,957)</b>	<b>(5,844,650)</b>
<b>Cash flows from financing activities</b>			
Cash inflows from new borrowing		7,000,000	-
Repayments of borrowing		(453,801)	(586,072)
Interest paid on borrowings		(135,376)	(64,916)
<b>Net cash (used)/provided in financing activities</b>		<b>6,410,823</b>	<b>(650,988)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>958,859</b>	<b>(1,280,032)</b>
Cash and cash equivalents at the beginning of the year		6,980,579	8,260,611
<b>Cash and cash equivalents at the end of the year</b>	24	<b>7,939,438</b>	<b>6,980,579</b>

The notes on pages 24 to 63 form part of these financial statements

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

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**1. Legal status of the Charity**

The School is governed in accordance with the Shrewsbury School Statutes approved by the Queen's Most Excellent Majesty in Council on 12 October 2016, whose registered office and primary place of business is Shrewsbury School, The Schools, Shrewsbury, SY3 7AA. It has no share capital. Its principal activity is the provision of boarding and day schooling. It is a registered Charity in England and Wales and its Charity registration number is 528413.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Shrewsbury School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Charity alone. The net result for the year relating to the School amounted to a surplus of £1,438,554 (2022 - £3,181,286).

**2.2 Going concern**

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 12.

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

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2. Accounting policies (continued)

2.3 Critical accounting estimates and areas of judgment

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

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

**Useful economic lives of tangible assets**

The annual depreciation charges for the tangible assets are sensitive to changes in the estimate useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the tangible assets and note 2.8 for the useful lives for each class of asset.

**Impairment of debtors**

The group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 17 for the net carrying amount of the debtors.

2.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes.

Endowment funds are donations required to be retained as capital in accordance with the donors' wishes – permanent or expendable according to the nature of the restrictions. The costs of raising and administering such funds are charged against the specific fund.

The aim and use of each restricted and endowment fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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#### 2. Accounting policies (continued)

##### 2.5 Income

All incoming resources are included in the Statement of Financial Activities when the School has entitlement to the income, the amount can be quantified with reasonable accuracy and the economic benefit to the School is considered probable.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School.

Income from other trading activities comprises revenue recognised by the School's wholly owned subsidiaries in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

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

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where through the terms of an appeal or from the donor there is a trust law restriction on the use of any voluntary income, the income is credited to the relevant restricted fund or endowment. Gifts in Kind would be valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption or at the value to the School in the case of donated services of facilities.

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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#### 2. Accounting policies (continued)

##### 2.6 Expenditure

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Expenditure is accrued as soon as a liability is considered probable discounted to present value for longer term liabilities and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Liabilities are recognised where there is a legal or constructive obligation committing the entities to the expenditure.

Fundraising costs are those incurred in seeking voluntary contributions in relation to Shrewsbury School Foundation, a connected charity (Charity number 528415). Provided that, and so long as, Shrewsbury School Foundation exercises and continues to exercise its charitable objects in furtherance of the objects (the "Shrewsbury School Charitable Objects") set out in the Foundation Trust Deed, the School shall pay the employment, administrative and other costs and expenses of the Foundation in furthering Shrewsbury School's Charitable Objects.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Included in support costs of the School are bursary costs, payroll administration, budgeting and accounting, information technology, human resources and finance. School trip expenditure is included under support costs.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Governance costs comprise the costs of running the charity including strategic planning for its future development, also internal and external audit, any legal advice for the Governors and all costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

##### 2.7 Government grants

Government grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

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

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2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

Computer equipment costing more than £300 is capitalised and carried in the Balance Sheet at historical cost.

Major refurbishment expenditure, equipment, boats and vehicles costing more than £1,000 are capitalised and carried in the Balance Sheet at historical cost.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 10-50 years
Furniture, fixtures and fittings and equipment	- 3-10 years
Boats	- 10 years
Ground machines and vehicles	- 4-10 years

Depreciation is not charged on freehold land or assets under the course of construction.

Leasehold property is depreciated over the term of the lease.

Depreciation is calculated on a monthly basis.

The School owns a number of cultural and historic artefacts which are considered to be heritage assets. During the year a formal valuation of these assets was undertaken by Sotheby's who valued the assets on both an insurance basis and an auction basis. The valuations provided ranged between £6.050M and £12.214M. Given the highly specialist nature of the items and the resulting broad valuation range, the Governors have concluded that there is insufficient information to recognise them with material accuracy and therefore no value has been attributed to them in the Balance Sheet and no depreciation charged, on the basis that reliable information is not available, as permitted by the Charity SORP.

2.9 Investments

Investments are stated at market value at the Balance Sheet date. The Consolidated statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost less provision for impairment.

2.10 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

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

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**2. Accounting policies (continued)**

**2.11 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**2.12 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised costs using the effective interest method, less any impairment.

**2.13 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.14 Fees in advance**

Parents may, subject to contractual terms and conditions, pay to the School tuition fees in advance. The money may be returned, subject to specific conditions.

Investments are held to cover the next two years capital liabilities.

**2.15 Financial instruments**

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

**2.16 Concessionary Loans**

The loans from Shrewsbury School Foundation and Shropshire Council (see note 19) are considered to meet the criteria of concessionary loans under FRS 102. They have been recorded in the financial statements at face value.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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#### 2. Accounting policies (continued)

##### 2.17 Pensions

The School operates a defined contribution pension scheme for non-teaching staff (Shrewsbury School (2001) Retirements Benefits Scheme). This scheme gives exemption from the requirement to offer a stakeholder pension scheme. During the year the total contributions were £378,972 (2022 - £348,710).

The School also contributes to a personal pension scheme for the benefit of certain Packwood Haugh School employees. The scheme is a defined contribution scheme administered by Scottish Widows. During the year the total contributions were £45,783 (2022 - £43,606).

On 1 September 2021, Shrewsbury School and Packwood Haugh School, gave notice to the Teachers' Pension Scheme, that they would be implementing the "phased withdraw" regulations. New teaching staff at both Schools would be enrolled into defined contribution pension schemes, at each School (Shrewsbury School 2021 DC Pension Scheme and Shrewsbury School – Packwood Haugh 2021 DC pension Scheme). The Schemes are administered by Legal & General. During the year the total contributions were £326,892 (2022-£91,639)

The School contributes to a defined benefit pension scheme (final salary scheme) for the academic staff, which is a national scheme operated for the Department for Education and Skills, which requires contributions to be made to a separately administered fund. The total premiums paid during the year were £1,510,487 (2022 - £1,777,014).

In addition, the School operates a defined benefit pension scheme for non teaching staff (Shrewsbury School (1971) Pension and Life Assurance Scheme), which is closed to new members. The basis of contributions to the Scheme is calculated according to the advice of the Scheme actuary. During the year the total contributions were £12,988 (2022 - £12,913).

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**SHREWSBURY SCHOOL**

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

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**3. Income from grants and donations**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Donations	-	771,140	771,140	718,457
<b>Total 2023</b>	-	771,140	771,140	718,457
<i>Total 2022</i>	<b>28,469</b>	<b>689,988</b>	<b>718,457</b>	

**4. Charitable activities - School fees receivable**

	<b>2023 £</b>	<i>2022 £</i>
<b>The School's fee income comprised:</b>		
Gross fees	35,893,894	33,211,874
Less: Total bursaries, scholarships and allowances	(4,911,162)	(4,720,015)
	<b>30,982,732</b>	<b>28,491,859</b>
Add back bursaries, scholarships and allowances paid for by Restricted Funds	676,047	643,613
	<b>31,658,779</b>	<b>29,135,472</b>

Scholarships, bursaries and other awards were paid to 478 pupils (2022 - 457).

Within this means tested bursaries totalling £3,451,393 paid to 248 pupils (2022 - £3,388,880 to 254 pupils).

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**SHREWSBURY SCHOOL**

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

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**5. Charitable activities - Other income**

	2023 £	2022 £
<b>Other educational charitable income</b>		
Entrance and registration fees	160,576	108,044
Courses and sub-lettings	219,492	174,061
Royalties received	66,504	61,814
	<u>446,572</u>	<u>343,919</u>

	2023 £	2022 £
<b>Other ancillary activities</b>		
Commissions received	5,221	4,746
School trips	411,298	87,840
Late payment surcharges	200	200
	<u>416,719</u>	<u>92,786</u>

**6. Other trading activities**

	2023 £	2022 £
Trading activities SSEL	1,209,820	995,844
Trading activities SSTCL	1,082,202	973,112
	<u>2,292,022</u>	<u>1,968,956</u>

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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#### Other trading activities (continued)

##### Shrewsbury School Enterprises Limited (SSEL)

The Charity owns the whole of the £1 ordinary share capital of Shrewsbury School Enterprises Limited (Company registration number 4535585), incorporated in England. The Company's principal activity is the provision of consulting services to international Schools.

Its trading results for the period, as extracted from the audited accounts, are summarised below:

	2023 £	2022 £
Turnover	1,209,809	995,665
Administration	(388,157)	(384,152)
<b>Operating profit</b>	<b>821,652</b>	<b>611,513</b>
Interest payable	(6,698)	(1,161)
Interest receivable	11	179
<b>Profit for the year</b>	<b>814,965</b>	<b>610,531</b>
Gift aid payment	(818,367)	(612,071)
<b>Retained loss</b>	<b>(3,402)</b>	<b>(1,540)</b>

Shrewsbury School Enterprises Limited approved a gift aid donation of £818,367 (2022 - £612,071) to Shrewsbury School during the year.

The net assets of Shrewsbury School Enterprises Limited at 31 July 2023 amounted to £641 (2022 - £4,043).

At the year end Shrewsbury School Enterprises Limited owed Shrewsbury School £1,455,794 (2022 - £976,740). Of which £137,635 (2022 - £137,635) is an unsecured loan, repayable with one year's notice and interest charges at 1% above Lloyds Bank Plc base rate.

The management charge from the School to Shrewsbury Enterprises Limited was £269,367 (2022 - £210,275). In addition there is a licence fee of £10,000 (2022 - £10,000).

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**SHREWSBURY SCHOOL**

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

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**Other trading activities (continued)**

**Shrewsbury School Trading Company Limited (SSTCL)**

The Charity owns the whole of the £100 ordinary share capital of Shrewsbury School Trading Company Limited (Company registration number 5580019), incorporated in England. The principal activity of the Company was the operation of the School shop and other recreational activities.

Its trading results for the period, as extracted from the audited accounts, are summarised below:

	2023 £	2022 £
Turnover	1,081,902	972,904
Cost of sales	(614,555)	(522,837)
<b>Gross profit</b>	<b>467,347</b>	<b>450,067</b>
Administration	(288,854)	(257,101)
<b>Operating profit</b>	<b>178,493</b>	<b>192,966</b>
Interest receivable	300	208
<b>Profit for the year</b>	<b>178,793</b>	<b>193,174</b>
Gift aid payment	(178,865)	(165,867)
<b>Retained profit/(loss)</b>	<b>(72)</b>	<b>27,307</b>

Shrewsbury School Trading Company Limited approved a gift aid donation of £178,865 (2022 - £165,867) to Shrewsbury School during the year.

The net assets of Shrewsbury School Trading Company Limited at 31 July 2023 amounted to £4,966 (2022 – £5,038).

At the year end Shrewsbury School Trading Company Limited owed Shrewsbury School £834,609 (2022 - £679,125).

The management charge from the School to Shrewsbury School Trading Company Limited was £139,342 (2022 – £130,454).

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**SHREWSBURY SCHOOL**

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

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**7. Investment income**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Endowment funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Interest	7,912	-	-	<b>7,912</b>	<b>5,812</b>
Income from listed investments	155,760	37,949	1,807	<b>195,516</b>	<b>153,695</b>
<b>Total 2023</b>	<u>163,672</u>	<u>37,949</u>	<u>1,807</u>	<u><b>203,428</b></u>	<u><b>159,507</b></u>
<i>Total 2022</i>	<u><b>119,462</b></u>	<u><b>37,602</b></u>	<u><b>2,443</b></u>	<u><b>159,507</b></u>	

**8. Other incoming resources**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Other income	54,028	<b>54,028</b>	-
<b>Total 2023</b>	<u>54,028</u>	<u><b>54,028</b></u>	<u>-</u>

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**SHREWSBURY SCHOOL**

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

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**9. Expenditure on raising funds**

**Trading costs of the subsidiaries**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Other costs	767,309	<b>767,309</b>	<b>721,075</b>
Staff costs	526,560	<b>526,560</b>	<b>441,210</b>
Depreciation	4,395	<b>4,395</b>	<b>2,966</b>
<b>Total 2023</b>	1,298,264	<b>1,298,264</b>	<b>1,165,251</b>
<i>Total 2022</i>	<b>1,165,251</b>	<b>1,165,251</b>	

**Fundraising for voluntary resources**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Other costs	186,221	<b>186,221</b>	<b>166,208</b>
Staff costs	194,507	<b>194,507</b>	<b>169,601</b>
<b>Total 2023</b>	380,728	<b>380,728</b>	<b>335,809</b>
<i>Total 2022</i>	<b>335,809</b>	<b>335,809</b>	

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**SHREWSBURY SCHOOL**

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

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**10. Financing costs**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Fees in advance financing cost	111,933	<b>111,933</b>	<b>122,461</b>
Bad debts and debt collection	30,783	<b>30,783</b>	<b>(41,016)</b>
Bank and investment manager charges	69,587	<b>69,587</b>	<b>32,930</b>
Loan interest	135,376	<b>135,376</b>	<b>64,916</b>
Pension scheme financing cost	(7,000)	<b>(7,000)</b>	<b>29,000</b>
<b>Total 2023</b>	<u>340,679</u>	<u><b>340,679</b></u>	<u><b>208,291</b></u>
<i>Total 2022</i>	<u><b>208,291</b></u>	<u><b>208,291</b></u>	

**11. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total 2023 £</b>	<i>Total 2022 £</i>
Teaching	14,309,958	-	<b>14,309,958</b>	<b>13,543,414</b>
Welfare	5,095,018	-	<b>5,095,018</b>	<b>4,413,946</b>
Premises	7,575,360	-	<b>7,575,360</b>	<b>6,846,548</b>
Support and governance	4,365,271	-	<b>4,365,271</b>	<b>3,656,082</b>
Grants, awards and prizes	-	716,645	<b>716,645</b>	<b>716,025</b>
<b>Total 2023</b>	<u>31,345,607</u>	<u>716,645</u>	<u><b>32,062,252</b></u>	<u><b>29,176,015</b></u>
<i>Total 2022</i>	<u><b>28,459,990</b></u>	<u><b>716,025</b></u>	<u><b>29,176,015</b></u>	

SHREWSBURY SCHOOL

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

11. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2023 £	Depreciation 2023 £	Other costs 2023 £	Total 2023 £	Total 2022 £
Teaching	12,436,234	-	1,873,724	14,309,958	13,543,414
Welfare	1,206,378	-	3,888,640	5,095,018	4,413,946
Premises	2,365,976	2,577,094	2,632,290	7,575,360	6,846,548
Support and governance	2,363,461	-	2,001,810	4,365,271	3,656,082
Grants, awards and prizes	-	-	716,645	716,645	716,025
<b>Total 2023</b>	<b>18,372,049</b>	<b>2,577,094</b>	<b>11,113,109</b>	<b>32,062,252</b>	<b>29,176,015</b>
<i>Total 2022</i>	<b>17,358,494</b>	<b>2,435,982</b>	<b>9,381,539</b>	<b>29,176,015</b>	

Grants, awards and prizes

	2023 £	2022 £
<b>From restricted funds:</b>		
Bursaries and scholarships	676,047	643,613
Prizes and awards	40,598	72,412
	<b>716,645</b>	<b>716,025</b>

Governance included in support costs:

	2023 £	2022 £
Remuneration paid to auditor for audit services	52,260	45,300
Remuneration paid to auditor for non- audit services	21,150	20,550
Other governance costs	52,207	100,060
	<b>125,617</b>	<b>165,910</b>

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**SHREWSBURY SCHOOL**

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

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**12. Governors' remuneration and expenses**

During the year, no Governors received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 July 2023, expenses totalling £1,924 were reimbursed or paid directly to 9 Governors (2022 - £1,639, 6). The expenses related to travel and accommodation.

**13. Staff costs**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Charity 2023 £</b>	<i>Charity 2022 £</i>
Wages and salaries	15,244,407	14,210,323	14,793,221	13,833,728
Social security costs	1,596,620	1,494,732	1,549,276	1,455,921
Other pension costs (Note 27)	2,277,121	2,273,883	2,249,091	2,248,079
	<u>19,118,148</u>	<u>17,978,938</u>	<u>18,591,588</u>	<u>17,537,728</u>
Capitalised labour	(25,032)	(9,633)	(25,032)	(9,633)
	<u><u>19,093,116</u></u>	<u><u>17,969,305</u></u>	<u><u>18,566,556</u></u>	<u><u>17,528,095</u></u>

During the year there were redundancy or termination payments recognised which amounted to £Nil (2022 - £38,394). There was £Nil (2022 - £38,394) outstanding at the year end.

The average number of persons employed by the Charity during the year was as follows:

	<b>Group 2023 No.</b>	<i>Group 2022 No.</i>
Teaching	247	236
Welfare	63	59
Premises	124	120
Support	71	70
Other activities	14	11
	<u>519</u>	<u>496</u>

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**SHREWSBURY SCHOOL**

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

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**13. Staff costs (continued)**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>Group 2023 No.</b>	<i>Group 2022 No.</i>
In the band £60,001 - £70,000	<b>32</b>	<b>27</b>
In the band £70,001 - £80,000	<b>14</b>	<b>11</b>
In the band £80,001 - £90,000	<b>3</b>	<b>3</b>
In the band £90,001 - £100,000	<b>3</b>	<b>3</b>
In the band £100,001 - £110,000	<b>1</b>	-
In the band £110,001 - £120,000	<b>1</b>	-
In the band £140,001 - £150,000	<b>1</b>	<b>2</b>
In the band £150,001 - £160,000	<b>1</b>	-
In the band £210,001 - £220,000	-	<b>1</b>
In the band £250,001 - £260,000	<b>1</b>	-
 Aggregate employee benefits of key management personnel	 <b><u>1,592,973</u></b>	 <b><u>1,305,981</u></b>

Key management includes the Leadership team.

SHREWSBURY SCHOOL

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

14. Tangible fixed assets

Group

	Assets in course of construction £	Freehold Land & Buildings £	Furniture, Fixtures and fittings £	Boats £	Ground Machines & Vehicles £	Total £
<b>Cost or valuation</b>						
At 1 August 2022	1,377,460	60,532,986	11,262,698	1,127,337	1,148,632	75,449,113
Additions	9,101,453	-	1,185,664	51,147	246,770	10,585,034
Disposals	-	-	-	-	(117,483)	(117,483)
Transfers between classes	(1,277,840)	1,277,840	-	-	-	-
At 31 July 2023	<u>9,201,073</u>	<u>61,810,826</u>	<u>12,448,362</u>	<u>1,178,484</u>	<u>1,277,919</u>	<u>85,916,664</u>
<b>Depreciation</b>						
At 1 August 2022	-	21,048,638	9,178,522	804,426	668,232	31,699,818
Charge for the year	-	1,799,055	587,502	68,905	126,027	2,581,489
On disposals	-	-	-	-	(100,159)	(100,159)
At 31 July 2023	<u>-</u>	<u>22,847,693</u>	<u>9,766,024</u>	<u>873,331</u>	<u>694,100</u>	<u>34,181,148</u>
<b>Net book value</b>						
At 31 July 2023	<u>9,201,073</u>	<u>38,963,133</u>	<u>2,682,338</u>	<u>305,153</u>	<u>583,819</u>	<u>51,735,516</u>
At 31 July 2022	<u>1,377,460</u>	<u>39,484,348</u>	<u>2,084,176</u>	<u>322,911</u>	<u>480,400</u>	<u>43,749,295</u>

SHREWSBURY SCHOOL

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

14. Tangible fixed assets (continued)

Charity

	Assets in course of construction £	Freehold Land & Buildings £	Furniture, Fixtures & fittings £	Boats £	Ground Machines & Vehicles £	Total £
<b>Cost or valuation</b>						
At 1 August 2022	1,377,460	60,532,986	11,242,019	1,127,337	1,148,632	75,428,434
Additions	9,101,453	-	1,184,847	51,147	246,770	10,584,217
Disposals	-	-	-	-	(117,483)	(117,483)
Transfers between classes	(1,277,840)	1,277,840	-	-	-	-
At 31 July 2023	<u>9,201,073</u>	<u>61,810,826</u>	<u>12,426,866</u>	<u>1,178,484</u>	<u>1,277,919</u>	<u>85,895,168</u>
<b>Depreciation</b>						
At 1 August 2022	-	21,048,638	9,168,555	804,426	668,232	31,689,851
Charge for the year	-	1,799,055	583,107	68,905	126,027	2,577,094
On disposals	-	-	-	-	(100,159)	(100,159)
At 31 July 2023	<u>-</u>	<u>22,847,693</u>	<u>9,751,662</u>	<u>873,331</u>	<u>694,100</u>	<u>34,166,786</u>
<b>Net book value</b>						
At 31 July 2023	<u><u>9,201,073</u></u>	<u><u>38,963,133</u></u>	<u><u>2,675,204</u></u>	<u><u>305,153</u></u>	<u><u>583,819</u></u>	<u><u>51,728,382</u></u>
At 31 July 2022	<u><u>1,377,460</u></u>	<u><u>39,484,348</u></u>	<u><u>2,073,464</u></u>	<u><u>322,911</u></u>	<u><u>480,400</u></u>	<u><u>43,738,583</u></u>

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**SHREWSBURY SCHOOL**

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

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**15. Fixed asset investments**

<b>Group and Charity</b>	<b>Designated Fund £</b>	<b>Endowed Funds £</b>	<b>Fees in Advance £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1 August 2022	3,245,416	1,414,103	3,504,448	8,163,967
Additions	613,114	4,180	-	617,294
Disposals	-	(144)	-	(144)
Net investment losses	(65,494)	(32,105)	(86,835)	(184,434)
Movements in cash deposits	1,651	(1,418)	-	233
At 31 July 2023	<u>3,794,687</u>	<u>1,384,616</u>	<u>3,417,613</u>	<u>8,596,916</u>
<b>Net book value</b>				
At 31 July 2023	<u>3,794,687</u>	<u>1,384,616</u>	<u>3,417,613</u>	<u>8,596,916</u>
At 31 July 2022	<u>3,245,416</u>	<u>1,414,103</u>	<u>3,504,448</u>	<u>8,163,967</u>

Investments are primarily held to provide an investment return to the School.

**Investments at market value comprise:**

	<b>2023 £</b>	<b>2022 £</b>
Actively managed securities	3,417,613	3,504,448
Quoted stocks	5,154,528	4,634,977
Cash	24,775	24,542
	<u>8,596,916</u>	<u>8,163,967</u>

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**SHREWSBURY SCHOOL**

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

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**Fixed asset investments (continued)**

**Material investments**

The following investments are held which represent more than 5% of the total market value of investments held:

	2023 £	2022 £
Link Fund Solutions - Ruffer Total Return	1,615,071	1,678,172
Link Fund Solutions - Trojan Inc	1,804,291	1,826,246
Sarasin Endowments Fund Class A Inc	5,154,527	4,633,793
	18,573,889	18,138,211

**16. Stocks**

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Goods for resale and consumables	273,265	275,643	77,124	65,120
	273,265	275,643	77,124	65,120

**17. Debtors**

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
<b>Due within one year</b>				
School fees	680,091	719,951	680,091	719,951
Amounts owed by group undertakings	-	-	2,290,403	1,655,591
Other debtors	1,071,627	960,810	236,935	168,074
Prepayments and accrued income	389,737	297,412	388,079	295,735
	2,141,455	1,978,173	3,595,508	2,839,351

An impairment gain of £66,603 (2022 - £45,423) was recognised against the School fee debtors.

Included within amounts due from group undertakings is a loan to Shrewsbury School Enterprises Limited of £137,635 (2022 - £137,635). The is unsecured and repayable with one year's notice and is charged at 1% above Lloyds Bank Plc base rate.

**SHREWSBURY SCHOOL**

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

**18. Creditors: Amounts falling due within one year**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Charity 2023 £</b>	<i>Charity 2022 £</i>
Trade creditors	1,826,440	915,577	1,823,479	907,657
Other taxation and social security	420,260	434,048	395,496	392,350
Fee deposits	983,902	952,855	983,902	952,855
Fees in advance (see note 20)	2,211,759	2,165,483	2,211,759	2,165,483
Other creditors	1,805,206	1,601,071	1,791,848	1,547,027
Accruals and deferred income	1,392,597	907,942	1,267,448	759,975
Other loan	65,000	65,000	65,000	65,000
Term loan 1	402,906	388,801	402,906	388,801
Term loan 2	403,223	-	403,223	-
Term loan 3	400,000	-	400,000	-
	<u>9,911,293</u>	<u>7,430,777</u>	<u>9,745,061</u>	<u>7,179,148</u>

Within other creditors is £290,300 (2022 - £279,761) payable in respect of pension contributions.

**19. Creditors: Amounts falling due after more than one year**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Charity 2023 £</b>	<i>Charity 2022 £</i>
Loan from Shrewsbury School Foundation	1,296,046	1,296,046	1,296,046	1,296,046
Fees deposits	3,060,152	2,885,525	3,060,152	2,885,525
Fees in advance (see note 20)	1,476,111	1,756,505	1,476,111	1,756,505
Other loan	498,334	563,334	498,334	563,334
Term loan 1	741,556	1,144,462	741,556	1,144,462
Term loan 2	4,596,777	-	4,596,777	-
Term loan 3	1,600,000	-	1,600,000	-
	<u>13,268,976</u>	<u>7,645,872</u>	<u>13,268,976</u>	<u>7,645,872</u>

The loan from Shrewsbury School Foundation is unsecured, interest free and has no fixed payment terms. The loan is considered a concessionary loan.

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**SHREWSBURY SCHOOL**

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

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**Creditors: Amounts falling due after more than one year (continued)**

**Other loan**

The other loan has been provided by Shropshire Council. The loan is repayable by April 2032 paid by monthly instalments. The loan is interest free and is secured on the following properties: Mosers Hall, The New House, 6 Ashton Road, 13 and 15 Ashton Road. This loan is considered to be a concessionary loan.

The other loan falls due as follows:

	<b>2023</b>	<b>2022</b>
	£	£
Between 1-2 years	<b>65,000</b>	<b>65,000</b>
Between 2-5 years	<b>195,000</b>	<b>195,000</b>
Over 5 years	<b>238,334</b>	<b>303,334</b>
	<u><b>498,334</b></u>	<u><b>563,334</b></u>

**Term loan 1**

The loan from Handelsbanken is unsecured. The loan is repayable by April 2026 in 24 quarterly instalments. The interest rate is fixed at 3.63%.

The term loan falls due as follows:

	<b>2023</b>	<b>2022</b>
	£	£
Between 1-2 years	<b>418,031</b>	<b>403,075</b>
Between 2-5 years	<b>323,525</b>	<b>741,387</b>
	<u><b>741,556</b></u>	<u><b>1,144,462</b></u>

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**SHREWSBURY SCHOOL**

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

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**Creditors: Amounts falling due after more than one year (continued)**

**Term loan 2**

The loan from Lloyds bank is secured over the freehold land and buildings at the Tudors, Tudor House, including Emma Darwin Hall. The loan is repayable by July 2033 in 40 quarterly instalments. The interest rate is fixed at 4.528%.

The term loan falls due as follows:

	<b>2023</b> £	<b>2022</b> £
Between 1-2 years	<b>424,230</b>	-
Between 2-5 years	<b>1,391,910</b>	-
Over 5 years	<b>2,780,637</b>	-
	<b>4,596,777</b>	-

**Term loan 3**

The loan from Handelsbanken is unsecured. The loan is repayable by June 2028 in 20 quarterly instalments. The interest rate is fixed at 6.07%.

The term loan falls due as follows:

	<b>2023</b> £	<b>2022</b> £
Between 1-2 years	<b>400,000</b>	-
Between 2-5 years	<b>1,200,000</b>	-
	<b>1,600,000</b>	-

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**SHREWSBURY SCHOOL**

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

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**20. Fees in advance**

Parents may, subject to contractual terms and conditions, pay to the School tuition fees in advance. The money may be returned, subject to specific conditions but, assuming the relevant pupils remain in the School, advance fees will be applied as follows:

	2023 £	2022 £
Within 1-2 years	794,005	837,143
Within 2-5 years	523,758	767,103
Over 5 years	158,348	152,259
	<u>1,476,111</u>	<u>1,756,505</u>
Within 1 year	2,211,759	2,165,483
	<u>3,687,870</u>	<u>3,921,988</u>

The balance represents the accrued liability under the contracts. The movement during the year was:

	2023 £	2022 £
Balance at 1 August 2022	3,921,988	4,082,100
New contracts	3,322,232	3,159,485
Amounts accrued to contracts	111,896	122,906
	<u>7,356,116</u>	<u>7,364,491</u>
Amounts utilised in payment of fees to the School	<u>(3,668,246)</u>	<u>(3,442,503)</u>
Balance at 31 July 2023	<u>3,687,870</u>	<u>3,921,988</u>

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**SHREWSBURY SCHOOL**

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

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**21. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Endowment funds 2023 £</b>	<b>Total funds 2023 £</b>
Tangible fixed assets	51,735,516	-	-	<b>51,735,516</b>
Fixed asset investments	7,212,300	-	1,384,616	<b>8,596,916</b>
Current assets	9,597,806	707,745	23,832	<b>10,329,383</b>
Creditors due within one year	(9,911,293)	-	-	<b>(9,911,293)</b>
Creditors due in more than one year	(13,268,976)	-	-	<b>(13,268,976)</b>
<b>Total</b>	<b>45,365,353</b>	<b>707,745</b>	<b>1,408,448</b>	<b>47,481,546</b>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Endowment funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	<b>43,749,295</b>	-	-	<b>43,749,295</b>
Fixed asset investments	<b>6,749,864</b>	-	<b>1,414,103</b>	<b>8,163,967</b>
Current assets	<b>8,402,392</b>	<b>782,842</b>	<b>24,619</b>	<b>9,209,853</b>
Creditors due within one year	<b>(7,430,777)</b>	-	-	<b>(7,430,777)</b>
Creditors due in more than one year	<b>(7,645,872)</b>	-	-	<b>(7,645,872)</b>
<b>Total</b>	<b>43,824,902</b>	<b>782,842</b>	<b>1,438,722</b>	<b>46,046,466</b>

SHREWSBURY SCHOOL

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

22. Statement of funds

Statement of funds - current year

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 July 2023 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated funds	3,245,393	97,561	-	516,245	(85,086)	3,774,113
<b>Unrestricted funds</b>						
General funds	40,570,428	32,642,209	(31,069,782)	(348,704)	(208,518)	41,585,633
Subsidiary trading	9,081	2,292,022	(2,295,496)	-	-	5,607
	<u>40,579,509</u>	<u>34,934,231</u>	<u>(33,365,278)</u>	<u>(348,704)</u>	<u>(208,518)</u>	<u>41,591,240</u>
<b>Total Unrestricted funds</b>	<u>43,824,902</u>	<u>35,031,792</u>	<u>(33,365,278)</u>	<u>167,541</u>	<u>(293,604)</u>	<u>45,365,353</u>
<b>Endowment funds</b>						
Capital	1,285,921	-	-	-	-	1,285,921
Re-endowment fund	152,301	1,807	-	-	(32,081)	122,027
Henschrew Prize Fund	500	-	-	-	-	500
	<u>1,438,722</u>	<u>1,807</u>	<u>-</u>	<u>-</u>	<u>(32,081)</u>	<u>1,408,448</u>

SHREWSBURY SCHOOL

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

22. Statement of funds (continued)

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 July 2023 £
<b>Restricted funds</b>						
Shrewsbury School Foundation	33,245	724,216	(662,006)	(75,199)	-	20,256
Guyer Family Prize	180	40	(40)	-	-	180
Hentschrew Prize	80	-	-	-	-	80
Darwin Scholarship	7,212	-	-	-	-	7,212
Hargreaves Legacy	500	-	-	-	-	500
Salopian Club	-	27,310	(27,310)	-	-	-
Duffell Prize Fund	4,940	-	-	-	-	4,940
Consolidated Fund: Unappropriated income	649,396	37,949	(14,768)	-	-	672,577
Art Fund	2,000	-	-	-	-	2,000
Sabrina Club	-	7,053	-	(7,053)	-	-
External Bursaries	-	12,521	(12,521)	-	-	-
Packwood - Redevelopment of Science Facilities	85,289	-	-	(85,289)	-	-
	<u>782,842</u>	<u>809,089</u>	<u>(716,645)</u>	<u>(167,541)</u>	<u>-</u>	<u>707,745</u>
<b>Total of funds</b>	<u><u>46,046,466</u></u>	<u><u>35,842,688</u></u>	<u><u>(34,081,923)</u></u>	<u><u>-</u></u>	<u><u>(325,685)</u></u>	<u><u>47,481,546</u></u>

SHREWSBURY SCHOOL

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

22. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 August 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/(out) £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 July 2022 £</i>
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated funds	2,749,870	78,528	-	569,865	(152,870)	3,245,393
<b>Unrestricted funds</b>						
General funds	39,792,098	29,641,580	(28,320,152)	(542,970)	(128)	40,570,428
Subsidiary trading	(16,686)	1,968,956	(1,943,189)	-	-	9,081
Pension scheme funding deficit	(1,998,000)	-	94,000	-	1,904,000	-
	37,777,412	31,610,536	(30,169,341)	(542,970)	1,903,872	40,579,509
<b>Total Unrestricted funds</b>	40,527,282	31,689,064	(30,169,341)	26,895	1,751,002	43,824,902
<b>Endowment funds</b>						
Capital	1,358,862	-	-	-	(72,941)	1,285,921
Re-endowment fund	154,597	2,443	-	-	(4,739)	152,301
Hentschrew Prize Fund	500	-	-	-	-	500
	1,513,959	2,443	-	-	(77,680)	1,438,722

SHREWSBURY SCHOOL

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

22. Statement of funds (continued)

	<i>Balance at 1 August 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/(out)</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 July 2022</i>
	£	£	£	£	£	£
<b>Restricted funds</b>						
Shrewsbury School Foundation	50,989	634,162	(644,997)	(6,909)	-	33,245
Guyer Family Prize	180	40	(40)	-	-	180
Henschrew Prize	80	-	-	-	-	80
Darwin Scholarship	7,212	-	-	-	-	7,212
Hargreaves Legacy	500	-	-	-	-	500
Salopian Club	-	19,175	(19,175)	-	-	-
Duffell Prize Fund	4,940	-	-	-	-	4,940
Shrewsbury School Parents' Association	-	902	(902)	-	-	-
Consolidated Fund:						
Unappropriated income	626,504	37,602	(14,710)	-	-	649,396
Art Fund	2,000	-	-	-	-	2,000
DFE Grant - Cross Partnership Grant	19,078	-	(19,078)	-	-	-
Gym Fund	1,400	-	(1,400)	-	-	-
Sabrina Club	-	150	(150)	-	-	-
External Bursaries	-	15,573	(15,573)	-	-	-
Packwood - Redevelopment of Science Facilities	85,289	-	-	-	-	85,289
Packwood - Boarding House Upgrade Fund	-	19,986	-	(19,986)	-	-
	<u>798,172</u>	<u>727,590</u>	<u>(716,025)</u>	<u>(26,895)</u>	<u>-</u>	<u>782,842</u>
<b>Total of funds</b>	<u><u>42,839,413</u></u>	<u><u>32,419,097</u></u>	<u><u>(30,885,366)</u></u>	<u><u>-</u></u>	<u><u>1,673,322</u></u>	<u><u>46,046,466</u></u>

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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#### Statement of funds (continued)

##### Designated Fund

A fund established by the Governors to assist future pupils with bursarial support to attend the School.

##### Re-endowment Fund

A fund established in 1924 to contribute to the upkeep of the estate and to the support of pupils at Shrewsbury School who are in financial need.

##### Shrewsbury School Foundation

A registered charity supporting a range of educational objectives through financial contributions to Shrewsbury School and its pupils. Donations received totalled £724,216 (2022 - £634,162) of which £649,017 (2022 - £613,662) was given to support bursaries awarded to pupils and £75,199 (2022 - £Nil) for capital projects.

##### Guyer Family Prize

An annual prize for an outstanding contribution to the music department.

##### Hentschrew Prize

An annual prize to the boy in the School House who contributes most to the well running of the house, in a social rather than academic or sporting context.

##### Darwin Scholarship

A scholarship awarded to pupils attending the School from Hong Kong who are judged outstanding academically, in the arts, music or sport.

##### Hargreaves Legacy

A legacy left by an old boy, to be used for educational purposes.

##### Salopian Club Fund

The donations received from the Salopian Club to assist with costs relating to staff and the Salopian magazine.

##### Duffell Prize Fund

A donation received to fund a prize to a pupil who excels in design and technology.

##### Shrewsbury School Parents' Association

A donation received to assist with the purchase of books for new pupils joining the School.

##### Consolidated Fund

A consolidation of 70 small funds the income from which, is used to provide prizes, scholarships and bursaries to pupils at Shrewsbury School.

##### Art Fund

A donation received to support the Art Department.

##### Sabrina Club

A donation received to assist with the purchase of a boat.

##### DFE Grant - Cross Partnership Grant

Grant received, to support impactful, sustainable, and mutually beneficial partnerships with School's in the State Sector.

##### Gym Fund

Donations received to assist improving the gym facilities in one of the School's boarding houses.

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**SHREWSBURY SCHOOL**

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

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**Statement of funds (continued)**

External Bursaries

Donations received assist pupils who would not otherwise be able to attend Shrewsbury School.

Packwood - Redevelopment of Science Facilities

Donations received to assist with the redevelopment costs of the science facilities at Packwood Haugh School.

Packwood - Board House Upgrade Fund

A donation received to upgrade the boarding house common rooms at Packwood Haugh.

Transfers between funds

The transfer between restricted and general funds of £167,541 (2022 - £26,895) represents capital items purchased from restricted funds (capital items purchased are in accordance with the donors wishes).

The transfer between general and designated funds of £516,245 (2022 - £569,865) represents the transfer approved to the designated fund by the Trustees during the year.

**23. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>
Net income for the year (as per Statement of Financial Activities)	<b>1,578,080</b>	<b>1,303,053</b>
<b>Adjustments for:</b>		
Depreciation charges	<b>2,581,489</b>	<b>2,438,948</b>
Losses/(gains) on investments	<b>182,685</b>	<b>230,678</b>
Dividends and interest from investments	<b>(203,428)</b>	<b>(159,507)</b>
Loss/(profit) on the sale of fixed assets	<b>(21,726)</b>	<b>13,730</b>
Decrease in stocks	<b>2,378</b>	<b>16,248</b>
Increase in debtors	<b>(163,282)</b>	<b>(36,678)</b>
Increase in creditors	<b>1,557,421</b>	<b>1,438,218</b>
Pension scheme movement	<b>(143,000)</b>	<b>(94,000)</b>
Interest paid on borrowings	<b>135,376</b>	<b>64,916</b>
<b>Net cash provided by operating activities</b>	<b>5,505,993</b>	<b>5,215,606</b>

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**SHREWSBURY SCHOOL**

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

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**24. Analysis of cash and cash equivalents**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>
Cash at bank	7,914,663	6,956,037
Cash held in investments	24,775	24,542
<b>Total cash and cash equivalents</b>	<b>7,939,438</b>	<b>6,980,579</b>

**25. Analysis of changes in net debt**

	<b>At 1 August 2022 £</b>	<b>Cash flows £</b>	<b>Other non- cash changes £</b>	<b>At 31 July 2023 £</b>
Cash at bank	6,956,037	958,626	-	7,914,663
Debt due within 1 year	(453,801)	453,801	(1,271,129)	(1,271,129)
Debt due after 1 year	(3,003,842)	(7,000,000)	1,271,129	(8,732,713)
	<b>3,498,394</b>	<b>(5,587,573)</b>	<b>-</b>	<b>(2,089,179)</b>

**26. Capital commitments**

At 31 July 2021 the group and charity had capital commitments as follows:

	<b>Group 2023 £</b>	<i>Group 2022 £</i>
Contracted for but not provided in these financial statements	<b>4,666,929</b>	<b>4,349,740</b>

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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#### 27. Pension commitments

##### Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,510,487 (2022 - £1,777,014) and at the year-end £186,408 (2022 - £220,362) was accrued in respect of contributions to this scheme.

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

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

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

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

##### Shrewsbury School (1971) Pension and Life Assurance Scheme

The School has a defined benefit pension scheme for certain support staff (Shrewsbury School (1971) Pension and Life Assurance Scheme) and its assets are invested in pooled tracker investment funds and a property fund with Legal & General Investment Managers. The scheme has been closed to new members since 2001.

The amounts in the financial statements for the year ended 31 July 2023, relating to pensions, are based on a full actuarial valuation dated 31 May 2022.

The valuation, as of 31 May 2022, revealed a funding deficit of £759,000. Subsequent to the valuation date, there was a significant improvement in the Scheme's funding position and the Trustees of the Scheme and the School, agreed and implemented a de-risking investment strategy, holding 100% of matching assets in order to protect the funding surplus and reduce any funding volatility. As a result of this strategy, the Scheme is now in surplus, and the statutory funding objective has been met.

This post valuation experience has resulted in the following:

1. The school will pay contributions of 23.8% of pensionable salaries up to 31 August 2023, and from 1 September 2023, 23.5% of pensionable salaries, to meet the cost of future accrual for active members of the Scheme, in line with the Schedule of Contributions dated 24 August 2023.
2. In accordance with the Schedule of Contributions dated 24 August 2023, the School is expected to pay additional contributions of £138,000 a year to 31 August 2023. As from 1 September 2023, these additional contributions are no longer required as the Scheme is in surplus.

In addition, with the agreement the Trustees of the Pension Scheme and the School, the administration expenses of the Scheme could be borne by the Scheme, up to £100,000 a year, if not the School will continue to meet the administrative expenses of the Scheme.

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**SHREWSBURY SCHOOL**

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

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**27. Pension commitments (continued)**

The Trustees of the Pension Scheme, have a charge over the following School properties: 33 Porthill Road, 23 and 23a Ashton Road.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	<b>At 31 July 2023</b>	<i>At 31 July 2022</i>
	%	%
Discount rate	<b>5.20</b>	<b>3.25</b>
Future salary increases - pre 2030	<b>2.25</b>	<b>2.35</b>
Future salary increases - post 2030	<b>2.95</b>	<b>3.05</b>
Inflation assumption (RPI) - pre 2030	<b>3.15</b>	<b>3.25</b>
Inflation assumption (RPI) - post 2030	<b>2.95</b>	<b>3.05</b>
Inflation assumption (CPI) - pre 2030	<b>2.25</b>	<b>2.35</b>
Inflation assumption (CPI) - post 2030	<b>2.95</b>	<b>3.05</b>
Pre 6/4/1997 (fixed 3%)	<b>3.00</b>	<b>3.00</b>
Post 6/4/1997 (RPI min 3%, max 5% - Option A members) - pre 2030	<b>3.60</b>	<b>3.65</b>
Post 6/4/1997 (RPI min 3%, max 5% - Option A members) - post 2030	<b>3.55</b>	<b>3.55</b>
Post 6/4/1997 (CPI min 3%, max 5% - Option B members) - pre 2030	<b>3.30</b>	<b>3.30</b>
Post 6/4/1997 (CPI min 3%, max 5% - Option B members) - post 2030	<b>3.55</b>	<b>3.55</b>

	<b>At 31 July 2023</b>	<i>At 31 July 2022</i>
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	<b>22.0</b>	<b>22.0</b>
- at 65 for a male aged 45 now	<b>23.0</b>	<b>23.0</b>
- for a female aged 65 now	<b>24.3</b>	<b>24.5</b>
- at 65 for a female aged 45 now	<b>25.4</b>	<b>25.6</b>

**Sensitivity analysis**

	<b>At 31 July 2023</b>	<i>At 31 July 2022</i>
	£	£
Discount rate +0.25%	<b>(147,000)</b>	<b>(222,000)</b>
RPI rate +0.25%	<b>44,000</b>	<b>68,000</b>
CPI rate +0.25%	<b>23,000</b>	<b>36,000</b>
Assumed life expectancy age 65 - increase by 1 year	<b>211,000</b>	<b>385,000</b>

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**SHREWSBURY SCHOOL**

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

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**27. Pension commitments (continued)**

The Group's share of the assets in the scheme was:

	<b>At 31 July 2023 £</b>	<i>At 31 July 2022 £</i>
Equities	-	2,971,000
Bonds	5,492,000	575,000
Property	-	1,070,000
Target return	-	1,147,000
Insurance annuities	1,036,000	1,217,000
Cash	82,000	112,000
<b>Total fair value of assets</b>	<b>6,610,000</b>	<b>7,092,000</b>

The actual return on scheme assets was £-338,000 (2022 - £-17,000).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	<b>2023 £</b>	<i>2022 £</i>
Current service cost - within Schools and grant making	18,000	28,000
Net interest on pension scheme liabilities - within finance charges	(7,000)	29,000
<b>Total amount recognised in the Consolidated Statement of Financial Activities</b>	<b>11,000</b>	<b>57,000</b>

Movements in the present value of the defined benefit obligation were as follows:

	<b>2023 £</b>	<i>2022 £</i>
Opening defined benefit obligation	6,989,000	9,347,000
Contributions by scheme participants	3,000	3,000
Actuarial gains	(1,232,000)	(2,133,000)
Benefits paid	(302,000)	(393,000)
Current service cost	18,000	28,000
Interest cost	229,000	137,000
<b>Closing defined benefit obligation</b>	<b>5,705,000</b>	<b>6,989,000</b>

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**SHREWSBURY SCHOOL**

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

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**27. Pension commitments (continued)**

Movements in the fair value of the Group's share of scheme assets were as follows:

	2023 £	2022 £
Opening fair value of scheme assets	6,989,000	7,349,000
Interest income	236,000	108,000
Actuarial losses	(1,375,000)	(229,000)
Contributions by employer	154,000	151,000
Contributions by scheme participants	3,000	3,000
Benefits paid	(302,000)	(393,000)
<b>Closing fair value of scheme assets</b>	<b>5,705,000</b>	<b>6,989,000</b>

**Pension commitments (continued)**

Reconciliation of funded status:

	2023 £	2022 £
Opening deficit	-	(1,998,000)
Employer contributions	154,000	151,000
Charge recorded in Statement of Financial Activities	(11,000)	(57,000)
Actuarial (loss)/gain received in Statement of Financial Activities	(143,000)	1,904,000
	-	-

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**SHREWSBURY SCHOOL**

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

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**28. Operating lease commitments**

At 31 July 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group and Charity 2023 £</b>	<i>Group and Charity 2022 £</i>
<b>Group and Charity Amounts payable:</b>		
Within 1 year	10,416	17,337
Between 1 and 5 years	16,492	27,302
	<b>26,908</b>	<b>44,639</b>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	<b>Group 2023 £</b>	<i>Group 2022 £</i>
<b>Group and Charity</b>		
Operating lease rentals	10,416	44,056
	<b>10,416</b>	<b>44,056</b>

**29. Financial instruments**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Charity 2023 £</b>	<i>Charity 2022 £</i>
<b>Financial assets</b>				
Financial assets measured at fair value through income and expenditure	8,596,916	8,163,967	8,596,916	8,163,967
	<b>8,596,916</b>	<b>8,163,967</b>	<b>8,596,916</b>	<b>8,163,967</b>

Financial assets measured at fair value through income and expenditure comprises investments in UK listed securities.

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**SHREWSBURY SCHOOL**

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

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The Group's income, expense, gains and losses in respect of financial instruments are summarised below:

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Charity 2023 £</b>	<i>Charity 2022 £</i>
Total investment income for financial assets measured at fair value through income and expenditure	<b>203,428</b>	<b>159,507</b>	<b>203,428</b>	<b>159,507</b>
Net (gain)/loss on financial assets measured at fair value through income and expenditure	<b>182,685</b>	<b>230,678</b>	<b>182,685</b>	<b>230,678</b>
Impairment loss /(gains) on financial assets measured at amortised cost	<b>66,603</b>	<b>(45,423)</b>	<b>66,603</b>	<b>(45,423)</b>
Total interest expense for financial liabilities held at amortised cost	<b>135,376</b>	<b>64,916</b>	<b>135,376</b>	<b>64,916</b>

**30. Related party transactions**

During the year Shrewsbury School had various transactions and balances outstanding at the year end with its two wholly owned trading subsidiaries, Shrewsbury School Enterprises Limited and Shrewsbury School Trading Company Limited. These are disclosed in note 6.

Governors' remuneration and expenses are disclosed in note 12 and key management personal remuneration is disclosed in note 13.

There are no other related party transactions to disclose.

SHREWSBURY SCHOOL

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

31. Consolidated Statement of Financial Activities for the year ended 31 July 2022

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
<b>Income and endowments:</b>				
Grants and donations	28,469	689,988	-	718,457
<b>Charitable activities:</b>				
School fees	29,135,472	-	-	29,135,472
Other educational income	343,919	-	-	343,919
Other ancillary trading income	92,786	-	-	92,786
Other trading activities	1,968,956	-	-	1,968,956
Investments	119,462	37,602	2,443	159,507
Other income	-	-	-	-
<b>Total income</b>	<b>31,689,064</b>	<b>727,590</b>	<b>2,443</b>	<b>32,419,097</b>
<b>Expenditure on: Raising funds:</b>				
Trading activities	1,165,251	-	-	1,165,251
Fundraising costs	335,809	-	-	335,809
Financing costs	208,291	-	-	208,291
<b>Charitable activities:</b>				
Education and grant making	28,459,990	716,025	-	29,176,015
<b>Total expenditure</b>	<b>30,169,341</b>	<b>716,025</b>	<b>-</b>	<b>30,885,366</b>
<b>Net income before investment gains/(losses)</b>	<b>1,519,723</b>	<b>11,565</b>	<b>2,443</b>	<b>1,533,731</b>
Net gains/(losses) on investments	(152,998)	-	(77,680)	(230,678)
<b>Net income before transfers</b>	<b>1,366,725</b>	<b>11,565</b>	<b>(75,237)</b>	<b>1,303,053</b>
Transfers between Funds	26,895	(26,895)	-	-
<b>Net income before other recognised gains and losses</b>	<b>1,393,620</b>	<b>(15,330)</b>	<b>(75,237)</b>	<b>1,303,053</b>
Actuarial (losses)/gains on defined benefit pension schemes	1,904,000	-	-	1,904,000
<b>Net movement in funds</b>	<b>3,297,620</b>	<b>(15,330)</b>	<b>(75,237)</b>	<b>3,207,053</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	40,527,282	798,172	1,513,959	42,839,413
<b>Total funds carried forward</b>	<b>43,824,902</b>	<b>782,842</b>	<b>1,438,722</b>	<b>46,046,466</b>

**SHREWSBURY SCHOOL**

England & Wales - Charity number 528413

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# Accounts

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Charity number: 528413

**SHREWSBURY SCHOOL**

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2022**

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SHREWSBURY SCHOOL

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## SHREWSBURY SCHOOL

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 JULY 2022

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<b>Governors</b>	T.H.P. Haynes, BA, PGCE (Co-opted member), Chair <sup>1,2,6</sup> S.R. Baker, BSc, FCA, CF (Co-opted member) (resigned 1 July 2022) <sup>1,4</sup> R. Boys-Stones, BSc, FCA (Co-opted member) <sup>1,4</sup> D Chance MBA (Co-opted member) <sup>1,4</sup> J.R. Clark MA (Co-opted member) <sup>3,5,6</sup> Sir Peter Davis (Co-opted member) (resigned 1 July 2022) <sup>5</sup> D. Flint, DL (Appointed by the Lord Lieutenant of the County of Shropshire) <sup>1,2,5</sup> S.L.Hankin BA (Co-opted member) (appointed 16 September 2021) <sup>5</sup> C. Howarth LLB, MA (Co-opted member) <sup>2,6</sup> Dr S. Jones-Perrott BA, MBBS, FRCP (Co-opted member) <sup>3,5,7</sup> W. Kenyon MA, FCA (Co-opted member) (appointed 1 July 2022) <sup>3</sup> Professor A.J. McCarthy BSc, PhD (Co-opted member) <sup>2,5</sup> J.M.H. Moir, BA, MBA (Co-opted member) <sup>1,7</sup> Councillor D. Morris BA, (Appointed by Shropshire Council) (appointed 16 September 2021) <sup>3</sup> Councillor C.M. Motley BA (Appointed by Shropshire Council) <sup>1,2</sup> J.D.C. Pitt, MBA, BSc (Co-opted member) <sup>1,4</sup> F.L. Schofield BA, PGCE (Co-opted member) <sup>5,7</sup> D.R. Stacey DL (Co-opted member) <sup>1,3,7</sup> G. Walters BBLs (Co-opted member) <sup>6</sup>
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- 1 Finance and General Purposes Committee
- 2 Nominations and Remuneration Committee
- 3 Audit Committee
- 4 Investment Committee
- 5 Education and Safeguarding Committee
- 6 International Development Committee
- 7 The Prep School Committee

<b>Charity registered number</b>	528413
<b>Principal address and Registered Office</b>	The Bursary Kingsland House Shrewsbury School The Schools Shrewsbury SY3 7AA
<b>Headmaster</b>	L Winkley MA, MEd
<b>The Balliff, Bursar and Clerk to the Governing Body</b>	M J Ware, MA, ACA

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SHREWSBURY SCHOOL

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS  
(CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2022

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<b>Independent auditor</b>	Crowe U.K. LLP Fourth Floor St James House St James Square Cheltenham GL50 3PR
<b>Bankers</b>	Handelsbanken Plc 1st Floor, Willow House West Shrewsbury Business Park Shrewsbury SY2 6LG  Lloyds Bank Plc 1 Pride Hill Shrewsbury SY1 1DG  Barcalys Bank UK Plc 44/46 Castle Street Shrewsbury SY1 1BU
<b>Investment Advisors</b>	Sarasin & Partners LLP Juxon House 100 St. Paul's Churchyard London EC2M 8BU

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT FOR THE YEAR ENDED 31 JULY 2022

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The Governors present their annual report for the year ended 31 July 2022, under the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter comply with the Act, the Shrewsbury School Statutes and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", the Charities SORP (FRS102) effective 1 January 2019.

#### REFERENCE AND ADMINISTRATIVE INFORMATION

Shrewsbury School was founded in 1552 as "The Free Grammar School of King Edward VI" and is registered with the Charity Commission under charity number 528413. The Governors, Officers and principal address and particulars of the Charity's professional advisers are as listed on pages 1-2.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing Document

Shrewsbury School is governed in accordance with the Shrewsbury School Statutes, approved by the late HM Queen Elizabeth II in Council on 12 October 2016.

##### Recruitment and Training of Governors

The Governing Body consists of both appointed and co-opted members.

The Master of St John's College, Cambridge is an ex-officio member of the Governing Body. The current Master of St John's has decided not to take up her post as a Governor of Shrewsbury School in line with the policy of the College council. Three members are appointed to the Governing Body by persons or a body of persons as specified in Shrewsbury School's Statutes and effectively provide an informal link with Shrewsbury Town and its County. One member is elected by the Assistant Teachers of Shrewsbury School (Common Room).

Fourteen members (maximum) are co-opted by the current Governors, their names being brought forward for appointment by the Nominations and Remuneration Committee of the Governing Body. There is a regular audit of Governors' qualifications, skills and experience. Governors are encouraged to attend appropriate training courses and seminars.

New Governors are introduced to the workings of the Charity and the Governing Body largely by past financial statements, management accounts, minutes of Governor and sub-committee meetings, and a day's visit to Shrewsbury School, including meeting representatives of staff and employees. General information is provided in Statutes, the School Handbook, information for pupils, and Charity Commission regulations. Specific issues are addressed at an academic-year-end strategy meeting with the Headmaster. Governors are encouraged to keep abreast of new regulations. All Governors are required to undergo a Disclosure and Barring check for child protection purposes.

##### Organisational Management

The members of the Governing Body, as Trustees of the Charity, are legally responsible for the overall management and control of both schools and meet as the full decision making Governing Body at least three times a year.

There are seven committees to which powers of investigation and recommendation are delegated, and which meet regularly under their respective chairmen. Minutes are kept of all meetings of the Trustees and of the Committees. Draft minutes are circulated to all Governors for discussion at meetings of the full Governing Body.

The Finance and General Purposes Committee (F&GP) is the working Committee responsible for making recommendations on the financial and operational policy to the Governing Body and for ensuring that the decisions and policies of the Governing Body are implemented. The F&GP meets at least three times a year, prior to full Governing Body meetings. The F&GP during the year was chaired by R Boys-Stones.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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The other committees are the Nominations and Remuneration Committee, chaired by T Haynes. The International Development Committee, chaired by C. Howarth; the Audit Committee, chaired by W. Kenyon; the Investment Committee, chaired by D. Chance; the Education and Safeguarding Committee, chaired by Sir Peter Davis; and the Prep School Committee, chaired by M. Moir. Each Committee meets at least once a year.

The Governing Body has approved the terms of reference for each of the committees. The day-to-day running of Shrewsbury School itself is delegated to the Headmaster, who is supported by the Bursar and their various management teams. The Packwood Haugh School Headmaster reports into the Headmaster of Shrewsbury School, and is supported by the Packwood Bursar and Packwood Leadership Team. These groups form the key management personnel.

The Shrewsbury Headmaster and the Shrewsbury Bursar attend Governing Body and F&GP Committee meetings, and the meetings of other committees as appropriate. Other teaching and support staff attend Governing Body and committee meetings on an ad hoc basis to advise and inform Governors on specific areas of the Shrewsbury School's and Packwood's activities.

Policies and guidelines for the effective governance and management of Shrewsbury School are regularly reviewed by the Audit Committee and their recommendations passed to the F&GP and the Governing Body for action. The Prep School Committee performs a similar function for Packwood.

The remuneration of the key management personnel of both schools is set by the Nominations and Remuneration Committee. The policy objectives are to provide appropriate incentives to encourage enhanced performance and to reward fairly and responsibly individual contributions to the success of both schools.

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

#### **Group Structure and Relationships**

During the year, the Charity had two wholly owned subsidiaries:

- Shrewsbury School Enterprises Limited (non-charitable).
- Shrewsbury School Trading Company Limited (non-charitable).

The activities of these companies are discussed later in this report.

In addition, the Charity pays the employment, administrative and other costs, and expenses of Shrewsbury School Foundation. These costs are categorised as fund raising costs within the Consolidated Statement of Financial Activities. The Governors have agreed that the Charity will incur these costs to the extent that Shrewsbury School Foundation exercises and continues to exercise its charitable objects (the "Shrewsbury School Charitable Objects") as set out in the Foundation Trust Deed.

Shrewsbury School and Packwood Haugh School both operate within the Shrewsbury School charity.

#### **Risk Management**

The Governing Body is responsible for the management of the risks faced by both schools. Detailed analysis of the risks is delegated to the Audit Committee, who in turn delegates review of each risk type to the relevant sub-Committees. In this review, the Governing Body sub-Committees are assisted by the leadership team from each school. Risks are identified, assessed and controls established throughout the year. The risks are identified under the following headings: mission and objects; law and regulations; governance and management; external factors; marketing/pupil recruitment; academic factors; operational factors; human resources; environmental; technological and financial. A formal review of the major risks facing the Charity and the concomitant risk management processes is performed annually by the Governing Body.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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The key controls used by the Charity include:

- formal agendas and papers where appropriate for all Committee and Governing Body meetings with detailed minutes taken for each and circulated in draft to relevant participants and members unable to attend.
- clear and detailed terms of reference for each Committee.
- comprehensive strategic planning, budgeting and management accounting, timely, clear and accurate management financial information readily available and formal written policies agreed.
- established organisational management structure and lines of reporting, clear authorisation and approval levels for payments.
- Governors who have designated responsibility for child protection, health and safety, estates and admissions.

It is recognised that these control systems provide a reasonable, but not an absolute, assurance that risks are being managed properly. The Governors are satisfied that the major risks being faced by both schools this year have been identified and are being adequately addressed in order to avoid each, or to mitigate the effects of an unavoidable occurrence.

#### **OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

##### **Charitable Objects**

The Objects of the Charity are the advancement of education, including the provision of boarding and day schooling.

Within these Objects the Charity has a number of permanent endowed funds held for special purposes in connection with the development of Shrewsbury School's facilities and for scholarships, bursaries, prizes and other educational purposes.

##### **Public Benefit Aims and Intended Impact**

Shrewsbury School was founded in 1552 by Royal Charter to provide charitable education in the Shrewsbury area. Shrewsbury attracts entrants from all over the United Kingdom - and also from abroad - whilst still retaining its strong links with the town and its citizens. Since August 2019, Packwood Haugh School has been part of the overall Shrewsbury School charitable entity.

Our aim is that a Shrewsbury education will educate and empower each individual to flourish in life and contribute positively to the world around them. Shrewsbury School delivers whole person education in a thriving and inclusive boarding and day school community that champions the individual. We believe that the true purpose of education is the cultivation of inner virtues, life skills and character strengths that equip our young people with the confidence and direction to pursue meaningful and successful lives.

Packwood Haugh School operates as an independent boarding and day Preparatory School for boys and girls aged from 4 to 13. Packwood covers all that is required by the National Curriculum Key Stages 1 and 2, and the first two years of Key Stage 3 and substantially more. Packwood aims for the highest quality of academic tuition and pastoral care and the development of wider sporting, artistic and social skills in all its pupils, while offering an environment in which each pupil can develop and fulfil their potential.

In setting both schools' objectives and planning of activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and fee charging.

Shrewsbury and Packwood provide substantial public benefit not only to the recipients of educational grants but also to the local community and a wider public. A member of the Shrewsbury School Leadership Team has specific responsibility for Partnership and Community Engagement in order to focus the different strands of activity in this area and to measure the impact on beneficiaries.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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#### **Educational grants and widening access to Shrewsbury School and Packwood.**

Scholarships, bursaries and other awards are made available from three sources: funds controlled by the Governing Body as Trustees; funds managed by the Trustees of the Shrewsbury School Foundation; and the general income of both schools. In the year, 376 (2021 - 351) Shrewsbury pupils were assisted of whom 204 were means tested (2021 -194). The value of this means tested support at Shrewsbury was £3,129,208 (2021 - £2,731,977). This figure includes 9 pupils (2020 - 11) who were in receipt of 100% means tested remissions.

Packwood offered £366,370 (2021-£336,075) in bursary and scholarship support in 2021-22, of which £262,852 (2021-£245,031) was means tested.

Such a significant level of fee support is in keeping with the aims of the schools and underscores the charitable purpose.

#### **Partnerships with local schools and the Shrewsbury House, Everton "The Shewsy".**

Shrewsbury School engages in substantial charitable fund raising for both local and national organisations. Of special interest is the on-going financial support for Shrewsbury House, a youth club in Liverpool established by Shrewsbury School in 1903 to serve the needs of the socially and economically disadvantaged local community. In addition to fund raising, Shrewsbury School is actively involved in governance, provides accounting and other services, free of charge, to Shrewsbury House and regularly makes arrangements for members of 'The Shewsy' to come to Shrewsbury School during the course of a year. On 23 September 2021 the whole school took part in a sponsored walk which raised £85,000 including gift aid to support the Shewsy.

During the 2021-22 academic year Shrewsbury School continued to develop partnership activity with state schools, charities and other organisations, both locally and nationally. Programmes covered academics, co-curricular (sport, music and arts), support with careers and pastoral aspects of school life. During periods of lockdown, we shared our innovative remote programmes with our partners – ranging from enrichment subject lectures to careers webinars and sporting challenges.

Amongst the highlights of 2021-22 are the following case studies:

#### **Case Study 1 – 'Expert Ed'**

Shrewsbury School was a member of the steering group of 'Expert Ed' – a national collaborative project between independent and state schools working to share and develop resources to provide free access to live curriculum enrichment, keynote inspirational speakers, careers advice and homework clubs. As well as helping form the overall shape of the offering, the School provided content with access to speakers and development of materials with the Marches Academy Trust. This involved the creation of modules related to the geography topic of 'Settlements' and to Darwin and Evolution. Open to Year 5-9 students across the country in pilot mode, 'Expert Ed' had an estimated 20,000+ pupil engagements.

#### **Case Study 2 – Working with Severndale Specialist School**

Shrewsbury developed its partnership with Severndale Specialist School. Shrewsbury's Head of Learning Support served as a governor at Severndale and the School worked closely at leadership level to find meaningful and sustainable ways of bringing young people together in a mutually beneficial way. Amongst other developments, Medical Volunteering students from Shrewsbury go across to Severndale on Thursdays to learn about support for young people with complex additional needs. Young people from Severndale have visited the Shrewsbury School site for regular dance and singing sessions and for a carousel of activities on Field Day. We also hosted the Severndale Sports Day on the school site.

#### **Case Study 3 – Support for the town's Darwin Festival 2022**

The School engaged more than ever previously with the town's annual festival to celebrate Charles Darwin, its most famous son. We developed materials (audiovisual and educational resources) with the Marches Academy

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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Trust to share with schools across the county and more widely. These included interviews related to Darwin's schooling at Shrewsbury, his early years in his home town, the voyage of the 'Beagle' and his life as a family man and scientist at Down House in Kent. We sourced and hosted lectures, with academics from the UK and USA. In addition, we held a charity concert in town and opened up access to the public to see the Darwin collection in the Shrewsbury School Ancient Library.

#### Other community engagement:

Activity with school partners centred around education (subject support and enrichment for state sector colleagues and students, student mentoring and support for university applications), sport (providing facilities for individuals and events) and cultural activity (regular and individual events in art, dance, music and singing). Much of the above support is pro bono, or at rates below commercial levels.

At Easter Shrewsbury School ran a shared residential with 'The Shewsy' at Talargenwyn, the School's bothy in Snowdonia, centred around teambuilding and outdoor pursuits. During the summer of 2022 we hosted another Shewsy group from Everton, this time in School House. Young pupils from inner cities in the North West of England who came to a residential programme on the Shrewsbury campus as part of the 'Into University' programme.

As well as supporting charitable fundraising by pupils and staff (in 2021-22 raising over £110,000k for 20 different charities in total, including £85,000k for The Shewsy via the whole school sponsored walk), the School regularly makes available its facilities to various external charities, either at no cost to the charity or at heavily discounted rates to cover school costs.

School staff are encouraged to participate in the local and wider community, providing their time free of charge. Such participation ranges from acting as Governors of local schools to assisting organisations with performances in the performing arts.

The School's annual concert series is open to the public and is well attended by members of the local community.

A detailed inventory of the School's Partnership and Community Engagement work can be found at <https://www.shrewsbury.org.uk/pce>

In addition, both schools record partnership activity on the [schoolstogether.org](https://www.schoolstogether.org) website.

#### Fundraising

Shrewsbury School did not participate in any fundraising activities on its own account during the year and therefore there are no fundraising disclosures necessary under S162A of the Charities Act.

#### Objectives for the Year

This year, the focus has been on:

- Continued implementation of the strategic plan adopted by the Governing Body in September 2019 and evaluation of options for the reconfiguration of boys' houses.
- Refurbishment of Rigg's Hall, which was completed in May 2022.
- Focus on funding and increasing the number of means tested transformative bursaries (75% to 110% off fees).
- Packwood project planning for the new Science Building
- Commenced construction of Queen Elizabeth Hall (Fifth Girls' house). This is scheduled to open in September 2023.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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#### REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

##### Operational Performance of the schools

This year, Shrewsbury School numbers averaged 816 (2021 - 816) pupils of whom 611 (2021 - 615) were boarders and 205 (2021 - 201) were day pupils. Packwood Haugh School numbers averaged 208 (2021 - 182) of whom 54 were boarders.

Shrewsbury School pupil numbers at the start of the 2022/23 academic year were 832, and Packwood Haugh had 223 pupils.

A Levels and GCSEs assessments returned to the traditional format of public examinations. 81.3% of A Level candidates received the equivalent of A\* to B, and these results enabled 90% of our leavers to take up their first choice university destination. At GCSE 72.9% of candidates received grades 9 to 7. These results were in line with performance prior to COVID.

Outside the classroom Shrewsbury School and Packwood Haugh School continued provide a wide range of co-curricular opportunities. In September 2021, the 1st XI girls' cricket team won The Cricket Paper's National Schools 100 Ball competition, and more recently the U17 boys' cricket team won the 2022 National Championship. The boys' 1st XI football team were unbeaten in the 21-22 Independent Schools Hudl league. A company of 42 Salopians took the musical "Gatsby" to the seventy fifth Edinburgh Fringe Festival, and a team of pupils took part in the 3 Peaks yacht race.

##### Grants and Awards

The Charity in total awarded bursaries, scholarships and allowances of £4,720,015 (2021-£4,234,579). Shrewsbury School, despite not possessing a large endowment reserve, continues to support and assist pupils to come to Shrewsbury. During the year Shrewsbury School awarded a total of £4,353,644 (2021- £3,898,501) of scholarships, grants, bursaries and other allowances to pupils, of which £643,613 came from restricted funds, including £613,662 (2021 - £490,810) from Shrewsbury School Foundation. Packwood made awards to pupils totalling £366,370 (2021 - £336,075).

Shrewsbury School holds a scholarship competition for suitably qualified candidates under the age of 14 each year. It awards up to four Butler Scholarships to a value of 30% of fees; up to four Kennedy Scholarships; and two Moss Scholarships worth up to one-fifth of fees; and up to seven Alington Exhibitions worth £2,000 per year. There are also up to four Music Scholarships worth up to 30% of fees, each year, and two Art Scholarships worth one-fifth of fees.

For entrants to Shrewsbury at Sixth Form level, there are a range of academic, music and sporting awards. In addition, the School offers two means tested Sixth Form sporting scholarships, worth up to 100% of fees.

Foundation bursaries are awarded to pupils who will make a significant contribution to the School whether it be academically in sport or through the arts. The funding for these awards comes from Shrewsbury School Foundation. In total, Shrewsbury School Foundation financially supported 27 pupils (2021 -24 pupils) of whom 6 pupils (2021-6 pupils) received 100% funding.

The Governors publish a detailed grant making policy on Shrewsbury School's website. In short, the Governors' policy is to make bursary awards on the basis of the individual's educational ability and his or her family's ability to pay, subject to the particular conditions imposed by the original donor where the award is taken from restricted funds.

##### Financial Review and Results for Year

The financial statements reflect the activities and results of the Charity (Shrewsbury School and Packwood) and its two subsidiary companies, Shrewsbury School Enterprises Limited and Shrewsbury School Trading Company Limited.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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The group had net incoming resources of £1,533,731 (2021 - £2,569,333) for the year. This result reflects a full year without the impact of COVID adjustments.

The School's strategic plan assumes the following means of financing the continued investment in the School's facilities:

- Achieving operating surpluses that generate substantial cash flows. This involves continuously reviewing the cost base of the School in all areas to ensure best use is being made of the School's resources, while maintaining a commitment to excellence; and
- Shrewsbury School Foundation will continue to provide financial support for the School. This is primarily in the form of funding for scholarships and bursaries, including Foundation Bursaries, but also includes donations towards specific building projects; and
- For large capital projects, the School will consider borrowing funds in the medium term (for instance for the construction of Queen Elizabeth Hall), whilst ensuring that the overall level of borrowing is prudent; and
- Further increasing the commercial income of the School: new or refurbished School facilities are designed not only for use by the School, but also for commercial lettings, and to maximise the opportunity for the wider community; and
- Increase income generated by the School's overseas activities.

Net assets increased to £46,046,466 from £42,839,413. The increase comprised net incoming resources of £1,533,731; a decrease in the market value of Charity's investments of £230,678; and £1,904,000 actuarial gain relating to Shrewsbury School's defined benefit pension scheme under FRS 102.

The School's defined benefit scheme deficit as calculated under the requirements of Financial Reporting Standard 102 (FRS102) was eliminated by a revaluation of £1,904,000. Under FRS102 assumptions there is no longer a deficit but based on the transitory nature of the revaluation the Charity did not regard it as prudent to record the resulting asset on its balance sheet. The elimination of the deficit is mainly due to the increased discount rate used to calculate the present value of future liabilities of the Scheme.

Capital expenditure totalled £5,128,378. This represents a return to a more normal level of activity. £2,618,704 was spent on the completion of the Rigg's Hall refurbishment, with £983,996 on the planning and preliminary phases of Queen Elizabeth Hall. Following the disposal of a large staff house in the previous year, the School purchased a replacement staff house more suitable to Shrewsbury School's requirements at a cost of £391,753.

The Charity's two subsidiary companies continued to trade during the year. Shrewsbury School Enterprises Limited remained the vehicle through which Shrewsbury School conducts its overseas school business; Shrewsbury School Trading Company Limited, continued to operate the School shop, sporting and leisure activities and commercial lets of the School premises.

While the swimming academy had a successful year of operations, uncertainties about travel restrictions in August 2021 and worries about the geopolitical situation in Spring and Summer 2022 reduced income from holiday courses. This had a significant impact on the trading results of Shrewsbury School Trading Company Limited, but there is room for optimism following successful business in August 2022 immediately after the financial year end. Any profits made by these companies, in excess of operating needs, are gift aided to the School.

#### International School Developments

The International Development Director has continued to work with the international development committee to cement relationships with Shrewsbury International Asia (SIA), as well as to develop and execute opportunities in new countries.

Shrewsbury International School Bangkok (Riverside) provides an important income stream, reflecting the success of the venture. The school opened on a purpose-built greenfield site in 2003 and has just completed an expansion project to keep up with demand. It currently has just under 1900 pupils, aged between 3 to 18. There

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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is a close working relationship between the schools.

Shrewsbury International School Bangkok (City Campus) and Shrewsbury School International School, Hong Kong completed a fourth successful year of operation and continue to grow to capacity. SIA intend to open a new purpose-built school in Guangzhou, China in September 2023.

Shrewsbury International School Phnom Penh recently opened its Early Years provision in the Cambodian capital, with a purpose-built main campus for primary and secondary children due to open in September 2024.

Other projects are due to be confirmed shortly.

Further details on our international schools can be found at the website [www.shrewsbury.org.uk/ShrewsburySchoolInternational](http://www.shrewsbury.org.uk/ShrewsburySchoolInternational)

#### **Fundraising Performance**

The School received donations of £718,457 during the year (2021 - £1,411,066).

Shrewsbury School Foundation (a separate Charity) raises funds to donate to the School for bursary support, capital and educational projects. In the current year the School received from the Foundation a total of £634,162 of this £613,662 was to support bursaries.

#### **RESERVES POLICY**

The School does not possess large endowment reserves to generate income to assist in the financing of the School.

At the year-end Endowed Funds totalled £1,438,722 and Restricted Funds totalled £782,842, because of the particular spending constraints attached to them they are not available for funding the general operations of the School. Unrestricted Funds totalling £43,824,902 are expendable in accordance with the Objects of the School. The School has no current free reserves as the unrestricted reserves are less than the net book value of fixed assets. Given our plans for new buildings, this nil balance will continue for several years. This is in accordance with the long-term plans of the Trustees for the development of the School and they are satisfied that the resources available to the School through external bank finance are adequate for its projected requirements. In addition to the operational land and buildings, the School owns residential properties for housing some of its staff.

There are also artefacts and works of art, which have been acquired and accumulated over very many years. These are of huge educational and wider cultural benefit to the School community and some are made available, under appropriate conditions, to external researchers and scholars. They are not revalued in the Balance Sheet and the Governors are of the view that there is no benefit to be gained from incurring the costs of valuations other than for insurance purposes. In 2021-22 an insurance valuation was produced following an inspection by a team from Sotheby's.

The annual revenue expenditure requirements of the School are generally met from annual income. Prudent budgeting and tight financial control are designed to ensure that adequate but not excessive cash headroom is maintained, and this is supported by a seasonal overdraft facility.

The Governors are confident that the capital development plan can be achieved by the policies set out above, supported by prudent borrowing and support from Shrewsbury School Foundation on selected projects.

The Governors have established a designated fund, which aims to provide bursarial support to enable pupils to attend the School. The intention of the Governors is to allocate a proportion of the School's commercial income each year, based on an agreed calculation, subject to operating requirements. The intention is to build up the fund over the forthcoming years, with income from it being used to provide bursarial support to pupils attending the School. During the year, the Trustees allocated £569,865 to the fund. At the year end the value of this

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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designated fund was £3,245,393.

#### INVESTMENT POLICY

The Governors, as Trustees, have wide powers to invest in property and securities, including stocks and shares.

The Governors review, on a regular basis, the investment profile of the School, the risks and returns achieved and the likely future performance.

The fees in advance funds are invested in a targeted return fund with the aim of generating above inflation returns, while providing the security of investments backing two years fees in advance liabilities.

The policy of the School with regard to endowed and designated investments is to ensure that they produce a regular and growing income stream, together with capital growth. The School's investments are managed by Sarasin & Partners. The School funds are held in the Sarasin Endowments Fund Class A Income Fund, a global multi-asset portfolio with an integrated socially responsible investment policy. The fund seeks to provide growth (in terms of investment value and growth) of 4% per year more than the CPI over a rolling five-year period. The School's investments decreased in capital value by £230,678 (3%) over the previous year, but this was offset by additional investments in the designated fund of £910,854 a portion of international schools' income, the investment of cash assets received as part of the Connell bequest (received in 2020/21) and investment income reinvested.

#### PRINCIPAL RISKS AND UNCERTAINTIES

As explained above, the Governors have considered the principal risks and uncertainties facing the School. The economic climate affects the ability of parents to afford the school fees, and the affordability of fees is considered as an important factor in the long-term financial planning. In terms of unexpected costs, the Governors ensure that insurance is in place for known and insurable risks. With a large built estate, the School also monitors and plans for foreseeable future building repairs, referencing to the condition survey conducted in 2010. An updated buildings insurance valuation was completed in 2022, and a condition survey is planned for 2023.

The management team also carefully monitors the level of scholarships and bursaries to ensure that grant commitments are maintained at a sustainable level, carefully reviewing the future grant funding available from Shrewsbury School Foundation.

The School has also considered non-financial risks. As the health and safety of the pupils and staff is paramount, the Trustees consider any potential breach of health and safety to be a principal risk. To mitigate the School has developed policies to ensure the regulations and guidelines for the welfare of pupils and staff are observed.

#### FUTURE PLANS

- The communication and implementation of the revised strategic plan for the next decade, including the integration of day boys into existing boys' boarding houses. Girls are already accommodated in integrated boarding and day houses.
- Focus on funding and increasing the number of means tested transformative bursaries (75% to 110% off fees).
- Construction of Queen Elizabeth Hall to provide girls' additional capacity as part of the maturation of co-education.
- The continued development of a cross sector programme of partnership and community engagement.

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**SHREWSBURY SCHOOL**

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**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2022**

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**ACCOUNTING AND REPORTING RESPONSIBILITIES**

The Governing Body is required by law to prepare financial statements for each financial year, which give a true and fair view of the financial activities of the Charity and of its financial position at the end of that year. In preparing those financial statements the Governing Body is required to:

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

Taking into account the specific economic and geopolitical risks, the Governing Body has reviewed future school cashflows and is confident that it is appropriate to produce financial statements on a going concern basis.

The Governing Body is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011 and the Shrewsbury School Statutes, approved by the late HM Queen Elizabeth II in Council on 12 October 2016. It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

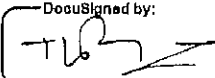
In determining how amounts are presented in the statement of financial activities and balance sheet, the Governors have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

So far as each of the Governors is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors Crowe U.K. LLP have indicated their willingness to remain in office.

Approved by order of the members of the board of Governors on 26 November 2022 and signed on their behalf by:

DocuSigned by:  
  
32B886DA491F47F...  
**T.H.P. Haynes**  
Chair

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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL

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#### Opinion

We have audited the financial statements of Shrewsbury School (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 July 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards 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 been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 July 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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 Group's or the parent 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 Governors with respect to going concern are described in the relevant sections of this report.

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SHREWSBURY SCHOOL

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INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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**Other Information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Governors are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

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

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

**Responsibilities of Governors**

As explained more fully in the Governors' responsibilities statement, the Governors are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the Group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the 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.

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:

We obtained an understanding of the legal and regulatory frameworks within which the Charity and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, taxation legislation, employment legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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

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

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

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

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

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SHREWSBURY SCHOOL

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INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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**Use of our report**

This report is made solely to the charity's Governors, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Governors, as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP  
Statutory Auditor  
Fourth Floor  
St James House  
St James Square  
Cheltenham  
GL50 3PR

Date:

9 December 2022

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

SHREWSBURY SCHOOL

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 JULY 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income and endowments from:</b>						
Grants and donations	3	28,469	689,988	-	718,457	1,411,066
Charitable activities:						
School fees	4	29,135,472	-	-	29,135,472	26,325,672
Other educational income	5	343,919	-	-	343,919	332,256
Other ancillary trading income	5	92,786	-	-	92,786	611
Other trading activities	6	1,968,956	-	-	1,968,956	1,382,044
Investments	7	119,462	37,602	2,443	159,507	106,773
Other income	8	-	-	-	-	1,285,743
<b>Total income and endowments</b>		<b>31,689,064</b>	<b>727,590</b>	<b>2,443</b>	<b>32,419,097</b>	<b>30,844,165</b>
<b>Expenditure on:</b>						
Raising funds:						
Trading activities	9	1,165,251	-	-	1,165,251	722,436
Fundraising costs	9	335,809	-	-	335,809	269,874
Financing costs	10	208,291	-	-	208,291	325,118
Charitable activities: 11						
Education and grant making		28,459,990	716,025	-	29,176,015	26,957,404
<b>Total expenditure</b>		<b>30,169,341</b>	<b>716,025</b>	<b>-</b>	<b>30,885,366</b>	<b>28,274,832</b>
<b>Net income before net gains/(losses) on investments</b>		<b>1,519,723</b>	<b>11,565</b>	<b>2,443</b>	<b>1,533,731</b>	<b>2,569,333</b>
Net (losses)/gains on investments		(152,998)	-	(77,680)	(230,678)	721,784
<b>Net income before transfers</b>		<b>1,366,725</b>	<b>11,565</b>	<b>(75,237)</b>	<b>1,303,053</b>	<b>3,291,117</b>
Transfers between funds	22	26,895	(26,895)	-	-	-
<b>Net movement in funds before other recognised gains carried forward</b>		<b>1,393,620</b>	<b>(15,330)</b>	<b>(75,237)</b>	<b>1,303,053</b>	<b>3,291,117</b>

SHREWSBURY SCHOOL

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
<b>Net movement in funds before other recognised gains/(losses) brought forward</b>		1,393,620	(15,330)	(75,237)	1,303,053	3,291,117
Actuarial gains on defined benefit pension schemes	27	1,904,000	-	-	1,904,000	773,000
<b>Net movement in funds</b>		<u>3,297,620</u>	<u>(15,330)</u>	<u>(75,237)</u>	<u>3,207,053</u>	<u>4,064,117</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward		40,527,282	798,172	1,513,959	42,839,413	38,775,296
Net movement in funds		3,297,620	(15,330)	(75,237)	3,207,053	4,064,117
<b>Total funds carried forward</b>		<u>43,824,902</u>	<u>782,842</u>	<u>1,438,722</u>	<u>46,046,466</u>	<u>42,839,413</u>

The notes on pages 24 to 63 form part of these financial statements.

SHREWSBURY SCHOOL

CONSOLIDATED BALANCE SHEET  
AS AT 31 JULY 2022

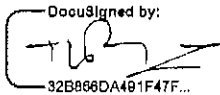
	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	43,749,295	41,108,674
Investments	15	8,163,967	7,462,922
		<u>51,913,262</u>	<u>48,571,596</u>
<b>Current assets</b>			
Stocks	16	275,643	291,891
Debtors	17	1,978,173	1,941,495
Cash at bank and in hand		6,956,037	8,256,938
		<u>9,209,853</u>	<u>10,490,324</u>
Creditors: amounts falling due within one year	18	(7,430,777)	(6,411,746)
<b>Net current assets</b>		<u>1,779,076</u>	<u>4,078,578</u>
<b>Total assets less current liabilities</b>		<u>53,692,338</u>	<u>52,650,174</u>
Creditors: amounts falling due after more than one year	19	(7,645,872)	(7,812,761)
<b>Net assets excluding pension asset / liability</b>		<u>46,046,466</u>	<u>44,837,413</u>
Defined benefit pension scheme asset / liability	27	-	(1,998,000)
<b>Total net assets</b>		<u><u>46,046,466</u></u>	<u><u>42,839,413</u></u>

## SHREWSBURY SCHOOL

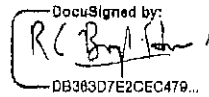
CONSOLIDATED BALANCE SHEET (CONTINUED)  
AS AT 31 JULY 2022

	Note	2022 £	2021 £
<b>Charity funds</b>			
Endowment funds	22	1,438,722	1,513,959
Restricted funds	22	782,842	798,172
<b>Unrestricted funds</b>			
Unrestricted funds excluding pension asset	22	43,824,902	42,525,282
Pension reserve	22	-	(1,998,000)
Total unrestricted funds	22	<u>43,824,902</u>	<u>40,527,282</u>
<b>Total funds</b>		<u><u>46,046,466</u></u>	<u><u>42,839,413</u></u>

The financial statements were approved and authorised for issue by the Governors on 26 November 2022 and signed on their behalf by:

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**T.H.P. Haynes**  
Chair

DocuSigned by:  
  
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**R. Boys-Stones**

The notes on pages 24 to 63 form part of these financial statements.

SHREWSBURY SCHOOL

CHARITY BALANCE SHEET  
AS AT 31 JULY 2022

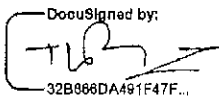
	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	43,738,583	41,101,751
Investments	15	8,163,967	7,462,922
		<u>51,902,550</u>	<u>48,564,673</u>
<b>Current assets</b>			
Stocks	16	65,120	64,165
Debtors	17	2,839,351	2,194,012
Cash at bank and in hand		6,055,384	8,094,321
		<u>8,959,855</u>	<u>10,352,498</u>
Creditors: amounts falling due within one year	18	(7,179,148)	(6,250,311)
<b>Net current assets</b>		<u>1,780,707</u>	<u>4,102,187</u>
<b>Total assets less current liabilities</b>		<u>53,683,257</u>	<u>52,666,860</u>
Creditors: amounts falling due after more than one year	19	(7,645,872)	(7,812,761)
<b>Net assets excluding pension asset / liability</b>		<u>46,037,385</u>	<u>44,854,099</u>
Defined benefit pension scheme asset / liability	27	-	(1,998,000)
<b>Total net assets</b>		<u><u>46,037,385</u></u>	<u><u>42,856,099</u></u>

## SHREWSBURY SCHOOL

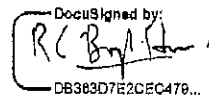
CHARITY BALANCE SHEET (CONTINUED)  
AS AT 31 JULY 2022

	Note	2022 £	2021 £
<b>Charlty funds</b>			
Endowment funds	22	1,438,722	1,513,959
Restricted funds	22	782,842	798,172
Unrestricted funds			
Unrestricted funds excluding pension asset / liability	22	43,815,821	42,541,968
Pension reserve	22	-	(1,998,000)
Total unrestricted funds	22	<u>43,815,821</u>	<u>40,543,968</u>
<b>Total funds</b>		<u><u>46,037,385</u></u>	<u><u>42,856,099</u></u>

The financial statements were approved and authorised for issue by the Governors on 26 November 2022 and signed on their behalf by:

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**T.H.P. Haynes**  
Chair

DocuSigned by:  
  
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**R. Boys-Stones**

The notes on pages 24 to 63 form part of these financial statements.

SHREWSBURY SCHOOL

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JULY 2022**

		2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	23	5,215,606	5,873,925
<b>Cash flows from Investing activities</b>			
Dividends and interest from investments		159,507	106,773
Proceeds from the sale of tangible fixed assets		35,075	910,466
Purchase of tangible fixed assets		(5,128,378)	(1,357,246)
Proceeds from sale of investments		-	3,418,774
Purchase of investments		(910,854)	(4,574,637)
<b>Net cash used in Investing activities</b>		<b>(5,844,650)</b>	<b>(1,495,870)</b>
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(586,072)	(1,045,299)
Interest paid on borrowings		(64,916)	(103,332)
<b>Net cash (used)/provided in financing activities</b>		<b>(650,988)</b>	<b>(1,148,631)</b>
<b>Change In cash and cash equivalents In the year</b>		<b>(1,280,032)</b>	<b>3,229,424</b>
Cash and cash equivalents at the beginning of the year		8,260,611	5,031,187
<b>Cash and cash equivalents at the end of the year</b>	<b>24</b>	<b>6,980,579</b>	<b>8,260,611</b>

The notes on pages 24 to 63 form part of these financial statements

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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#### 1. Legal status of the Charity

The School is governed in accordance with the Shrewsbury School Statutes approved by the Queen's Most Excellent Majesty in Council on 12 October 2016, whose registered office and primary place of business is Shrewsbury School, The Schools, Shrewsbury, SY3 7AA. It has no share capital. Its principal activity is the provision of boarding and day schooling. It is a registered Charity in England and Wales and its Charity registration number is 528413.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Shrewsbury School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. Please see note 6 for further details on the subsidiaries.

No separate SOFA has been presented for the Charity alone. The net result for the year relating to the School amounted to a surplus of £3,181,286 (2021 - £4,087,116).

##### 2.2 Going concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 12.

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**SHREWSBURY SCHOOL**

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

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**2. Accounting policies (continued)**

**2.3 Critical accounting estimates and areas of judgment**

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

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

**Useful economic lives of tangible assets**

The annual depreciation charges for the tangible assets are sensitive to changes in the estimate useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the tangible assets and note 2.8 for the useful lives for each class of asset.

**Impairment of debtors**

The group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 17 for the net carrying amount of the debtors.

**2.4 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes.

Endowment funds are donations required to be retained as capital in accordance with the donors' wishes – permanent or expendable according to the nature of the restrictions. The costs of raising and administering such funds are charged against the specific fund.

The aim and use of each restricted and endowment fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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#### 2. Accounting policies (continued)

##### 2.5 Income

All incoming resources are included in the Statement of Financial Activities when the School has entitlement to the income, the amount can be quantified with reasonable accuracy and the economic benefit to the School is considered probable.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School.

Income from other trading activities comprises revenue recognised by the School's wholly owned subsidiaries in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

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

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where through the terms of an appeal or from the donor there is a trust law restriction on the use of any voluntary income, the income is credited to the relevant restricted fund or endowment. Gifts in Kind would be valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption or at the value to the School in the case of donated services of facilities.

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

##### 2.6 Expenditure

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Expenditure is accrued as soon as a liability is considered probable discounted to present value for longer term liabilities and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Liabilities are recognised where there is a legal or constructive obligation committing the entities to the expenditure.

Fundraising costs are those incurred in seeking voluntary contributions in relation to Shrewsbury School Foundation, a connected charity (Charity number 528415). Provided that, and so long as, Shrewsbury School Foundation exercises and continues to exercise its charitable objects in furtherance of the objects (the "Shrewsbury School Charitable Objects") set out in the Foundation Trust Deed, the School shall pay the employment, administrative and other costs and expenses of the Foundation in furthering Shrewsbury School's Charitable Objects.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Included in support costs of the School are bursary costs, payroll administration, budgeting and accounting, information technology, human resources

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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#### 2. Accounting policies (continued)

##### 2.6 Expenditure (continued)

and finance. School trip expenditure is included under support costs.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Governance costs comprise the costs of running the charity including strategic planning for its future development, also internal and external audit, any legal advice for the Governors and all costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

##### 2.7 Government grants

Government grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

##### 2.8 Tangible fixed assets and depreciation

Computer equipment costing more than £300 is capitalised and carried in the Balance Sheet at historical cost.

Major refurbishment expenditure, equipment, boats and vehicles costing more than £1,000 are capitalised and carried in the Balance Sheet at historical cost.

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SHREWSBURY SCHOOL

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

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**2. Accounting policies (continued)**

**2.8 Tangible fixed assets and depreciation (continued)**

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 10-50 years
Furniture, fixtures and fittings and equipment	- 3-10 years
Boats	- 10 years
Ground machines and vehicles	- 4-10 years

Depreciation is not charged on freehold land or assets under the course of construction.

Leasehold property is depreciated over the term of the lease.

Depreciation is calculated on a monthly basis.

The School owns a number of cultural and historic artefacts which are considered to be heritage assets. During the year a formal valuation of these assets was undertaken by Sotheby's who valued the assets on both an insurance basis and an auction basis. The valuations provided ranged between £6.050M and £12.214M. Given the highly specialist nature of the items and the resulting broad valuation range, the Governors have concluded that there is insufficient information to recognise them with material accuracy and therefore no value has been attributed to them in the Balance Sheet and no depreciation charged, on the basis that reliable information is not available, as permitted by the Charity SORP.

**2.9 Investments**

Investments are stated at market value at the Balance Sheet date. The Consolidated statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost less provision for impairment.

**2.10 Operating leases**

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.11 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

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SHREWSBURY SCHOOL

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

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**2. Accounting policies (continued)**

**2.12 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised costs using the effective interest method, less any impairment.

**2.13 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.14 Fees In advance**

Parents may, subject to contractual terms and conditions, pay to the School tuition fees in advance. The money may be returned, subject to specific conditions.

Investments are held to cover the next two years capital liabilities.

**2.15 Financial Instruments**

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

**2.16 Concessionary Loans**

The loans from Shrewsbury School Foundation and Shropshire Council (see note 19) are considered to meet the criteria of concessionary loans under FRS 102. They have been recorded in the financial statements at face value.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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#### 2. Accounting policies (continued)

##### 2.17 Pensions

The School operates a defined contribution pension scheme for non-teaching staff (Shrewsbury School (2001) Retirements Benefits Scheme). This scheme gives exemption from the requirement to offer a stakeholder pension scheme. During the year the total contributions were £348,710 (2021 - £331,446).

The School also contributes to a personal pension scheme for the benefit of certain Packwood Haugh School employees. The scheme is a defined contribution scheme administered by Scottish Widows. During the year the total contributions were £43,606 (2021 - £71,332).

On 1 September 2021, Shrewsbury School and Packwood Haugh School, gave notice to the Teachers' Pension Scheme, that they would be implementing the "phased withdraw" regulations. New teaching staff at both Schools would be enrolled into defined contribution pension schemes, at each School (Shrewsbury School 2021 DC Pension Scheme and Shrewsbury School – Packwood Haugh 2021 DC pension Scheme). The Schemes are administered by Legal & General. During the year the total contributions were £91,639 (2020-£Nil)

The School contributes to a defined benefit pension scheme (final salary scheme) for the academic staff, which is a national scheme operated for the Department for Education and Skills, which requires contributions to be made to a separately administered fund. The total premiums paid during the year were £1,777,014 (2021 - £1,725,910).

In addition, the School operates a defined benefit pension scheme for non teaching staff (Shrewsbury School (1971) Pension and Life Assurance Scheme), which is closed to new members. The basis of contributions to the Scheme is calculated according to the advice of the Scheme actuary. During the year the total contributions were £12,913 (2021 - £17,448).

**SHREWSBURY SCHOOL**

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

**3. Income from grants and donations**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	28,469	689,988	718,457	1,411,066
<b>Total 2022</b>	<u>28,469</u>	<u>689,988</u>	<u>718,457</u>	<u>1,411,066</u>
<i>Total 2021</i>	<u>700,043</u>	<u>711,023</u>	<u>1,411,066</u>	

**4. Charitable activities - School fees receivable**

	2022 £	2021 £
<b>The School's fee income comprised:</b>		
Gross fees	33,211,874	30,054,751
Less: Total bursaries, scholarships and allowances	(4,720,015)	(4,234,576)
	<u>28,491,859</u>	<u>25,820,175</u>
Add back bursaries, scholarships and allowances paid for by Restricted Funds	643,613	505,497
	<u>29,135,472</u>	<u>26,325,672</u>

Scholarships, bursaries and other awards were paid to 457 pupils (2021 - 440).

Within this means tested bursaries totaling £3,388,880 paid to 254 pupils (2021 - £2,977,008 to 248 pupils).

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SHREWSBURY SCHOOL

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

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5. Charitable activities - Other Income

	2022 £	2021 £
<b>Other educational charitable Income</b>		
Entrance and registration fees	108,044	127,793
Courses and sub-lettings	174,061	145,527
Royalties received	61,814	58,936
	<u>343,919</u>	<u>332,256</u>
	2022 £	2021 £
<b>Other ancillary activities</b>		
Commissions received	4,746	611
School trips	87,840	-
Late payment surcharges	200	-
	<u>92,786</u>	<u>611</u>

6. Other trading activities

	2022 £	2021 £
Trading activities SSEL	995,844	938,212
Trading activities SSTCL	973,112	443,832
	<u>1,968,956</u>	<u>1,382,044</u>

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**SHREWSBURY SCHOOL**

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

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**Other trading activities (continued)**

**Shrewsbury School Enterprises Limited (SSEL)**

The Charity owns the whole of the £1 ordinary share capital of Shrewsbury School Enterprises Limited (Company registration number 4535585), incorporated in England. The Company's principle activity is the provision of consulting services to international Schools.

Its trading results for the period, as extracted from the audited accounts, are summarised below:

	2022 £	2021 £
Turnover	995,665	938,119
Administration	(384,152)	(254,091)
<b>Operating (loss)/profit</b>	<u>611,513</u>	<u>684,028</u>
Interest payable	(1,161)	(1,514)
Interest receivable	179	93
<b>(Loss)/profit for the year</b>	<u>610,531</u>	<u>682,607</u>
Gift aid payment	(612,071)	(682,607)
<b>Retained loss</b>	<u>(1,540)</u>	<u>-</u>

Shrewsbury School Enterprises Limited made a gift aid donation of £612,071 (2021 - £682,607) to Shrewsbury School during the year.

The net assets of Shrewsbury School Enterprises Limited at 31 July 2022 amounted to £4,043 (2021 - £5,583).

At the year end Shrewsbury School Enterprises Limited owed Shrewsbury School £976,740 (2021 - £833,020). Of which £137,635 (2021 - £137,635) is an unsecured loan, repayable with one year's notice and interest charges at 1% above Lloyds Bank Plc base rate.

The management charge from the School to Shrewsbury Enterprises Limited was £210,275 (2021 - £194,314). In addition there is a licence fee of £10,000 (2021 - £10,000).

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**SHREWSBURY SCHOOL**

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

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**Other trading activities (continued)**

**Shrewsbury School Trading Company Limited (SSTCL)**

The Charity owns the whole of the £100 ordinary share capital of Shrewsbury School Trading Company Limited (Company registration number 5580019), incorporated in England. The principal activity of the Company was the operation of the School shop and other recreational activities.

Its trading results for the period, as extracted from the audited accounts, are summarised below:

	2022 £	2021 £
Turnover	972,904	433,614
Cost of sales	(522,837)	(251,188)
<b>Gross profit</b>	<b>450,067</b>	<b>182,426</b>
Administration	(257,101)	(215,643)
Other operating income	-	10,126
<b>Operating profit/(loss)</b>	<b>192,966</b>	<b>(23,091)</b>
Interest receivable	208	92
<b>Profit/(loss) for the year</b>	<b>193,174</b>	<b>(22,999)</b>
Gift aid payment	(165,867)	-
<b>Retained profit/(loss)</b>	<b>27,307</b>	<b>(22,999)</b>

Shrewsbury School Trading Company Limited made a gift aid donation of £165,867 (2021 - £Nil) to Shrewsbury School during the year.

The net assets of Shrewsbury School Trading Company Limited at 31 July 2022 amounted to £5,038 (2021 – liabilities of £22,269).

At the year end Shrewsbury School Trading Company Limited owed Shrewsbury School £679,125 (2021 - £108,100).

The management charge from the School to Shrewsbury School Trading Company Limited was £130,454 (2021 – £82,320).

SHREWSBURY SCHOOL

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

7. Investment Income

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Interest	5,812	-	-	5,812	7,383
Income from listed investments	113,650	37,602	2,443	153,695	99,390
<b>Total 2022</b>	<b>119,462</b>	<b>37,602</b>	<b>2,443</b>	<b>159,507</b>	<b>106,773</b>
<i>Total 2021</i>	<b>68,263</b>	<b>36,161</b>	<b>2,349</b>	<b>106,773</b>	

8. Other Incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Government grant	-	-	400,538
Profit on the sale of fixed assets	-	-	885,205
<b>Total 2022</b>	<b>-</b>	<b>-</b>	<b>1,285,743</b>
<i>Total 2021</i>	<b>1,285,743</b>	<b>1,285,743</b>	

The government grant received during the prior year related to the Coronavirus Job Retention Scheme.

The profit on the sale of fixed assets mainly related to the sale of a residential property.

SHREWSBURY SCHOOL

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

9. Expenditure on raising funds

Trading costs of the subsidiaries

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other costs	721,075	721,075	331,377
Staff costs	441,210	441,210	389,050
Depreciation	2,966	2,966	2,009
<b>Total 2022</b>	<b>1,165,251</b>	<b>1,165,251</b>	<b>722,436</b>
<i>Total 2021</i>	<i>722,436</i>	<i>722,436</i>	

Fundraising for voluntary resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other costs	166,208	166,208	104,655
Staff costs	169,601	169,601	165,219
<b>Total 2022</b>	<b>335,809</b>	<b>335,809</b>	<b>269,874</b>
<i>Total 2021</i>	<i>269,874</i>	<i>269,874</i>	

SHREWSBURY SCHOOL

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

10. Financing costs

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fees in advance financing cost	122,461	122,461	91,595
Bad debts and debt collection	(41,016)	(41,016)	54,867
Bank and investment manager charges	32,930	32,930	38,324
Loan interest	64,916	64,916	103,332
Pension scheme financing cost	29,000	29,000	37,000
<b>Total 2022</b>	<b>208,291</b>	<b>208,291</b>	<b>325,118</b>
<i>Total 2021</i>	<b>325,118</b>	<b>325,118</b>	

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Teaching	13,543,414	-	13,543,414	12,366,406
Welfare	4,413,946	-	4,413,946	4,008,013
Premises	6,846,548	-	6,846,548	6,709,697
Support and governance	3,656,082	-	3,656,082	3,315,877
Grants, awards and prizes	-	716,025	716,025	557,411
<b>Total 2022</b>	<b>28,459,990</b>	<b>716,025</b>	<b>29,176,015</b>	<b>26,957,404</b>
<i>Total 2021</i>	<b>26,399,993</b>	<b>557,411</b>	<b>26,957,404</b>	

SHREWSBURY SCHOOL

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

11. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total 2022 £	Total 2021 £
Teaching	11,869,610	-	1,673,804	13,543,414	12,366,406
Welfare	1,112,149	-	3,301,797	4,413,946	4,008,013
Premises	2,173,558	2,435,982	2,237,008	6,846,548	6,709,697
Support and governance	2,203,177	-	1,452,905	3,656,082	3,315,877
Grants, awards and prizes	-	-	716,025	716,025	557,411
<b>Total 2022</b>	<b>17,358,494</b>	<b>2,435,982</b>	<b>9,381,539</b>	<b>29,176,015</b>	<b>26,957,404</b>
<b>Total 2021</b>	<b>16,506,059</b>	<b>2,645,472</b>	<b>7,905,873</b>	<b>26,957,404</b>	

Grants, awards and prizes

	2022 £	2021 £
<b>From restricted funds:</b>		
Bursaries and scholarships	643,613	505,497
Prizes and awards	72,412	51,914
	<b>716,025</b>	<b>557,411</b>

Governance included in support costs:

	2022 £	2021 £
Remuneration paid to auditor for audit services	45,300	42,360
Remuneration paid to auditor for non- audit services	20,550	15,252
Other governance costs	100,060	135,303
	<b>165,910</b>	<b>192,915</b>

**SHREWSBURY SCHOOL**

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

**12. Governors' remuneration and expenses**

During the year, no Governors received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 July 2022, expenses totalling £1,639 were reimbursed or paid directly to 6 Governors (2021 - £Nil). The expenses related to travel and accommodation.

**13. Staff costs**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	14,210,323	13,559,480	13,833,728	13,225,958
Social security costs	1,494,732	1,377,142	1,455,921	1,344,618
Other pension costs (Note 27)	2,273,883	2,146,137	2,248,079	2,123,133
	<u>17,978,938</u>	<u>17,082,759</u>	<u>17,537,728</u>	<u>16,693,709</u>
Capitalised labour	(9,633)	(22,431)	(9,633)	(22,431)
	<u><u>17,969,305</u></u>	<u><u>17,060,328</u></u>	<u><u>17,528,095</u></u>	<u><u>16,671,278</u></u>

During the year there were redundancy or termination payments recognised which amounted to £38,394 (2021 - £25,968). There was £38,394 (2021 - £Nil) outstanding at the year end.

The average number of persons employed by the charity during the year was as follows:

	Group 2022 No.	Group 2021 No.
Teaching	236	233
Welfare	59	56
Premises	120	123
Support	70	68
Other activities	11	12
	<u>496</u>	<u>492</u>

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SHREWSBURY SCHOOL

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

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13. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £60,001 - £70,000	27	31
In the band £70,001 - £80,000	11	12
In the band £80,001 - £90,000	3	1
In the band £90,001 - £100,000	3	2
In the band £130,001 - £140,000	-	1
In the band £140,001 - £150,000	2	1
In the band £210,001 - £220,000	1	-
In the band £240,001 - £250,000	-	1
Aggregate employee benefits of key management personnel	<u>1,305,981</u>	<u>1,531,074</u>

Key management includes the Senior Leadership team.

SHREWSBURY SCHOOL

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

14. Tangible fixed assets

Group

	Assets in course of construction £	Freehold Land & Buildings £	Furniture, Fixtures and fittings £	Boats £	Ground Machines & Vehicles £	Total £
<b>Cost or valuation</b>						
At 1 August 2021	640,138	57,002,672	10,708,804	1,046,968	1,300,783	70,699,365
Additions	3,875,883	391,753	553,894	80,369	226,479	5,128,378
Disposals	-	-	-	-	(378,630)	(378,630)
Transfers between classes	(3,138,561)	3,138,561	-	-	-	-
At 31 July 2022	<u>1,377,460</u>	<u>60,532,986</u>	<u>11,262,698</u>	<u>1,127,337</u>	<u>1,148,632</u>	<u>75,449,113</u>
<b>Depreciation</b>						
At 1 August 2021	-	19,340,840	8,609,379	740,864	899,608	29,590,691
Charge for the year	-	1,707,798	569,143	63,562	98,445	2,438,948
On disposals	-	-	-	-	(329,821)	(329,821)
At 31 July 2022	<u>-</u>	<u>21,048,638</u>	<u>9,178,522</u>	<u>804,426</u>	<u>668,232</u>	<u>31,699,818</u>
<b>Net book value</b>						
At 31 July 2022	<u>1,377,460</u>	<u>39,484,348</u>	<u>2,084,176</u>	<u>322,911</u>	<u>480,400</u>	<u>43,749,295</u>
At 31 July 2021	<u>640,138</u>	<u>37,661,832</u>	<u>2,099,425</u>	<u>306,104</u>	<u>401,175</u>	<u>41,108,674</u>

SHREWSBURY SCHOOL

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

14. Tangible fixed assets (continued)

Charity

	Assets in course of construction £	Freehold Land & Buildings £	Furniture, Fixtures & fittings £	Boats £	Ground Machines & Vehicles £	Total £
<b>Cost or valuation</b>						
At 1 August 2021	640,138	57,002,672	10,694,880	1,046,968	1,300,783	70,685,441
Additions	3,875,883	391,753	547,139	80,369	226,479	5,121,623
Disposals	-	-	-	-	(378,630)	(378,630)
Transfers between classes	(3,138,561)	3,138,561	-	-	-	-
At 31 July 2022	<u>1,377,460</u>	<u>60,532,986</u>	<u>11,242,019</u>	<u>1,127,337</u>	<u>1,148,632</u>	<u>75,428,434</u>
<b>Depreciation</b>						
At 1 August 2021	-	19,340,840	8,602,378	740,864	899,608	29,583,690
Charge for the year	-	1,707,798	566,177	63,562	98,445	2,435,982
On disposals	-	-	-	-	(329,821)	(329,821)
At 31 July 2022	<u>-</u>	<u>21,048,638</u>	<u>9,168,555</u>	<u>804,426</u>	<u>668,232</u>	<u>31,689,851</u>
<b>Net book value</b>						
At 31 July 2022	<u><u>1,377,460</u></u>	<u><u>39,484,348</u></u>	<u><u>2,073,464</u></u>	<u><u>322,911</u></u>	<u><u>480,400</u></u>	<u><u>43,738,583</u></u>
At 31 July 2021	<u><u>640,138</u></u>	<u><u>37,661,832</u></u>	<u><u>2,092,502</u></u>	<u><u>306,104</u></u>	<u><u>401,175</u></u>	<u><u>41,101,751</u></u>

SHREWSBURY SCHOOL

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

15. Fixed asset investments

Group and charity	Designated Fund £	Endowed Funds £	Fees in Advance £	Total £
<b>Cost or valuation</b>				
At 1 August 2021	2,465,209	1,490,542	3,507,171	7,462,922
Additions	910,854	-	-	910,854
Net investment losses	(152,869)	(77,739)	(70)	(230,678)
Movements in cash deposits	22,222	1,300	(2,653)	20,869
At 31 July 2022	<u>3,245,416</u>	<u>1,414,103</u>	<u>3,504,448</u>	<u>8,163,967</u>
<b>Net book value</b>				
At 31 July 2022	<u>3,245,416</u>	<u>1,414,103</u>	<u>3,504,448</u>	<u>8,163,967</u>
At 31 July 2021	<u>2,465,209</u>	<u>1,490,542</u>	<u>3,507,171</u>	<u>7,462,922</u>

Investments are primarily held to provide an investment return to the School.

**Investments at market value comprise:**

	2022 £	2021 £
Actively managed securities	3,504,448	3,504,519
Quoted stocks	4,634,977	3,954,730
Cash	24,542	3,673
<b>Total market value</b>	<u>8,163,967</u>	<u>7,462,922</u>

SHREWSBURY SCHOOL

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

**Fixed asset Investments (continued)**

**Material Investments**

The following investments are held which represent more than 5% of the total market value of investments held:

	2022 £	2021 £
Link Fund Solutions - Ruffer Total Return	1,678,172	1,803,162
Link Fund Solutions - Trojan Inc	1,826,246	1,701,356
Sarasin Endowments Fund Class A Inc	4,633,793	3,953,396
	<u>          </u>	<u>          </u>

**16. Stocks**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Goods for resale and consumables	275,643	291,891	65,120	64,165
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**17. Debtors**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
School fees	719,951	563,854	719,951	563,854
Amounts owed by group undertakings	-	-	1,655,591	941,120
Other debtors	960,810	1,123,749	168,074	447,326
Prepayments and accrued income	297,412	253,892	295,735	241,712
	<u>1,978,173</u>	<u>1,941,495</u>	<u>2,839,351</u>	<u>2,194,012</u>

An impairment gain of £45,423 (2021 - loss £44,138) was recognised against the School fee debtors.

Included within amounts due from group undertakings is a loan to Shrewsbury School Enterprises Limited of £137,635 (2021 - £137,635). This is unsecured and repayable with one year's notice and is charged at 1% above Lloyds Bank Plc base rate.

SHREWSBURY SCHOOL

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

**18. Creditors: Amounts falling due within one year**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	915,577	598,362	907,657	592,556
Other taxation and social security	434,048	369,610	392,350	356,133
Fee deposits	952,855	860,844	952,855	860,844
Fees in advance (see note 20)	2,165,483	2,492,062	2,165,483	2,492,062
Other creditors	1,601,071	1,087,851	1,547,027	1,068,614
Accruals and deferred income	907,942	416,944	759,975	294,029
Other loan	65,000	65,000	65,000	65,000
Term loan 1	-	146,049	-	146,049
Term loan 2	388,801	375,024	388,801	375,024
	<u>7,430,777</u>	<u>6,411,746</u>	<u>7,179,148</u>	<u>6,250,311</u>

Within other creditors is £279,761 (2021 - £269,564) payable in respect of pension contributions.

**Term loan 1**

The term loan from Lloyds Bank was secured by a first legal charge over the freehold land and buildings at The Tudors, Tudor House, including Emma Darwin Hall. The term loan was repayable by September 2021 in 30 termly instalments. The interest rate was fixed at 5.94%.

**19. Creditors: Amounts falling due after more than one year**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Loan from Shrewsbury School Foundation	1,296,046	1,296,046	1,296,046	1,296,046
Fees deposits	2,885,525	2,765,080	2,885,525	2,765,080
Fees in advance (see note 20)	1,756,505	1,590,038	1,756,505	1,590,038
Other loan	563,334	628,334	563,334	628,334
Term loan 2	1,144,462	1,533,263	1,144,462	1,533,263
	<u>7,645,872</u>	<u>7,812,761</u>	<u>7,645,872</u>	<u>7,812,761</u>

The loan from Shrewsbury School Foundation is unsecured, interest free and has no fixed payment terms. The loan is considered a concessionary loan.

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SHREWSBURY SCHOOL

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

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**Creditors: Amounts falling due after more than one year (continued)**

**Other loan**

The other loan has been provided by Shropshire Council. The loan is repayable by April 2032 paid by monthly instalments. The loan is Interest free and is secured on the following properties: Mosers Hall, The New House, 6 Ashton Road, 13 and 15 Ashton Road. This loan is considered to be a concessionary loan.

The other loan falls due as follows:

	2022 £	2021 £
Between 1-2 years	65,000	65,000
Between 2-5 years	195,000	195,000
Over 5 years	303,334	368,334
	<u>563,334</u>	<u>628,334</u>

**Term loan 2**

The loan from Handelsbanken is unsecured. The loan is repayable by April 2026 in 24 quarterly instalments. The interest rate is fixed at 3.63%.

The term loan falls due as follows:

	2022 £	2021 £
Between 1-2 years	403,075	388,815
Between 2-5 years	741,387	1,144,448
	<u>1,144,462</u>	<u>1,533,263</u>

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SHREWSBURY SCHOOL

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

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20. Fees in advance

Parents may, subject to contractual terms and conditions, pay to the School tuition fees in advance. The money may be returned, subject to specific conditions but, assuming the relevant pupils remain in the School, advance fees will be applied as follows:

	2022 £	2021 £
Within 1-2 years	837,143	707,543
Within 2-5 years	767,103	882,495
Over 5 years	152,259	-
	<u>1,756,505</u>	<u>1,590,038</u>
Within 1 year	2,165,483	2,492,062
	<u>3,921,988</u>	<u>4,082,100</u>

The balance represents the accrued liability under the contracts. The movement during the year was:

	2022 £	2021 £
Balance at 1 August 2020	4,082,100	2,832,013
New contracts	3,159,485	3,346,009
Amounts accrued to contracts	122,906	91,595
	<u>7,364,491</u>	<u>6,269,617</u>
Amounts utilised in payment of fees to the School	(3,442,503)	(2,187,517)
Balance at 31 July 2021	<u>3,921,988</u>	<u>4,082,100</u>

SHREWSBURY SCHOOL

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

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	43,749,295	-	-	43,749,295
Fixed asset investments	6,749,864	-	1,414,103	8,163,967
Current assets	8,402,392	782,842	24,619	9,209,853
Creditors due within one year	(7,430,777)	-	-	(7,430,777)
Creditors due in more than one year	(7,645,872)	-	-	(7,645,872)
<b>Total</b>	<b>43,824,902</b>	<b>782,842</b>	<b>1,438,722</b>	<b>46,046,466</b>

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	41,108,674	-	-	41,108,674
Fixed asset investments	5,972,380	-	1,490,542	7,462,922
Current assets	9,668,735	798,172	23,417	10,490,324
Creditors due within one year	(6,411,746)	-	-	(6,411,746)
Creditors due in more than one year	(7,812,761)	-	-	(7,812,761)
Provisions for liabilities and charges	(1,998,000)	-	-	(1,998,000)
<b>Total</b>	<b>40,527,282</b>	<b>798,172</b>	<b>1,513,959</b>	<b>42,839,413</b>

SHREWSBURY SCHOOL

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

22. Statement of funds

Statement of funds - current year

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers In/(out) £	Gains/ (Losses) £	Balance at 31 July 2022 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated funds	2,749,870	78,528	-	569,865	(152,870)	3,245,393
<b>Unrestricted funds</b>						
General funds	39,792,098	29,641,580	(28,320,152)	(542,970)	(128)	40,570,428
Subsidiary trading	(16,686)	1,968,956	(1,943,189)	-	-	9,081
Pension scheme funding deficit	(1,998,000)	-	94,000	-	1,904,000	-
	<u>37,777,412</u>	<u>31,610,536</u>	<u>(30,169,341)</u>	<u>(542,970)</u>	<u>1,903,872</u>	<u>40,579,509</u>
<b>Total Unrestricted funds</b>	<u>40,527,282</u>	<u>31,689,064</u>	<u>(30,169,341)</u>	<u>26,895</u>	<u>1,751,002</u>	<u>43,824,902</u>
<b>Endowment funds</b>						
Capital	1,358,862	-	-	-	(72,941)	1,285,921
Re-endowment fund	154,597	2,443	-	-	(4,739)	152,301
Hentschrew Prize Fund	500	-	-	-	-	500
	<u>1,513,959</u>	<u>2,443</u>	<u>-</u>	<u>-</u>	<u>(77,680)</u>	<u>1,438,722</u>

SHREWSBURY SCHOOL

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

22. Statement of funds (continued)

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 July 2022 £
<b>Restricted funds</b>						
Shrewsbury School Foundation	50,989	634,162	(644,997)	(6,909)	-	33,245
Guyer Family Prize	180	40	(40)	-	-	180
Hentschrew Prize	80	-	-	-	-	80
Darwin Scholarship	7,212	-	-	-	-	7,212
Hargreaves Legacy	500	-	-	-	-	500
Salopian Club	-	19,175	(19,175)	-	-	-
Duffell Prize Fund	4,940	-	-	-	-	4,940
Shrewsbury School Parents' Association	-	902	(902)	-	-	-
Consolidated Fund: Unappropriated income	626,504	37,602	(14,710)	-	-	649,396
Art Fund	2,000	-	-	-	-	2,000
DFE Grant - Cross Partnership Grant	19,078	-	(19,078)	-	-	-
Gym Fund	1,400	-	(1,400)	-	-	-
Taylor Library Fund	-	150	(150)	-	-	-
External Bursaries	-	15,573	(15,573)	-	-	-
Packwood - Redevelopment of Science Facilities	85,289	-	-	-	-	85,289
Packwood - Boarding House Upgrade Fund	-	19,986	-	(19,986)	-	-
	<u>798,172</u>	<u>727,590</u>	<u>(716,025)</u>	<u>(26,895)</u>	<u>-</u>	<u>782,842</u>
<b>Total of funds</b>	<u><u>42,839,413</u></u>	<u><u>32,419,097</u></u>	<u><u>(30,885,366)</u></u>	<u><u>-</u></u>	<u><u>1,673,322</u></u>	<u><u>46,046,466</u></u>

SHREWSBURY SCHOOL

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

22. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 August 2020</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/(out)</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 31 July 2021</i> £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated funds	1,606,097	42,094	-	888,164	213,515	2,749,870
<b>Unrestricted funds</b>						
General funds	37,896,561	28,670,494	(27,081,985)	(27,271)	334,299	39,792,098
Subsidiary trading	6,313	1,382,044	(722,436)	(682,607)	-	(16,686)
Pension scheme funding deficit	(2,858,000)	-	87,000	-	773,000	(1,998,000)
	<u>35,044,874</u>	<u>30,052,538</u>	<u>(27,717,421)</u>	<u>(709,878)</u>	<u>1,107,299</u>	<u>37,777,412</u>
<b>Total Unrestricted funds</b>	<u>36,650,971</u>	<u>30,094,632</u>	<u>(27,717,421)</u>	<u>178,286</u>	<u>1,320,814</u>	<u>40,527,282</u>
<b>Endowment funds</b>						
Capital	1,195,506	-	-	-	163,356	1,358,862
Re-endowment fund	141,634	2,349	-	-	10,614	154,597
Hentschrew Prize Fund	500	-	-	-	-	500
	<u>1,337,640</u>	<u>2,349</u>	<u>-</u>	<u>-</u>	<u>173,970</u>	<u>1,513,959</u>

SHREWSBURY SCHOOL

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

22. Statement of funds (continued)

	<i>Balance at 1 August 2020</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/(out)</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 31 July 2021</i> £
<b>Restricted funds</b>						
Shrewsbury School Foundation	60,800	664,128	(495,653)	(178,286)	-	50,989
Guyer Family Prize	180	40	(40)	-	-	180
Hentschrew Prize	80	-	-	-	-	80
Darwin Scholarship	7,212	-	-	-	-	7,212
Hargreaves Legacy	500	-	-	-	-	500
Salopian Club	-	16,120	(16,120)	-	-	-
Duffell Prize Fund	4,940	-	-	-	-	4,940
Shrewsbury School Parents' Association	-	365	(365)	-	-	-
Consolidated Fund: Unappropriated income	605,431	36,161	(15,088)	-	-	626,504
COVID Support	17,956	8,110	(26,066)	-	-	-
Art Fund	2,000	-	-	-	-	2,000
DFE Grant - Cross Partnership Grant	-	20,000	(922)	-	-	19,078
Gym Fund	-	1,400	-	-	-	1,400
External Bursaries	-	860	(860)	-	-	-
Packwood - Redevelopment of Science Facilities	85,289	-	-	-	-	85,289
Packwood - COVID Support	2,297	-	(2,297)	-	-	-
	<u>786,685</u>	<u>747,184</u>	<u>(557,411)</u>	<u>(178,286)</u>	<u>-</u>	<u>798,172</u>
<b>Total of funds</b>	<u><u>38,775,296</u></u>	<u><u>30,844,165</u></u>	<u><u>(28,274,832)</u></u>	<u><u>-</u></u>	<u><u>1,494,784</u></u>	<u><u>42,839,413</u></u>

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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#### Statement of funds (continued)

##### Designated Fund

A fund established by the Governors to assist future pupils with bursarial support to attend the School.

##### Re-endowment Fund

A fund established in 1924 to contribute to the upkeep of the estate and to the support of pupils at Shrewsbury School who are in financial need.

##### Shrewsbury School Foundation

A registered charity supporting a range of educational objectives through financial contributions to Shrewsbury School and its pupils. Donations received totalled £634,162 (2021 - £664,127) of which £613,662 (2021 - £490,810) was given to support bursaries awarded to pupils, £16,500 (2021 - £Nil) to support educational activities and £4,000 (2021 - £Nil) for a commemorative boarding house window.

##### Guyer Family Prize

An annual prize for an outstanding contribution to the music department.

##### Hentschrew Prize

An annual prize to the boy in the School House who contributes most to the well running of the house, in a social rather than academic or sporting context.

##### Darwin Scholarship

A scholarship awarded to pupils attending the School from Hong Kong who are judged outstanding academically, in the arts, music or sport.

##### Hargreaves Legacy

A legacy left by an old boy, to be used for educational purposes.

##### Bursary Fund

A donation to assist in the provision of bursaries to pupils attending the School.

##### Salopian Club Fund

The donations received from the Salopian Club to assist with costs relating to staff and the Salopian magazine.

##### Duffell Prize Fund

A donation received to fund a prize to a pupil who excels in design and technology.

##### Shrewsbury School Parents' Association

A donation received to assist with the purchase of books for new pupils joining the School.

##### Consolidated Fund

A consolidation of 70 small funds the income from which, is used to provide prizes, scholarships and bursaries to pupils at Shrewsbury School.

##### COVID Support

Donations received to assist the School with additional costs relating to COVID 19.

##### Art Fund

A donation received to support the Art Department.

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SHREWSBURY SCHOOL

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

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**Statement of funds (continued)**

**DFE Grant - Cross Partnership Grant**

Grant received, to support impactful, sustainable, and mutually beneficial partnerships with School's in the State Sector.

**Gym Fund**

Donations received to assist improving the gym facilities in one of the School's boarding houses.

**Taylor Library Fund**

Donations received to support the work of the School Archivist.

**External Bursaries**

Donations received assist pupils who would not otherwise be able to attend Shrewsbury School.

**Packwood - Redevelopment of Science Facilities**

Donations received to assist with the redevelopment costs of the science facilities at Packwood Haugh School.

**Packwood - COVID Support**

Donations received to assist the School, with additional costs relating to COVID 19.

**Packwood - Board House Upgrade Fund**

A donation received to upgrade the boarding house common rooms at Packwood Haugh.

**Transfers between funds**

The transfer between restricted and general funds of £26,895 (2021 - £178,286) represents capital items purchased from restricted funds (capital items purchased are in accordance with the donors wishes).

The transfer between general and designated funds of £569,865 (2021 - £888,164) represents the transfer approved to the designated fund by the Trustees during the year.

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SHREWSBURY SCHOOL

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

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23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	1,303,053	3,291,117
<b>Adjustments for:</b>		
Depreciation charges	2,438,948	2,547,472
Losses/(gains) on investments	230,678	(721,784)
Dividends and interest from investments	(159,507)	(106,773)
Loss/(profit) on the sale of fixed assets	13,730	(885,205)
Decrease in stocks	16,248	18,129
Increase in debtors	(36,678)	(99,422)
Increase in creditors	1,438,218	1,814,059
Pension scheme movement	(94,000)	(87,000)
Interest paid on borrowings	64,916	103,332
<b>Net cash provided by operating activities</b>	<b>5,215,606</b>	<b>5,873,925</b>

24. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash at bank	6,956,037	8,256,938
Cash held in investments	24,542	3,673
<b>Total cash and cash equivalents</b>	<b>6,980,579</b>	<b>8,260,611</b>

SHREWSBURY SCHOOL

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

25. Analysis of changes in net debt

	At 1 August 2021 £	Cash flows £	Other non- cash changes £	At 31 July 2022 £
Cash at bank	8,256,938	(1,300,901)	-	6,956,037
Cash held in investments	3,673	20,869	-	24,542
Debt due within 1 year	(586,073)	586,073	(453,801)	(453,801)
Debt due after 1 year	(3,457,643)	-	453,801	(3,003,842)
	<u>4,216,895</u>	<u>(693,959)</u>	<u>-</u>	<u>3,522,936</u>

26. Capital commitments

At 31 July 2021 the group and charity had capital commitments as follows:

	Group 2022 £	Group 2021 £
Contracted for but not provided in these financial statements	<u>4,349,740</u>	<u>2,510,994</u>

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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#### 27. Pension commitments

##### Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,777,014 (2021 - £1,725,910) and at the year-end £220,326 (2021 - £213,270) was accrued in respect of contributions to this scheme.

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

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

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

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

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

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

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

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**SHREWSBURY SCHOOL**

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

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**27. Pension commitments (continued)**

**Shrewsbury School (1971) Pension and Life Assurance Scheme**

The School has a defined benefit pension scheme for certain support staff (Shrewsbury School (1971) Pension and Life Assurance Scheme) and its assets are invested in pooled tracker investment funds and a property fund with Legal & General Investment Managers. The scheme has been closed to new members since 2001.

The amounts in the financial statements for the year ended 31 July 2022, relating to pensions, are based on a full actuarial valuation dated 31 May 2019.

The valuation, as of 31 May 2019, revealed a funding deficit of £753,000. In the Recovery Plan dated 7 May 2020, the School has agreed to pay contributions with the view to eliminating the shortfall by 31 May 2026. Contributions will be reviewed following the completion of the next actuarial valuation as at 31 May 2022 which is currently underway. The School also pays contributions of 23.8% per annum of pensionable salaries to meet the cost of future accrual of benefits for active members of the Scheme, in line with the schedule of contributions dated 3 June 2020. In accordance with the Schedule of Contributions dated 3 June 2020, the School is expected to pay contributions of £138,000 over the next accounting period. The contributions paid by the School are reviewed every 3 years as part of each formal actuarial valuation. The Scheme's next actuarial valuation as at 31 May 2022 is currently underway.

In addition, the School is expected to meet the cost of administrative expenses for the Scheme.

The liabilities of the Scheme are based on the current value of expected benefit payment cashflows to members approximately over the next 60 years. The average duration of the liabilities is approximately 15 years.

Any deficit is partly secured on the following properties: 33 Porthill Road, 23 and 23a Aston Road.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 July 2022 %	At 31 July 2021 %
Discount rate	3.25	1.50
Future salary increases - pre 2030	2.35	2.35
Future salary increases - post 2030	3.05	3.05
Inflation assumption (RPI) - pre 2030	3.25	3.25
Inflation assumption (RPI) - post 2030	3.05	3.05
Inflation assumption (CPI) - pre 2030	2.35	2.35
Inflation assumption (CPI) - post 2030	3.05	3.05
Pre 6/4/1997 (fixed 3%)	3.00	3.00
Post 6/4/1997 (RPI min 3%, max 5% - Option A members) - pre 2030	3.65	3.65
Post 6/4/1997 (RPI min 3%, max 5% - Option A members) - post 2030	3.55	3.55
Post 6/4/1997 (CPI min 3%, max 5% - Option B members) - pre 2030	3.30	3.30
Post 6/4/1997 (CPI min 3%, max 5% - Option B members) - post 2030	3.55	3.55

SHREWSBURY SCHOOL

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

27. Pension commitments (continued)

	At 31 July 2022 Years	At 31 July 2021 Years
Mortality rates (in years)		
- for a male aged 65 now	22.0	22.0
- at 65 for a male aged 45 now	23.0	23.0
- for a female aged 65 now	24.5	24.4
- at 65 for a female aged 45 now	25.6	25.6

Sensitivity analysis

	At 31 July 2022 £	At 31 July 2021 £
Discount rate +0.25%	(222,000)	(344,000)
RPI rate +0.25%	68,000	104,000
CPI rate +0.25%	36,000	37,000
Assumed life expectancy age 65 - increase by 1 year	385,000	280,000

The Group's share of the assets in the scheme was:

	At 31 July 2022 £	At 31 July 2021 £
Equities	2,971,000	2,866,000
Bonds	575,000	722,000
Property	1,070,000	879,000
Target return	1,147,000	1,187,000
Insurance annuities	1,217,000	1,607,000
Cash	112,000	88,000
<b>Total fair value of assets</b>	<b>7,092,000</b>	<b>7,349,000</b>

The actual return on scheme assets was £-17,000 (2021 - £649,000).

SHREWSBURY SCHOOL

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

27. Pension commitments (continued)

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2022 £	2021 £
Current service cost - within Schools and grant making	28,000	28,000
Net interest on pension scheme liabilities - within finance charges	29,000	37,000
<b>Total amount recognised in the Consolidated Statement of Financial Activities</b>	<b>57,000</b>	<b>65,000</b>

Movements in the present value of the defined benefit obligation were as follows:

	2022 £	2021 £
Opening defined benefit obligation	9,347,000	9,737,000
Contributions by scheme participants	3,000	3,000
Actuarial gains	(2,133,000)	(211,000)
Benefits paid	(393,000)	(335,000)
Current service cost	28,000	28,000
Interest cost	137,000	125,000
<b>Closing defined benefit obligation</b>	<b>6,989,000</b>	<b>9,347,000</b>

Movements in the fair value of the Group's share of scheme assets were as follows:

	2022 £	2021 £
Opening fair value of scheme assets	7,349,000	6,879,000
Interest income	108,000	88,000
Actuarial (losses)/gains	(229,000)	562,000
Contributions by employer	151,000	152,000
Contributions by scheme participants	3,000	3,000
Benefits paid	(393,000)	(335,000)
<b>Closing fair value of scheme assets</b>	<b>6,989,000</b>	<b>7,349,000</b>

**SHREWSBURY SCHOOL**

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

**Pension commitments (continued)**

Reconciliation of funded status:

	2022 £	2021 £
Opening deficit	(1,998,000)	(2,858,000)
Employer contributions	151,000	152,000
Charge recorded in Statement of Financial Activities	(57,000)	(65,000)
Actuarial loss received in Statement of Financial Activities	1,904,000	773,000
	-	(1,998,000)
	-	(1,998,000)

**28. Operating lease commitments**

At 31 July 2022 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group and Charity 2022 £	Group and Charity 2021 £
<b>Group and Charity Amounts payable:</b>		
Within 1 year	17,337	39,543
Between 1 and 5 years	27,302	41,323
	44,639	80,866
	44,639	80,866

The following lease payments have been recognised as an expense in the Statement of financial activities:

	Group 2022 £	Group 2021 £
<b>Group and Charity</b>		
Operating lease rentals	44,056	51,430
	44,056	51,430
	44,056	51,430

**29. Other financial commitments**

On 19 July 2022, the School entered into a £5,000,000 variable rate development loan, which will convert into a 10 year fixed rate (4.528%) on the anniversary of the first drawdown of the development loan, to fund the construction of the new girls boarding house "Queens" which will be completed by August 2023. The first drawdown of the development loan occurred after the year end on 30 August 2022

**SHREWSBURY SCHOOL**

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

**30. Financial instruments**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
<b>Financial assets</b>				
Financial assets measured at fair value through income and expenditure	8,163,967	7,462,922	8,163,967	7,462,922

Financial assets measured at fair value through income and expenditure comprises investments in UK listed securities.

The Group's income, expense, gains and losses in respect of financial instruments are summarised below:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Total investment income for financial assets measured at fair value through income and expenditure	159,507	106,773	159,507	106,773
Net (gain)/loss on financial assets measured at fair value through income and expenditure	230,678	(721,784)	230,678	(721,784)
Impairment loss /(gains) on financial assets measured at amortised cost	(45,423)	44,138	(45,423)	44,138
Total interest expense for financial liabilities held at amortised cost	64,916	103,332	64,916	103,332

**31. Related party transactions**

During the year Shrewsbury School had various transactions and balances outstanding at the year end with its two wholly owned trading subsidiaries, Shrewsbury School Enterprises Limited and Shrewsbury School Trading Company Limited. These are disclosed in note 6.

Governors' remuneration and expenses are disclosed in note 12 and key management personal remuneration is disclosed in note 13.

There are no other related party transactions to disclose.

SHREWSBURY SCHOOL

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

32. Consolidated Statement of Financial Activities for the year ended 31 July 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
<b>Income and endowments:</b>				
Grants and donations	700,043	711,023	-	1,411,066
<b>Charitable activities:</b>				
School fees	26,325,672	-	-	26,325,672
Other educational income	332,256	-	-	332,256
Other ancillary trading income	611	-	-	611
Other trading activities	1,382,044	-	-	1,382,044
Investments	68,263	36,161	2,349	106,773
Other income	1,285,743	-	-	1,285,743
<b>Total income</b>	<b>30,094,632</b>	<b>747,184</b>	<b>2,349</b>	<b>30,844,165</b>
<b>Expenditure on: Raising funds:</b>				
Trading activities	722,436	-	-	722,436
Fundraising costs	269,874	-	-	269,874
Financing costs	325,118	-	-	325,118
<b>Charitable activities:</b>				
Education and grant making	26,399,993	557,411	-	26,957,404
<b>Total expenditure</b>	<b>27,717,421</b>	<b>557,411</b>	<b>-</b>	<b>28,274,832</b>
<b>Net income before investment gains/(losses)</b>	<b>2,377,211</b>	<b>189,773</b>	<b>2,349</b>	<b>2,569,333</b>
Net gains/(losses) on investments	547,814	-	173,970	721,784
<b>Net income before transfers</b>	<b>2,925,025</b>	<b>189,773</b>	<b>176,319</b>	<b>3,291,117</b>
Transfers between Funds	178,286	(178,286)	-	-
<b>Net income before other recognised gains and losses</b>	<b>3,103,311</b>	<b>11,487</b>	<b>176,319</b>	<b>3,291,117</b>
Actuarial (losses)/gains on defined benefit pension schemes	773,000	-	-	773,000
<b>Net movement in funds</b>	<b>3,876,311</b>	<b>11,487</b>	<b>176,319</b>	<b>4,064,117</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	36,650,971	786,685	1,337,640	38,775,296
<b>Total funds carried forward</b>	<b>40,527,282</b>	<b>798,172</b>	<b>1,513,959</b>	<b>42,839,413</b>

**SHREWSBURY SCHOOL**

England & Wales - Charity number 528413

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# Accounts

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**SHREWSBURY SCHOOL**

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2021**

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SHREWSBURY SCHOOL

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## SHREWSBURY SCHOOL

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISORS FOR THE YEAR ENDED 31 JULY 2021

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#### Governors

T.H.P. Haynes, BA, PGCE (Co-opted member), Chairman <sup>1,2,6</sup>  
S.R. Baker, BSc, FCA, CF (Co-opted member) <sup>1,4</sup>  
Councillor T.H. Biggins MA (Appointed by Shropshire Council)  
(resigned 14 July 2021) <sup>1,3,4</sup>  
R. Boys-Stones, BSc, FCA (Co-opted member) <sup>3</sup>  
D. Chance MBA (Co-opted member) <sup>1,4</sup>  
J.R. Clark MA (Co-opted member) <sup>3,5,6</sup>  
Sir Peter Davis (Co-opted member) <sup>5</sup>  
D. Flint, DL (Appointed by the Lord Lieutenant of the County of  
Shropshire <sup>1,2,5</sup>  
S.L. Hankin BA (Co-opted member) (appointed 16 September 2021) <sup>5</sup>  
C. Howarth, LLB (Co-opted member) <sup>2,6</sup>  
Dr S. Jones-Perrott MB, BS (Co-opted member) <sup>1,3,7</sup>  
Professor A.J. McCarthy BSc, PhD (Co-opted member) <sup>2,5</sup>  
J.M.H. Moir, BA, MBA (Co-opted member) <sup>1,7</sup>  
Councillor D. Morris BA, (Appointed by Shropshire Council)  
(appointed 16 September 2021) <sup>3,6</sup>  
Councillor C.M. Motley, BA (Appointed by Shropshire Council) <sup>1,2</sup>  
J.D.C. Pitt, MBA, BSc (Co-opted member) <sup>1,4</sup>  
F.L. Schofield, BA, PGCE (Co-opted member) <sup>5,7</sup>  
D.R. Stacey, DL (Co-opted member) <sup>1,3,7</sup>  
G. Walters, BBLs (Co-opted member) <sup>6</sup>  
G. Woods MA (Co-opted member) (resigned 17 March 2021) <sup>5</sup>

- <sup>1</sup> Finance and General Purposes Committee  
<sup>2</sup> Nominations and Remuneration Committee  
<sup>3</sup> Audit Committee  
<sup>4</sup> Investment Committee  
<sup>5</sup> Education and Safeguarding Committee  
<sup>6</sup> International Development Committee  
<sup>7</sup> Prep School Committee

**Charity registered number** 528413

**Principal address and  
Registered office** The Bursary  
Kingsland House  
Shrewsbury School  
The Schools  
Shrewsbury  
SY3 7AA

**Headmaster** N L Winkley, MA

**The Bailiff, Bursar and  
Clerk to the Governing Body** M J Ware, MA, ACA

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SHREWSBURY SCHOOL

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS  
AND ADVISORS FOR THE YEAR ENDED 31 JULY 2021

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<b>Independent auditor</b>	Crowe U.K. LLP Fourth Floor St James House St James Square Cheltenham GL50 3PR
<b>Bankers</b>	Barclays Bank Plc 44-46 Castle Street Shrewsbury SY1 2BU  Handelsbanken Plc 1st Floor, Willow House West Shrewsbury Business Park Shrewsbury SY2 6LG  Lloyds Bank Plc 1 Pride Hill Shrewsbury SY1 1DG
<b>Investment Advisors</b>	Sarasin & Partners Juxton House 100 St Paul's Churchyard London EC4M 8BU  Rathbone Investment Management 8 Finsbury Circus London EC2M 7AZ

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT FOR THE YEAR ENDED 31 JULY 2021

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The Governors present their annual report for the year ended 31 July 2021, under the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter comply with the Act, the School's Statutes and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", the Charities SORP (FRS102) effective 1 January 2019.

#### REFERENCE AND ADMINISTRATIVE INFORMATION

The School was founded in 1552 as "The Free Grammar School of King Edward VI" and is registered with the Charity Commission under charity number 528413. The School's Governors, Officers and principal address and particulars of the School's professional advisers are as listed on pages 1-2.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing Document

Shrewsbury School is governed in accordance with the Shrewsbury School Statutes, approved by the Queen's Most Excellent Majesty, in Council on 12 October 2016.

##### Recruitment and Training of Governors

The School's Governing Body consists of both appointed and co-opted members.

The Master of St John's College, Cambridge is an ex-officio member of the Governing Body. The current Master of St John's has decided not to take up her post as a Governor of Shrewsbury School in line with the policy of the College council. Three members are appointed to the Governing Body by persons or a body of persons as specified in the School's Statutes and effectively provide an informal link with Shrewsbury Town and its County. One member is elected by the Assistant Teachers of the School (Common Room).

Fourteen members (maximum) are co-opted by the current Governors, their names being brought forward for appointment by the Nominations and Remuneration Committee of the Governing Body. There is a regular audit of Governors' qualifications, skills and experience. Governors are encouraged to attend appropriate training courses and seminars.

New Governors are introduced to the workings of the School and the Governing Body largely by past financial statements, management accounts, minutes of Governor and sub-committee meetings, and a day's visit to the School, including meeting representatives of staff and employees. General information is provided in the School Statutes, the School Handbook, information for pupils, and Charity Commission regulations. Specific issues are addressed at an academic-year-end strategy meeting with the Headmaster. Governors are encouraged to keep abreast of new regulations. All Governors are required to undergo a Disclosure and Barring check for child protection purposes.

#### Organisational Management

The members of the Governing Body, as Trustees of the Charity, are legally responsible for the overall management and control of the School and meet as the full decision-making Governing Body of the School at least three times a year.

There are seven committees to which powers of investigation and recommendation are delegated, and which meet regularly under their respective chairmen. Minutes are kept of all meetings of the Trustees and of the Committees. Draft minutes are circulated to all Governors for discussion at meetings of the full Governing Body.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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The Finance and General Purposes Committee (F&GP) is the working Committee responsible for making recommendations on the financial and operational policy to the Governing Body and for ensuring that the decisions and policies of the Governing Body are implemented. The F&GP meets at least three times a year, prior to full Governing Body meetings. The F&GP during the year was chaired by S Baker.

The other committees are the Nominations and Remuneration Committee, chaired by T Haynes. The International Development Committee, chaired by C. Howarth; the Audit Committee, chaired by R. Boys-Stones; the Investment Committee, chaired by D. Chance; the Education and Safeguarding Committee, chaired by Sir Peter Davis; and the Prep School Committee, chaired by M. Moir. Each Committee meets at least once a year.

The Governing Body has approved the terms of reference for each of the committees. The day-to-day running of the School is delegated to the Headmaster, who is supported by the Bursar and their various management teams. The Packwood Haugh School Headmaster reports into the Headmaster of Shrewsbury School, and is supported by the Packwood Bursar and Packwood SLT. These groups form the key management personnel.

The Headmaster and the Bursar attend Governing Body and F&GP Committee meetings, and the meetings of other committees as appropriate. Other teaching and support staff attend Governing Body and committee meetings on an ad hoc basis to advise and inform Governors on specific areas of the School's activities.

Policies and guidelines for the effective governance and management of the School are regularly reviewed by the Audit Committee and their recommendations passed to the F&GP and the Governing Body for action.

The remuneration of the key management personnel of the School (Leadership Team) is set by the Nominations and Remuneration Committee. The policy objectives are to provide appropriate incentives to encourage enhanced performance and to reward fairly and responsibly individual contributions to the School's success.

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

#### Group Structure and Relationships

During the year, the School had two wholly owned subsidiaries:

- Shrewsbury School Enterprises Limited (non-charitable)
- Shrewsbury School Trading Company Limited (non-charitable).

The activities of these companies are discussed later in this report.

In addition, the School pays the employment, administrative and other costs, and expenses of Shrewsbury School Foundation. These costs are categorised as fund raising costs within the Consolidated Statement of Financial Activities. The Governors have agreed that the School will incur these costs to the extent that Shrewsbury School Foundation exercises and continues to exercise its charitable objects (the "Shrewsbury School Charitable Objects") as set out in the Foundation Trust Deed.

Shrewsbury School and Packwood Haugh School both operate within the Shrewsbury School charity.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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#### Risk Management

The Governing Body is responsible for the management of the risks faced by the School. Detailed analysis of the risks is delegated to the Audit Committee, who in turn delegates review of each risk type to the relevant sub-Committees. In this review, the Governing Body sub-Committees are assisted by the School's leadership team. Risks are identified, assessed and controls established throughout the year. The risks are identified under the following headings: mission and objects; law and regulations; governance and management; external factors; marketing/pupil recruitment; academic factors; operational factors; human resources; environmental; technological and financial. A formal review of the major risks facing the School and the concomitant risk management processes is performed annually by the Governing Body.

The key controls used by the School include:

- formal agendas and papers where appropriate for all Committee and Governing Body meetings with detailed minutes taken for each and circulated in draft to relevant participants and members unable to attend.
- clear and detailed terms of reference for each Committee.
- comprehensive strategic planning, budgeting and management accounting, timely, clear and accurate management financial information readily available and formal written policies agreed.
- established organisational management structure and lines of reporting, clear authorisation and approval levels for payments.
- Governors who have designated responsibility for child protection, health and safety, estates and admissions.

It is recognised that these control systems provide a reasonable, but not an absolute, assurance that risks are being managed properly. The Governors are satisfied that the major risks being faced by the School this year have been identified and are being adequately addressed in order to avoid each, or to mitigate the effects of an unavoidable occurrence.

#### OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

##### Charitable Objects

The Objects of the Charity are the advancement of education, including the provision of boarding and day schooling.

Within these Objects the Charity has a number of permanent endowed funds held for special purposes in connection with the development of the School's facilities and for scholarships, bursaries, prizes and other educational purposes.

##### Public Benefit Aims and Intended Impact

Shrewsbury School was founded in 1552 by Royal Charter to provide charitable education in the Shrewsbury area. Today Shrewsbury attracts entrants from all over the United Kingdom - and also from abroad - whilst still retaining its strong links with the town and its citizens. Its many distinguished Alumni have occupied high office and achieved hugely in the fields of science, the artistic and cultural life of the country, sport, academia the professions, politics, business and in many other ways as may be seen from the School's website ([www.shrewsbury.org.uk](http://www.shrewsbury.org.uk)). Since August 2019, Packwood Haugh School has become part of the overall Shrewsbury School charitable entity.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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Our aim is that a Shrewsbury education will educate and empower each individual to flourish in life and contribute positively to the world around them. Shrewsbury School delivers whole person education in a thriving and inclusive boarding and day school community that champions the individual. We believe that the true purpose of education is the cultivation of inner virtues, life skills and character strengths that equip our young people with the confidence and direction to pursue meaningful and successful lives.

Packwood Haugh School operates as an independent boarding and day Preparatory School for boys and girls aged from 4 to 13. Packwood covers all that is required by the National Curriculum Key Stages 1 and 2, and the first two years of Key Stage 3 and substantially more. Packwood aims for the highest quality of academic tuition and pastoral care and the development of wider sporting, artistic and social skills in all its pupils, while offering an environment in which each pupil can develop and fulfil their potential.

In setting both schools' objectives and planning of activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and fee charging.

Shrewsbury and Packwood provide substantial public benefit not only to the recipients of educational grants but also to the local community and a wider public. With effect from September 2019, Shrewsbury School appointed a member of its Leadership Team as Head of Partnership and Community Engagement in order to focus the different strands of activity in this area and to measure the impact on beneficiaries. In October 2020, Shrewsbury School shared the award for Community Outreach at the Independent School of the Year Awards.

Educational grants and widening access to the School.

Scholarships, bursaries and other awards are made available from three sources: funds controlled by the Governing Body as Trustees; funds managed by the Trustees of the Shrewsbury School Foundation; and the general income of the School. In the year, 351 (2020 - 317) pupils were assisted of whom 194 were means tested (2020 -170). The value of this means tested support was £2,731,977 (2020 - £2,452,712). This figure includes 11 pupils (2020-11) who were in receipt of 100% means tested remissions.

Packwood offered £336,075 (2020-£319,273) in bursary and scholarship support in 2020-21, of which £245,031 (2020-£201,718) was means tested.

Such a significant level of fee support is in keeping with the aims of the schools and underscores the charitable purpose.

Partnerships with local schools and the Shrewsbury House, Everton "The Shewsy".

The School engages in substantial charitable fund raising for both local and national organisations. Of special interest is the School's on-going financial support for Shrewsbury House, a youth club in Liverpool established by the School in 1903 to serve the needs of the socially and economically disadvantaged local community. In addition to fund raising, the School is actively involved in governance, provides accounting and other services, free of charge, to Shrewsbury House and regularly makes arrangements for members of 'The Shewsy' to come to Shrewsbury School during the course of a year.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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During the 2020-21 academic year the School continued to develop partnership activity with state schools, charities and other organisations, both locally and nationally. Programmes covered academics, co-curricular (sport, music and arts), support with careers and pastoral aspects of school life. During periods of lockdown, we shared our innovative remote programmes with our partners – ranging from enrichment subject lectures to careers webinars and sporting challenges.

Amongst the highlights of 2020-21 are the following case studies:

#### Case Study 1 – STEM Potential Shrewsbury

In collaboration with Imperial College and Oundle School we started STEM Potential Shrewsbury to identify and to support bright and able Yr10 scientists across Shropshire. Forced into remote teaching, we offered a stimulating, engaging and challenging programme of independent access materials and on-line lectures together with our partners. Our aim is to raise ambition and ability amongst the target cohort which is selected on ability and background criteria including income and parental education.

Case Study 2 – DFE Systems Partnership Grant – development of Maths and Careers Programmes with the Marches Academy Trust Together with the Marches Academy Trust the School was successful in securing a £20k expansion grant from the DFE (to be match funded by the School) which will enable us to give extra support to Maths teaching at Shrewsbury Academy School and also provide a bespoke Careers programme targeting Yr10 students across the Trust in order to raise ambitions for further study to A Level and beyond into university.

#### Case Study 3 – Support for Oxbridge, Medical and Veterinary applications

Teachers from the School across a wide range of subjects provided support with applications into competitive universities. Support often including additional subject tuition, guidance about the application process, help with personal statements and interview practice. Support was also given to state school colleagues responsible for supporting such candidates.

#### Other community engagement:

More broadly, local schools, clubs and other organisations make use of the School's facilities either free of charge or at rates below commercial levels.

During 2020-21 we planned for the use of our facilities during holiday time in support of the work done by Into University and Royal Springboard – but sadly these plans were postponed due to Covid concerns. We were able to welcome the charity 'Action For Children' to use our outdoor spaces to support respite care for families with children who have physical or learning disabilities.

As well as supporting charitable fundraising by pupils and staff (in 2020-21 raising over £70k for 25 different charities in total), the School regularly makes available its facilities to various external charities, either at no cost to the charity or at heavily discounted rates to cover school costs.

School staff are encouraged to participate in the local and wider community, providing their time free of charge. Such participation ranges from acting as Governors of local schools to assisting organisations with performances in the performing arts.

The School's annual concert series is open to the public and is well attended by members of the local community.

A detailed inventory of the School's Partnership and Community Engagement work can be found at <https://www.shrewsbury.org.uk/pce>

In addition, both schools record partnership activity on the [schoolstogether.org](https://www.schoolstogether.org) website.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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#### Fundraising

Shrewsbury School did not participate in any fundraising activities on its own account during the year and therefore there are no fundraising disclosures necessary under S162A of the Charities Act.

#### Objectives for the Year

This year, the focus has been on:

- Continuing to provide broad access to the School via the provision of scholarship and bursary funding to enable pupils to attend the School who otherwise would not have the financial resources to do so.
- The completion and commission of the Barnes Theatre for the start of 2020/21.
- Implementation of the strategic plan adopted by the Governing Body in September 2019.
- Planning for the refurbishment of Riggs, which commenced in July 2021.
- Planning work for a Fifth Girls' house, scheduled to open in September 2023.

In addition, there has been considerable focus on maintaining the continuity of educational provision for all our pupils during the COVID 19 pandemic at both Shrewsbury School and Packwood Haugh.

#### REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

##### Operational Performance of the School

Yet again COVID 19 had significant impact on both school sites during 2020-21.

In September 2020, both Schools started the academic year, in anticipation that gradually the restrictions still in place would be lifted and a full range of academic, sporting and arts activities would be able to take place, and over the first term this was the case. Based on government instructions both Schools moved to on-line supported learning (OSL), with effect from January 2021, with the exception of children of key workers. In addition, the School also had some pupils from overseas who remained resident during the OSL phase of the Lent Term in their boarding households. Pastoral support and co-curricular activities were also provided remotely for a seven-week period, with pupils returning to school for the final three weeks of the Lent Term. It is worth noting the drive and ingenuity of Shrewsbury School and Packwood Haugh staff in developing and delivering an effective programme of 'education in remote'. Both schools were fully open for the Summer Term 2021.

The Governing Body agreed to make adjustments to reduce the fees at both schools for the Summer Term 2021, approved via an Extra-ordinary Governing Body meeting in March 2021. This reduction reflects savings made during the Lent Term period in remote. Although the schools have been able to recoup some of the costs of boarding staff via the furlough scheme (CJRS), both schools had an operational deficit for the Summer Term 2021. Cleaners, Matrons and non-teaching site-based staff who were not needed during the period of OSL were put on furlough leave for January, February and March 2021. The charity received £400,538 in furlough payments under the CJRS.

This year, Shrewsbury School numbers averaged 816 (2020 - 808) pupils of whom 615 (2020 - 612) were boarders and 201 (2020 - 196) were day pupils. Packwood Haugh School numbers averaged 182 (2020 - 180) of whom 68 were boarders.

Shrewsbury School pupil numbers at the start of the 2021/22 academic year were 817, and Packwood Haugh had 208 pupils.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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A Levels and GCSEs assessments were completed via Teacher Assessed Grades (TAGs) owing to the pandemic. Therefore, the results are not a precise comparison to previous years but are in line with the Centrally Assessed Grades in 2020. 86.9% of A Level candidates received the equivalent of A\* to B, and 76.0% of GCSE candidates received grades 9 to 7. In exceptional circumstances, these results are a fair set of outcomes for this cohort of pupils. It is also important to note the diligence and care taken by teaching staff when implementing the TAG processes in a relatively short time frame.

Outside the classroom Shrewsbury School and Packwood Haugh School continued provide a wide range of co- curricular activities in spite of the COVID 19 restrictions in place through much of the year. The Summer Term 2021 saw a welcome return to competition with other schools and live artistic performances.

#### Grants and Awards

The Charity in total awarded bursaries, scholarships and allowances of £4,234,576 (2020 - £3,636,848). The School, despite not possessing a large endowment reserve, continues to support and assist pupils to come to Shrewsbury. During the year the School awarded a total of £3,898,501 (2020 - £3,317,575) of scholarships, grants, bursaries and other allowances to pupils, of which £505,497 came from restricted funds, including £490,810 (2020 - £541,259) from Shrewsbury School Foundation. Packwood made awards to pupils totalling £336,075 (2020 - £319,273).

Shrewsbury School holds a scholarship competition for suitably qualified candidates under the age of 14 each year. It awards four Butler Scholarships up to a value of 30% of fees; up to four Kennedy Scholarships; and two Moss Scholarships worth up to one-fifth of fees; and up to seven Alington Exhibitions worth £2,000 per year. There are also up to four Music Scholarships worth up to 30% of fees, each year, and two Art Scholarships worth one-fifth of fees.

For entrants to the School at Sixth Form level, there are a range of academic, music and sporting awards. In addition, the School offers two means tested Sixth Form sporting scholarships, worth up to 100% of fees.

Foundation bursaries are awarded to pupils who will make a significant contribution to the School whether it be academically in sport or through the arts. The funding for these awards comes from Shrewsbury School Foundation. In total, Shrewsbury School Foundation financially supported 24 pupils (2020 -28 pupils) of whom 6 pupils (2020-6 pupils) received 100% funding.

The Governors publish a detailed grant making policy on the School's website. In short, the Governors' policy is to make bursary awards on the basis of the individual's educational ability and his or her family's ability to pay, subject to the particular conditions imposed by the original donor where the award is taken from restricted funds.

#### Financial Review and Results for Year

The financial statements reflect the activities and results of the Charity (Shrewsbury School and Packwood) and its two subsidiary companies, Shrewsbury School Enterprises Limited and Shrewsbury School Trading Company Limited.

The group had net incoming resources of £2,569,333 (2020 - £6,305,161, including a £4,443,847 donation on the merger with Packwood Haugh) for the year. This result (without the Packwood donation) is similar to the previous year but bolstered by the sale of a substantial school owned property towards the year end. The proceeds of this sale will be used to purchase more suitable accommodation (one such property was purchased after the year end).

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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Planning permission was received during the year, for the construction of fifth girls house, with construction commencing in June 2022. The house will welcome the first intake of pupils in September 2023.

The School's strategic plan assumes the following means of financing the continued investment in the School's facilities:

- Achieving operating surpluses that generate substantial cash flows. This involves continuously reviewing the cost base of the School in all areas to ensure best use is being made of the School's resources, while maintaining a commitment to excellence; and
- Shrewsbury School Foundation will continue to provide financial support for the School. This is primarily in the form of funding for scholarships and bursaries, including Foundation Bursaries, but also includes donations towards specific building projects; and
- For large capital projects, the School will consider borrowing funds in the medium term, whilst ensuring that the overall level of borrowing is prudent; and
- Further increasing the commercial income of the School: new or refurbished School facilities are designed not only for use by the School, but also for commercial lettings, and to maximise the opportunity for the wider community; and
- Increase income generated by the School's overseas activities.

Net assets increased to £42,839,413 from £38,775,296. The increase comprised net incoming resources of £2,569,333; an increase in the market value of School investments of £721,784; and £773,000 actuarial gain relating to School's defined benefit pension scheme under FRS 102.

The School's defined benefit scheme deficit, as calculated under the requirements of Financial Reporting Standard 102 (FRS102) reduced by £773,000, compared to the previous year and as valued under FRS102 assumptions is now £1,998,000. The reduction in the deficit is mainly due to the increased value of the Scheme's investments, recovering from the low position, due to the COVID 19 impact, in the previous year.

Capital expenditure totalled £1,357,246. This is significantly less than in previous years and is a direct impact of COVID 19. A further £271,256 was expended on completing the Barnes Theatre; £139,500 on planning the refurbishment of Riggs Boarding House (this project should have commenced in June 2020 but was delayed until June 2021); £164,538 on the planning and design work for the fifth girls' house. £130,604 was spent on Information Technology; £110,690 on grounds equipment.

The School's two subsidiary companies continued to trade during the year. Shrewsbury School Enterprises Limited remained the vehicle through which the School conducts its overseas school business; Shrewsbury School Trading Company Limited, continued to operate the School shop, sporting and leisure activities and commercial lets of the School premises.

As a result of COVID 19, all the commercial lettings were cancelled over Summer 2020 and Easter 2021, the swimming academy was closed for a substantial part of the year and this had a significant impact on the trading results of Shrewsbury School Trading Company Limited. Any profits made by these companies, in excess of operating needs, are gift aided to the School.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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#### International School Developments

The International Development Director has continued to work with the IDC committee to cement relationships with Shrewsbury International Asia (SIA), as well as to review opportunities in other parts of the world.

Shrewsbury International School Bangkok (Riverside) provides an important income stream, reflecting the success of the venture. The site was a new build and opened in 2003, it currently has 1,783 pupils, aged between 3 to 18. There is a close working relationship between the schools.

Shrewsbury International School Bangkok (City Campus) and Shrewsbury School International School, Hong Kong completed a third successful year of operation.

Further information regarding the Bangkok Schools can be found at [www.shrewsbury.ac.th](http://www.shrewsbury.ac.th) and for the Hong Kong School at [www.shrewsbury.hk](http://www.shrewsbury.hk)

#### Fundraising Performance

The School received donations of £1,411,066 during the year (2020 - £5,766,183 included £4,443,847 related to the transfer of assets and liabilities from Packwood Haugh).

Shrewsbury School Foundation (a separate Charity) raises funds to donate to the School for bursary support, capital and educational projects. In the current year the School received from the Foundation a total of £664,127 of this £158,317 related to capital projects and £490,810 to support bursaries.

In addition, the School received two very generous donations. A legacy was received of £610,000 from a friend of the School in February 2021 and the Salopian Club transferred investments of £89,519, which the Governors have designated towards future bursarial support. Smaller donations were received for specific projects.

#### RESERVES POLICY

The School does not possess large endowment reserves to generate income to assist in the financing of the School.

At the year-end Endowed Funds totalled £1,513,959 and Restricted Funds totalled £798,172, because of the particular spending constraints attached to them they are not available for funding the general operations of the School. Unrestricted Funds totalling £40,527,282 are expendable in accordance with the Objects of the School. The School has no current free reserves as the unrestricted reserves are less than the net book value of fixed assets. Given our plans for new buildings, this nil balance will continue for several years. This is in accordance with the long-term plans of the Trustees for the development of the School and they are satisfied that the resources available to the School through external bank finance are adequate for its projected requirements. In addition to the operational land and buildings, the School owns residential properties for housing some of its staff.

There are also artefacts and works of art, which have been acquired and accumulated over very many years. These are of huge educational and wider cultural benefit to the School community and some are made available, under appropriate conditions, to external researchers and scholars. They are not revalued in the Balance Sheet and the Governors are of the view that there is no benefit to be gained from incurring the costs of valuations other than for insurance purposes.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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The annual revenue expenditure requirements of the School are generally met from annual income. Prudent budgeting and tight financial control are designed to ensure that adequate but not excessive cash headroom is maintained, and this is supported by a seasonal overdraft facility. Cash balances have been held at a higher than usual level during the recent pandemic as a precaution against uncertainty and reflecting the deferral of some infrastructure projects.

The Governors are confident that the capital development plan can be achieved by the policies set out above, supported by prudent borrowing and support from Shrewsbury School Foundation.

The Governors have established a designated fund, which aims to provide bursarial support to enable pupils to attend the School. The intention of the Governors is to allocate a proportion of the School's commercial income each year, based on an agreed calculation, subject to operating requirements. The intention is to build up the fund over the forthcoming years, with income from it being used to provide bursarial support to pupils attending the School. During the year, the Trustees allocated £888,164 to the fund. At the year end the value of this designated fund was £2,749,870.

#### INVESTMENT POLICY

The Governors, as Trustees, have wide powers to invest in property and securities, including stocks and shares.

The Governors review, on a regular basis, the investment profile of the School, the risks and returns achieved and the likely future performance.

The fees in advance funds are invested in a targeted return fund with the aim of generating above inflation returns, while providing the security of investments backing two years fees in advance liabilities.

The policy of the School with regard to endowed and designated investments is to ensure that they produce a regular and growing income stream, together with capital growth. During the year the School undertook a review of investment managers, and as a result appointed Sarasin & Partners to replace Rathbone Investment Managers, early in 2021. As a result of this decision the investment held by Rathbones (excluding the Fees in Advance) were sold, and the proceeds reinvested in the Sarasin Endowments Fund Class A Income Fund, a global multi-asset portfolio with an integrated socially responsible investment policy. The transfer of funds took several months. The fund seeks to provide growth (in terms of investment value and growth) of 4% per year more than the CPI over a rolling five-year period. The School's investments increased in capital value by £721,784 (11.8%) over the previous year.

#### PRINCIPAL RISKS AND UNCERTAINTIES

As explained above, the Governors have considered the principal risks and uncertainties facing the School. The economic climate, especially during the COVID 19 pandemic, affects the ability of parents to afford the school fees, and the affordability of fees is considered as an important factor in the long-term financial planning. In terms of unexpected costs, the Governors ensure that insurance is in place for known and insurable risks. With a large built estate, the School also monitors and plans for foreseeable future building repairs, referencing to the condition survey conducted in 2010.

The management team also carefully monitors the level of scholarships and bursaries to ensure that grant commitments are maintained at a sustainable level, carefully reviewing the future grant funding available from Shrewsbury School Foundation.

**GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2021**

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The School has also considered non-financial risks. As the health and safety of the pupils and staff is paramount, the Trustees consider any potential breach of health and safety to be a principal risk. To mitigate the School has developed policies to ensure the regulations and guidelines for the welfare of pupils and staff are observed.

**FUTURE PLANS**

- The communication and implementation of the revised strategic plan for the next decade
- Focus on funding and increasing the number of means tested transformative bursaries (75% to 110% off fees).
- The extension and renovation of Rigg's Hall (construction phase July 2021 to March 2022) as part of the objective to re-invest and refurbish boys' houses.
- Planning and construction of a fifth girls' house to provide girls' additional capacity as part of the maturation of co-education.
- The continued development of a cross sector programme of partnership and community engagement.

**ACCOUNTING AND REPORTING RESPONSIBILITIES**

The Governing Body is required by law to prepare financial statements for each financial year, which give a true and fair view of the financial activities of the Charity and of its financial position at the end of that year. In preparing those financial statements the Governing Body is required to:

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

In the current uncertain economic climate, the Governing Body has specifically reviewed future school cashflows and is confident that it is appropriate to produce financial statements on a going concern basis.

The Governing Body is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011 and the Shrewsbury School Statutes, approved by the Queen's Most Excellent Majesty, in Council on 12 October 2016. It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In determining how amounts are presented with in items in the statement of financial activities and balance sheet, the Governors have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

So far as each of the Governors is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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SHREWSBURY SCHOOL

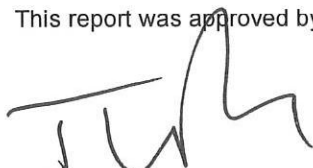
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GOVERNORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2021

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Auditors Crowe U.K. LLP have indicated their willingness to remain in office.

This report was approved by the Governors, on 27 November 2021 and signed on their behalf by:



T.H.P. Haynes  
Chair



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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL

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#### Opinion

We have audited the financial statements of Shrewsbury School (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards 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 been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 July 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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 Group's or the parent 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 Governors with respect to going concern are described in the relevant sections of this report.

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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Governors are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Matters on which we are required to report by exception

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

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

#### Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement, the Governors are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the Group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the 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.

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:

We obtained an understanding of the legal and regulatory frameworks within which the Charity and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, taxation legislation, employment legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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

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

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

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

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

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SHREWSBURY SCHOOL

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INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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**Use of our report**

This report is made solely to the charity's Governors, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Governors, as a body, for our audit work, for this report, or for the opinions we have formed.



**Crowe U.K. LLP**  
Statutory Auditor  
Fourth Floor  
St James House  
St James Square  
Cheltenham  
GL50 3PR

Date: 3 February 2022

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

SHREWSBURY SCHOOL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 JULY 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income and endowments from:</b>						
Grants and donations	3	700,043	711,023	-	1,411,066	5,766,183
<b>Charitable activities:</b>						
School fees	4	26,325,672	-	-	26,325,672	25,705,526
Other educational income	5	332,256	-	-	332,256	333,528
Other ancillary trading income	5	611	-	-	611	116,930
Other trading activities	6	1,382,044	-	-	1,382,044	1,483,465
Investments	7	68,263	36,161	2,349	106,773	122,323
Other income	8	1,285,743	-	-	1,285,743	707,984
<b>Total income and endowments</b>		<b>30,094,632</b>	<b>747,184</b>	<b>2,349</b>	<b>30,844,165</b>	<b>34,235,939</b>
<b>Expenditure on:</b>						
<b>Raising funds:</b>						
Trading activities	9	722,436	-	-	722,436	762,416
Fundraising costs	9	269,874	-	-	269,874	362,546
Financing costs	10	325,118	-	-	325,118	512,139
<b>Charitable activities:</b>						
Education and grant making	11	26,399,993	557,411	-	26,957,404	26,293,677
<b>Total expenditure</b>		<b>27,717,421</b>	<b>557,411</b>	<b>-</b>	<b>28,274,832</b>	<b>27,930,778</b>
<b>Net income before net gains/(losses) on investments</b>		<b>2,377,211</b>	<b>189,773</b>	<b>2,349</b>	<b>2,569,333</b>	<b>6,305,161</b>
Net gains/(losses) on investments		547,814	-	173,970	721,784	(88,536)
<b>Net income before transfers</b>		<b>2,925,025</b>	<b>189,773</b>	<b>176,319</b>	<b>3,291,117</b>	<b>6,216,625</b>
Transfers between funds	22	178,286	(178,286)	-	-	-
<b>Net movement in funds before other recognised gains/(losses) carried forward</b>		<b>3,103,311</b>	<b>11,487</b>	<b>176,319</b>	<b>3,291,117</b>	<b>6,216,625</b>

SHREWSBURY SCHOOL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
<b>Net movement in funds before other recognised gains brought forward</b>	<b>3,103,311</b>	<b>11,487</b>	<b>176,319</b>	<b>3,291,117</b>	<b>6,216,625</b>
Actuarial gains/(losses) on defined benefit pension schemes	773,000	-	-	773,000	(1,499,000)
27					
<b>Net movement in funds</b>	<b>3,876,311</b>	<b>11,487</b>	<b>176,319</b>	<b>4,064,117</b>	<b>4,717,625</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	36,650,971	786,685	1,337,640	38,775,296	34,057,671
Net movement in funds	3,876,311	11,487	176,319	4,064,117	4,717,625
<b>Total funds carried forward</b>	<b>40,527,282</b>	<b>798,172</b>	<b>1,513,959</b>	<b>42,839,413</b>	<b>38,775,296</b>

The notes on pages 26 to 65 form part of these financial statements.

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**SHREWSBURY SCHOOL**

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**CONSOLIDATED BALANCE SHEET  
AS AT 31 JULY 2021**

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	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	41,108,674	42,324,161
Investments	15	7,462,922	6,116,746
		48,571,596	48,440,907
<b>Current assets</b>			
Stocks	16	291,891	310,020
Debtors	17	1,941,495	1,842,073
Cash at bank and in hand		8,256,938	4,496,043
		10,490,324	6,648,136
Creditors: amounts falling due within one year	18	(6,411,746)	(5,675,029)
<b>Net current assets</b>		4,078,578	973,107
<b>Total assets less current liabilities</b>		52,650,174	49,414,014
Creditors: amounts falling due after more than one year	19	(7,812,761)	(7,780,718)
<b>Net assets excluding pension liability</b>		44,837,413	41,633,296
Defined benefit pension scheme liability	27	(1,998,000)	(2,858,000)
<b>Total net assets</b>		42,839,413	38,775,296

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SHREWSBURY SCHOOL

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CONSOLIDATED BALANCE SHEET (CONTINUED)  
AS AT 31 JULY 2021

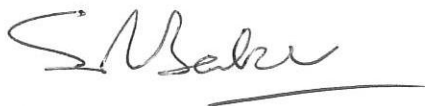
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	Note	2021 £	2020 £
<b>Charity funds</b>			
Endowment funds	22	1,513,959	1,337,640
Restricted funds	22	798,172	786,685
<b>Unrestricted funds</b>			
Unrestricted funds excluding pension asset	22	42,525,282	39,508,971
Pension reserve	22	(1,998,000)	(2,858,000)
Total unrestricted funds	22	<u>40,527,282</u>	<u>36,650,971</u>
<b>Total funds</b>		<u><u>42,839,413</u></u>	<u><u>38,775,296</u></u>

The financial statements were approved and authorised for issue by the Governors on 27 November 2021 and signed on their behalf by:



T.H.P. Haynes  
Chairman



S.R. Baker

The notes on pages 26 to 65 form part of these financial statements.

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**SHREWSBURY SCHOOL**

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**CHARITY BALANCE SHEET  
AS AT 31 JULY 2021**

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	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	41,101,751	42,315,229
Investments	15	7,462,922	6,116,746
		48,564,673	48,431,975
<b>Current assets</b>			
Stocks	16	64,165	80,218
Debtors	17	2,194,012	2,153,777
Cash at bank and in hand		8,094,321	4,322,045
		10,352,498	6,556,040
Creditors: amounts falling due within one year	18	(6,250,311)	(5,580,314)
<b>Net current assets</b>		4,102,187	975,726
<b>Total assets less current liabilities</b>		52,666,860	49,407,701
Creditors: amounts falling due after more than one year	19	(7,812,761)	(7,780,718)
<b>Net assets excluding pension liability</b>		44,854,099	41,626,983
Defined benefit pension scheme liability	27	(1,998,000)	(2,858,000)
<b>Total net assets</b>		42,856,099	38,768,983

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SHREWSBURY SCHOOL

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CHARITY BALANCE SHEET (CONTINUED)  
AS AT 31 JULY 2021

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	Note	2021 £	2020 £
<b>Charity funds</b>			
Endowment funds	22	1,513,959	1,337,640
Total restricted funds	22	798,172	786,685
<b>Unrestricted funds</b>			
Unrestricted funds excluding pension liability	22	42,541,968	39,502,658
Pension reserve	22	(1,998,000)	(2,858,000)
Total unrestricted funds	22	<u>40,543,968</u>	<u>36,644,658</u>
<b>Total funds</b>		<u><u>42,856,099</u></u>	<u><u>38,768,983</u></u>

The financial statements were approved and authorised for issue by the Governors on 27 November 2021 and signed on their behalf by:

  
**T.H.P. Haynes**  
(Chair of Trustees)

  
**S.R. Baker**

The notes on pages 26 to 65 form part of these financial statements.

SHREWSBURY SCHOOL

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JULY 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	23	5,873,925	3,771,970
<b>Cash flows from investing activities</b>			
Dividends and interest from investments		106,773	122,323
Proceeds from the sale of tangible fixed assets		910,466	-
Purchase of tangible fixed assets		(1,357,246)	(3,899,685)
Proceeds from sale of investments		3,418,774	423,427
Purchase of investments		(4,574,637)	(469,458)
<b>Net cash used in investing activities</b>		<b>(1,495,870)</b>	<b>(3,823,393)</b>
<b>Cash flows from financing activities</b>			
Cash inflows from new borrowing		-	2,000,000
Repayments of borrowing		(1,045,299)	(907,347)
Interest paid on borrowings		(103,332)	(99,402)
<b>Net cash (used)/provided in financing activities</b>		<b>(1,148,631)</b>	<b>993,251</b>
<b>Change in cash and cash equivalents in the year</b>		<b>3,229,424</b>	<b>941,828</b>
Cash and cash equivalents at the beginning of the year		5,031,187	4,089,359
<b>Cash and cash equivalents at the end of the year</b>	24	<b>8,260,611</b>	<b>5,031,187</b>

The notes on pages 26 to 65 form part of these financial statements

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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#### 1. Legal status of the Charity

The School is governed in accordance with the Shrewsbury School Statutes approved by the Queen's Most Excellent Majesty in Council on 12 October 2016, whose registered office and primary place of business is Shrewsbury School, The Schools, Shrewsbury, SY3 7AA. It has no share capital. Its principal activity is the provision of boarding and day schooling. It is a registered Charity in England and Wales and its Charity registration number is 528413.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Shrewsbury School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. Please see note 6 for further details on the subsidiaries.

No separate SOFA has been presented for the Charity alone. The net result for the year relating to the School amounted to a surplus of £4,087,116 (2020 - £4,711,413).

##### 2.2 Going concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 12.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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#### 2. Accounting policies (continued)

##### 2.3 Critical accounting estimates and areas of judgment

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

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

##### **Useful economic lives of tangible assets**

The annual depreciation charges for the tangible assets are sensitive to changes in the estimate useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the tangible assets and note 2.8 for the useful lives for each class of asset.

##### **Impairment of debtors**

The group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 17 for the net carrying amount of the debtors.

##### 2.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes.

Endowment funds are donations required to be retained as capital in accordance with the donors' wishes – permanent or expendable according to the nature of the restrictions. The costs of raising and administering such funds are charged against the specific fund.

The aim and use of each restricted and endowment fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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#### 2. Accounting policies (continued)

##### 2.5 Income

All incoming resources are included in the Statement of Financial Activities when the School has entitlement to the income, the amount can be quantified with reasonable accuracy and the economic benefit to the School is considered probable.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School.

Income from other trading activities comprises revenue recognised by the School's wholly owned subsidiaries in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

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

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where through the terms of an appeal or from the donor there is a trust law restriction on the use of any voluntary income, the income is credited to the relevant restricted fund or endowment. Gifts in Kind would be valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption or at the value to the School in the case of donated services or facilities.

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

##### 2.6 Expenditure

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Expenditure is accrued as soon as a liability is considered probable discounted to present value for longer term liabilities and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Liabilities are recognised where there is a legal or constructive obligation committing the entities to the expenditure.

Fundraising costs are those incurred in seeking voluntary contributions in relation to Shrewsbury School Foundation, a connected charity (Charity number 528415). Provided that, and so long as, Shrewsbury School Foundation exercises and continues to exercise its charitable objects in furtherance of the objects (the "Shrewsbury School Charitable Objects") set out in the Foundation Trust Deed, the School shall pay the employment, administrative and other costs and expenses of the Foundation in furthering Shrewsbury School's Charitable Objects.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Included in support costs of the School are bursary costs, payroll administration, budgeting and accounting, information technology, human resources

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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#### 2. Accounting policies (continued)

##### 2.6 Expenditure (continued)

and finance. School trip expenditure is included under support costs.

Governance costs comprise the costs of running the charity including strategic planning for its future development, also internal and external audit, any legal advice for the Governors and all costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

##### 2.7 Government grants

Government grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

##### 2.8 Tangible fixed assets and depreciation

Computer equipment costing more than £300 is capitalised and carried in the Balance Sheet at historical cost.

Major refurbishment expenditure, equipment, boats and vehicles costing more than £1,000 are capitalised and carried in the Balance Sheet at historical cost.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 10-50 years
Furniture, fixtures and fittings and equipment	- 3-10 years
Boats	- 10 years
Ground machines and vehicles	- 4-10 years

Depreciation is not charged on freehold land or assets under the course of construction.

Leasehold property is depreciated over the term of the lease.

Depreciation is calculated on a monthly basis.

The School owns a number of cultural and historic artifacts which are considered to be heritage assets. No value is attributed to them in the Balance Sheet and no depreciation is charged on the grounds that, for many of the assets, reliable historic cost information is not available and the depreciated historical cost of the assets is likely to be immaterial. In line with the Charity SORP, Shrewsbury School has not recognised these assets, as information to obtain their cost or value cannot be obtained at a cost commensurate with the benefit to the users of the accounts.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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#### 2. Accounting policies (continued)

##### 2.9 Investments

Investments are stated at market value at the Balance Sheet date. The Consolidated statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost less provision for impairment.

##### 2.10 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### 2.11 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

##### 2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised costs using the effective interest method, less any impairment.

##### 2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.14 Fees in advance

Parents may, subject to contractual terms and conditions, pay to the School tuition fees in advance. The money may be returned, subject to specific conditions.

Investments are held to cover the next two years capital liabilities.

##### 2.15 Financial instruments

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

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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#### 2. Accounting policies (continued)

##### 2.16 Concessionary Loans

The loans from Shrewsbury School Foundation and Shropshire Council (see note 19) are considered to meet the criteria of concessionary loans under FRS 102. They have been recorded in the financial statements at face value.

##### 2.17 Pensions

The School operates a defined contribution pension scheme for non-teaching staff (Shrewsbury School (2001) Retirements Benefits Scheme). This scheme gives exemption from the requirement to offer a stakeholder pension scheme. During the year the total contributions were £331,446 (2020 - £323,667).

The School also contributes to a personal pension scheme for the benefit of certain Packwood Haugh School employees. The scheme is a defined contribution scheme administered by Scottish Widows. During the year the total contributions were £71,332 (2020 - £26,276).

The School contributes to a defined benefit pension scheme (final salary scheme) for the academic staff, which is a national scheme operated for the Department for Education and Skills, which requires contributions to be made to a separately administered fund. The total premiums paid during the year were £1,725,910 (2020 - £1,708,402).

In addition, the School operates a defined benefit pension scheme for non teaching staff (Shrewsbury School (1971) Pension and Life Assurance Scheme), which is closed to new members. The basis of contributions to the Scheme is calculated according to the advice of the Scheme actuary. During the year the total contributions were £17,448 (2020 - £11,409).

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**

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**3. Income from grants and donations**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Endowment funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Donations	700,043	711,023	-	1,411,066	1,322,336
Transfer in of assets and liabilities from Packwood Haugh School	-	-	-	-	4,443,847
<b>Total 2021</b>	<u>700,043</u>	<u>711,023</u>	<u>-</u>	<u>1,411,066</u>	<u>5,766,183</u>
<i>Total 2020</i>	<u>4,358,558</u>	<u>1,384,154</u>	<u>23,471</u>	<u>5,766,183</u>	

On 1 August 2019 all of the assets and liabilities of the Packwood Haugh School were transferred into Shrewsbury School. The transfer was recorded as a donation into Shrewsbury School in the year ended 31 July 2020.

**4. Charitable activities - School fees receivable**

	<b>2021 £</b>	<i>2020 £</i>
<b>The School's fee income comprised:</b>		
Gross fees	30,054,751	28,780,869
Less: Total bursaries, scholarships and allowances	(4,234,576)	(3,636,849)
	<u>25,820,175</u>	<u>25,144,020</u>
Add back bursaries, scholarships and allowances paid for by Restricted Funds	505,497	561,506
	<u>26,325,672</u>	<u>25,705,526</u>

Scholarships, bursaries and other awards were paid to 440 pupils (2020 - 388).

Within this means tested bursaries totaling £2,977,008 paid to 248 pupils (2020 - £2,648,304 to 210 pupils).

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

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5. Charitable activities - Other income

	2021 £	2020 £
<b>Other educational charitable income</b>		
Entrance and registration fees	127,793	138,608
Courses and sub-lettings	145,527	135,295
Royalties received	58,936	59,625
	<u>332,256</u>	<u>333,528</u>
	2021 £	2020 £
<b>Other ancillary activities</b>		
Commissions received	611	3,442
School trips	-	113,188
Late payment surcharges	-	300
	<u>611</u>	<u>116,930</u>

6. Other trading activities

	2021 £	2020 £
Trading activities SSEL	938,212	919,548
Trading activities SSTCL	443,832	563,917
	<u>1,382,044</u>	<u>1,483,465</u>

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

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**Other trading activities (continued)**

**Shrewsbury School Enterprises Limited (SSEL)**

The Charity owns the whole of the £1 ordinary share capital of Shrewsbury School Enterprises Limited (Company registration number 4535585), incorporated in England. The Company's principle activity is the provision of consulting services to international Schools.

Its trading results for the period, as extracted from the audited accounts, are summarised below:

	2021 £	2020 £
Turnover	938,119	919,299
Administration	(254,091)	(224,492)
<b>Operating profit</b>	<b>684,028</b>	<b>694,807</b>
Interest payable	(1,514)	(2,040)
Interest receivable	93	249
<b>Profit for the year</b>	<b>682,607</b>	<b>693,016</b>
Gift aid payment	(682,607)	(687,434)
<b>Retained profit</b>	<b>-</b>	<b>5,582</b>

Shrewsbury School Enterprises Limited made a gift aid donation of £682,607 (2020 - £687,434) to Shrewsbury School during the year.

The net assets of Shrewsbury School Enterprises Limited at 31 July 2021 amounted to £5,583 (2020 – £5,583).

At the year end Shrewsbury School Enterprises Limited owed Shrewsbury School £833,020 (2020 - £841,140). Of which £137,635 (2020 - £137,635) is an unsecured loan, repayable with one year's notice and interest charges at 1% above Lloyds Bank Plc base rate.

The management charge from the School to Shrewsbury Enterprises Limited was £194,314 (2020 - £187,228). In addition there is a licence fee of £10,000 (2020 - £10,000).

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

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**Other trading activities (continued)**

**Shrewsbury School Trading Company Limited (SSTCL)**

The Charity owns the whole of the £100 ordinary share capital of Shrewsbury School Trading Company Limited (Company registration number 5580019), incorporated in England. The principal activity of the Company was the operation of the School shop and other recreational activities.

Its trading results for the period, as extracted from the audited accounts, are summarised below:

	2021 £	2020 £
Turnover	433,614	546,453
Cost of sales	(251,188)	(299,860)
<b>Gross profit</b>	<b>182,426</b>	<b>246,593</b>
Administration	(215,643)	(236,024)
Other operating income	10,126	16,487
<b>Operating (loss)/profit</b>	<b>(23,091)</b>	<b>27,056</b>
Interest receivable	92	977
<b>(Loss)/profit for the year</b>	<b>(22,999)</b>	<b>28,033</b>
Gift aid payment	-	(27,403)
<b>Retained (loss)/profit</b>	<b>(22,999)</b>	<b>630</b>

Shrewsbury School Trading Company Limited made a gift aid donation of £Nil (2020 - £27,403) to Shrewsbury School during the year.

The net liabilities of Shrewsbury School Trading Company Limited at 31 July 2021 amounted to £22,269 (2020 – assets of £730).

At the year end Shrewsbury School Trading Company Limited owed Shrewsbury School £108,100 (2020 - £122,850).

The management charge from the School to Shrewsbury School Trading Company Limited was £82,320 (2020 – £91,634).

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**

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**7. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Endowment funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Interest	7,383	-	-	7,383	17,236
Dividend income	60,880	36,161	2,349	99,390	105,087
<b>Total 2021</b>	<u>68,263</u>	<u>36,161</u>	<u>2,349</u>	<u>106,773</u>	<u>122,323</u>
<i>Total 2020</i>	<u>83,818</u>	<u>36,156</u>	<u>2,349</u>	<u>122,323</u>	

**8. Other incoming resources**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Government grant	400,538	400,538	707,984
Profit on the sale of fixed assets	885,205	885,205	-
<b>Total 2021</b>	<u>1,285,743</u>	<u>1,285,743</u>	<u>707,984</u>
<i>Total 2020</i>	<u>707,984</u>	<u>707,984</u>	

The government grant received during the year and the prior year related to the Coronavirus Job Retention Scheme.

The profit on the sale of fixed assets mainly relates to the sale of a residential property.

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

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9. Expenditure on raising funds

Trading costs of the subsidiaries

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other costs	331,377	331,377	367,176
Staff costs	389,050	389,050	393,150
Depreciation	2,009	2,009	2,090
<b>Total 2021</b>	<b>722,436</b>	<b>722,436</b>	<b>762,416</b>
<i>Total 2020</i>	<b>762,416</b>	<b>762,416</b>	

Fundraising for voluntary resources

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other costs	104,655	104,655	130,764
Staff costs	165,219	165,219	231,782
<b>Total 2021</b>	<b>269,874</b>	<b>269,874</b>	<b>362,546</b>
<i>Total 2020</i>	<b>362,546</b>	<b>362,546</b>	

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

10. Financing costs

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fees in advance financing cost	91,595	91,595	92,670
Bad debts and debt collection	54,867	54,867	227,242
Bank and investment manager charges	38,324	38,324	63,825
Loan interest	103,332	103,332	99,402
Pension scheme financing cost	37,000	37,000	29,000
<b>Total 2021</b>	<b>325,118</b>	<b>325,118</b>	<b>512,139</b>
<i>Total 2020</i>	<i>512,139</i>	<i>512,139</i>	

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Teaching	12,366,406	-	12,366,406	12,603,128
Welfare	4,008,013	-	4,008,013	3,442,817
Premises	6,709,697	-	6,709,697	6,320,614
Support and governance	3,315,877	-	3,315,877	3,335,801
Grants, awards and prizes	-	557,411	557,411	591,317
<b>Total 2021</b>	<b>26,399,993</b>	<b>557,411</b>	<b>26,957,404</b>	<b>26,293,677</b>
<i>Total 2020</i>	<i>25,702,360</i>	<i>591,317</i>	<i>26,293,677</i>	

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

11. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total funds 2021 £	Total funds 2020 £
Teaching	11,123,381	-	1,243,025	12,366,406	12,603,128
Welfare	1,107,017	-	2,900,996	4,008,013	3,442,817
Premises	2,204,272	2,545,472	1,959,953	6,709,697	6,320,614
Support and governance	2,071,389	-	1,244,488	3,315,877	3,335,801
Grants, awards and prizes	-	-	557,411	557,411	591,317
<b>Total 2021</b>	<b>16,506,059</b>	<b>2,545,472</b>	<b>7,905,873</b>	<b>26,957,404</b>	<b>26,293,677</b>
<i>Total 2020</i>	<i>16,390,607</i>	<i>2,498,062</i>	<i>7,405,008</i>	<i>26,293,677</i>	

Grants, awards and prizes

	2021 £	2020 £
<b>From restricted funds:</b>		
Bursaries and scholarships	505,497	561,506
Prizes and awards	51,914	29,811
	<b>557,411</b>	<b>591,317</b>

Governance included in support costs:

	2021 £	2020 £
Remuneration paid to auditor for audit services	42,360	41,640
Remuneration paid to auditor for non- audit services	15,252	14,076
Other governance costs	135,303	87,143
	<b>192,915</b>	<b>142,859</b>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**

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**12. Governors' remuneration and expenses**

During the year, no Governors received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 July 2021, expenses totalling £Nil were reimbursed or paid directly to Governors (2020 - £2,288 to 7 Governors). The expenses related to travel and accommodation.

**13. Staff costs**

	<b>Group 2021 £</b>	<i>Group 2020 £</i>	<b>Charity 2021 £</b>	<i>Charity 2020 £</i>
Wages and salaries	13,559,480	13,594,684	13,225,958	13,241,094
Social security costs	1,377,142	1,376,131	1,344,618	1,352,611
Other pension costs (Note 27)	2,146,137	2,069,754	2,123,133	2,053,714
	<u>17,082,759</u>	<u>17,040,569</u>	<u>16,693,709</u>	<u>16,647,419</u>
Less capitalised labour costs	(22,431)	(25,030)	(22,431)	(25,030)
	<u><u>17,060,328</u></u>	<u><u>17,015,539</u></u>	<u><u>16,671,278</u></u>	<u><u>16,622,389</u></u>

During the year there were redundancy or termination payments made which amounted to £25,968 (2020 - £84,474). There was £Nil (2020 - £46,380) outstanding at the year end.

The average number of persons employed by the charity during the year was as follows:

	<b>Group 2021 No.</b>	<i>Group 2020 No.</i>
Teaching	233	244
Welfare	56	58
Premises	123	121
Support	68	68
Other activities	12	13
	<u>492</u>	<u>504</u>

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

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13. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	Group 2020 No.
In the band £60,001 - £70,000	31	31
In the band £70,001 - £80,000	12	11
In the band £80,001 - £90,000	1	3
In the band £90,001 - £100,000	2	1
In the band £130,001 - £140,000	1	1
In the band £140,001 - £150,000	1	1
In the band £230,001 - £240,000	-	1
In the band £240,001 - £250,000	1	-
Aggregate employee benefits of key management personnel	<u>1,531,074</u>	<u>1,492,717</u>

Key management includes the Senior Leadership team.

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

14. Tangible fixed assets

Group

	Assets in course of construction £	Freehold Land & Buildings £	Furniture, Fixtures and fittings £	Boats £	Ground Machines & Vehicles £	Total £
<b>Cost or valuation</b>						
At 1 August 2020	3,615,531	53,187,806	10,389,863	982,687	1,286,156	69,462,043
Additions	580,687	275,000	296,005	80,050	125,504	1,357,246
Disposals	-	-	-	(15,769)	(104,155)	(119,924)
Transfers between classes	(3,556,080)	3,539,866	22,936	-	(6,722)	-
At 31 July 2021	<u>640,138</u>	<u>57,002,672</u>	<u>10,708,804</u>	<u>1,046,968</u>	<u>1,300,783</u>	<u>70,699,365</u>
<b>Depreciation</b>						
At 1 August 2020	-	17,634,986	7,908,087	697,951	896,858	27,137,882
Charge for the year	-	1,705,854	701,292	58,682	81,644	2,547,472
On disposals	-	-	-	(15,769)	(78,894)	(94,663)
At 31 July 2021	<u>-</u>	<u>19,340,840</u>	<u>8,609,379</u>	<u>740,864</u>	<u>899,608</u>	<u>29,590,691</u>
<b>Net book value</b>						
At 31 July 2021	<u>640,138</u>	<u>37,661,832</u>	<u>2,099,425</u>	<u>306,104</u>	<u>401,175</u>	<u>41,108,674</u>
At 31 July 2020	<u>3,615,531</u>	<u>35,552,820</u>	<u>2,481,776</u>	<u>284,736</u>	<u>389,298</u>	<u>42,324,161</u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

14. Tangible fixed assets (continued)

Charity

	Assets in course of construction £	Freehold Land & Buildings £	Furniture, Fixtures & fittings £	Boats £	Ground Machines & Vehicles £	Total £
<b>Cost or valuation</b>						
At 1 August 2020	3,615,531	53,187,806	10,375,939	982,687	1,286,156	69,448,119
Additions	580,687	275,000	296,005	80,050	125,504	1,357,246
Disposals	-	-	-	(15,769)	(104,155)	(119,924)
Transfers between classes	(3,556,080)	3,539,866	22,936	-	(6,722)	-
At 31 July 2021	<u>640,138</u>	<u>57,002,672</u>	<u>10,694,880</u>	<u>1,046,968</u>	<u>1,300,783</u>	<u>70,685,441</u>
<b>Depreciation</b>						
At 1 August 2020	-	17,634,986	7,903,095	697,951	896,858	27,132,890
Charge for the year	-	1,705,854	699,283	58,682	81,644	2,545,463
On disposals	-	-	-	(15,769)	(78,894)	(94,663)
At 31 July 2021	<u>-</u>	<u>19,340,840</u>	<u>8,602,378</u>	<u>740,864</u>	<u>899,608</u>	<u>29,583,690</u>
<b>Net book value</b>						
At 31 July 2021	<u>640,138</u>	<u>37,661,832</u>	<u>2,092,502</u>	<u>306,104</u>	<u>401,175</u>	<u>41,101,751</u>
At 31 July 2020	<u>3,615,531</u>	<u>35,552,820</u>	<u>2,472,844</u>	<u>284,736</u>	<u>389,298</u>	<u>42,315,229</u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

15. Fixed asset investments

Group and charity	Designated Fund £	Endowed Funds £	Fees in Advance £	Total £
<b>Cost or valuation</b>				
At 1 August 2020	1,588,511	1,315,789	3,212,446	6,116,746
Additions	3,014,237	1,560,400	-	4,574,637
Disposals	(1,906,745)	(1,512,029)	-	(3,418,774)
Net investment gains	213,516	174,100	334,168	721,784
Movement in cash deposits	(444,310)	(47,718)	(39,443)	(531,471)
At 31 July 2021	<u>2,465,209</u>	<u>1,490,542</u>	<u>3,507,171</u>	<u>7,462,922</u>
<b>Net book value</b>				
At 31 July 2021	<u>2,465,209</u>	<u>1,490,542</u>	<u>3,507,171</u>	<u>7,462,922</u>
At 31 July 2020	<u>1,588,511</u>	<u>1,315,789</u>	<u>3,212,446</u>	<u>6,116,746</u>

Investments are primarily held to provide an investment return to the School.

**Investments at market value comprise:**

	2021 £	2020 £
Actively managed securities	3,504,519	3,170,350
Quoted stocks	3,954,730	2,411,251
Cash	3,673	535,144
<b>Total market value</b>	<u>7,462,922</u>	<u>6,116,745</u>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**

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**Fixed asset investments (continued)**

**Material investments**

The following investments are held which represent more than 5% of the total market value of investments held:

	2021 £	2020 £
Link Fund Solutions - Ruffer Total Return	1,803,162	1,524,716
Link Fund Solutions - Trojan Inc	1,701,356	1,645,634
Sarasin Endowments Fund Class A Inc	3,953,396	-
	<u>                    </u>	<u>                    </u>

**16. Stocks**

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Goods for resale and consumables	291,891	310,020	64,165	80,218
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

Stock recognised as an expense during the year was £250,438 (2020 - £299,860).

**17. Debtors**

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
School fees	563,854	458,327	563,854	458,327
Amounts owed by group undertakings	-	-	941,120	963,990
Other debtors	1,123,749	1,155,805	447,326	524,335
Prepayments and accrued income	253,892	227,941	241,712	207,125
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	<u>1,941,495</u>	<u>1,842,073</u>	<u>2,194,012</u>	<u>2,153,777</u>

An impairment loss of £44,138 (2020 - £219,288) was recognised against the School fee debtors.

Included within amounts due from group undertakings is a loan to Shrewsbury School Enterprises Limited of £137,635 (2020 - £137,635). The is unsecured and repayable with one year's notice and is charged at 1% above Lloyds Bank Plc base rate.

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

18. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	598,362	194,237	592,556	183,304
Other taxation and social security	369,610	345,029	356,133	343,237
Fee deposits	860,844	910,966	860,844	910,966
Fees in advance (see note 20)	2,492,062	1,765,438	2,492,062	1,765,438
Other creditors	1,087,851	1,037,280	1,068,614	998,737
Accruals and deferred income	416,944	375,287	294,029	331,840
Other loan	65,000	65,000	65,000	65,000
Term loan 1	146,049	428,593	146,049	428,593
Term loan 2	-	461,486	-	461,486
Term loan 3	375,024	91,713	375,024	91,713
	<u>6,411,746</u>	<u>5,675,029</u>	<u>6,250,311</u>	<u>5,580,314</u>

Within other creditors is £269,564 (2020 - £214,096) payable in respect of pension contributions.

19. Creditors: Amounts falling due after more than one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Loan from Shrewsbury School Foundation	1,296,046	1,296,046	1,296,046	1,296,046
Fees deposits	2,765,080	2,671,920	2,765,080	2,671,920
Fees in advance (see note 20)	1,590,038	1,066,575	1,590,038	1,066,575
Other loan	628,334	693,334	628,334	693,334
Term loan 1	-	144,556	-	144,556
Term loan 3	1,533,263	1,908,287	1,533,263	1,908,287
	<u>7,812,761</u>	<u>7,780,718</u>	<u>7,812,761</u>	<u>7,780,718</u>

The loan from Shrewsbury School Foundation is unsecured, interest free and has no fixed payment terms. The loan is considered a concessionary loan.

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

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**Creditors: Amounts falling due after more than one year (continued)**

**Other loan**

The other loan has been provided by Shropshire Council. The loan is repayable by April 2032 paid by monthly instalments. The loan is interest free and is secured on the following properties: Mosers Hall, The New House, 6 Ashton Road, 13 and 15 Ashton Road. This loan is considered to be a concessionary loan.

The other loan falls due as follows:

	2021 £	2020 £
Between 1-2 years	65,000	65,000
Between 2-5 years	195,000	195,000
Over 5 years	368,334	433,334
	<u>628,334</u>	<u>693,334</u>

**Term loan 1**

The term loan from Lloyds Bank is secured by a first legal charge over the freehold land and buildings at The Tudors, Tudor House, including Emma Darwin Hall. The term loan is repayable by September 2021 in 30 termly instalments. The interest rate is fixed at 5.94%.

The term loan falls due as follows:

	2021 £	2020 £
Between 1-2 years	-	144,556
	<u>-</u>	<u>144,556</u>

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

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**Creditors: Amounts falling due after more than one year (continued)**

**Term loan 2**

The term loan from Handelsbanken was unsecured. The term loan was repayable by May 2021 in 20 quarterly instalments. The interest rate was fixed at 4.85%.

The term loan was fully repaid during the year.

**Term loan 3**

The loan from Handelsbanken is unsecured. The loan is repayable by April 2026 in 24 quarterly instalments. The interest rate is fixed at 3.63%.

The term loan falls due as follows:

	2021 £	2020 £
Between 1-2 years	388,815	374,985
Between 2-5 years	1,144,448	1,209,813
Over 5 years	-	323,489
	<u>1,533,263</u>	<u>1,908,287</u>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**

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**20. Fees in advance**

Parents may, subject to contractual terms and conditions, pay to the School tuition fees in advance. The money may be returned, subject to specific conditions but, assuming the relevant pupils remain in the School, advance fees will be applied as follows:

	2021 £	2020 £
Within 1-2 years	707,543	582,974
Within 2-5 years	882,495	451,079
Over 5 years	-	32,522
	<hr/> 1,590,038	<hr/> 1,066,575
Within 1 year	2,492,062	1,765,438
	<hr/> 4,082,100	<hr/> 2,832,013

The balance represents the accrued liability under the contracts. The movement during the year was:

	2021 £	2020 £
Balance at 1 August 2020	2,832,013	3,097,448
Transfer in from Packwood Haugh School	-	183,128
New contracts	3,346,009	2,299,176
Amounts accrued to contracts	91,595	92,670
	<hr/> 6,269,617	<hr/> 5,672,422
Amounts utilised in payment of fees to the School	(2,187,517)	(2,840,409)
Balance at 31 July 2021	<hr/> 4,082,100	<hr/> 2,832,013

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	41,108,674	-	-	41,108,674
Fixed asset investments	5,972,380	-	1,490,542	7,462,922
Current assets	9,668,735	798,172	23,417	10,490,324
Creditors due within one year	(6,411,746)	-	-	(6,411,746)
Creditors due in more than one year	(7,812,761)	-	-	(7,812,761)
Provisions for liabilities and charges	(1,998,000)	-	-	(1,998,000)
<b>Total</b>	<b>40,527,282</b>	<b>798,172</b>	<b>1,513,959</b>	<b>42,839,413</b>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Endowment funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	42,324,161	-	-	42,324,161
Fixed asset investments	4,800,957	-	1,315,789	6,116,746
Current assets	5,839,600	786,685	21,851	6,648,136
Creditors due within one year	(5,675,029)	-	-	(5,675,029)
Creditors due in more than one year	(7,780,718)	-	-	(7,780,718)
Provisions for liabilities and charges	(2,858,000)	-	-	(2,858,000)
<b>Total</b>	<b>36,650,971</b>	<b>786,685</b>	<b>1,337,640</b>	<b>38,775,296</b>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

22. Statement of funds

Statement of funds - current year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 July 2021 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated funds	1,606,097	42,094	-	888,164	213,515	2,749,870
<b>Unrestricted funds</b>						
General funds	37,896,561	28,670,494	(27,081,985)	(27,271)	334,299	39,792,098
Subsidiary trading	6,313	1,382,044	(722,436)	(682,607)	-	(16,686)
Pension scheme funding deficit	(2,858,000)	-	87,000	-	773,000	(1,998,000)
	<u>35,044,874</u>	<u>30,052,538</u>	<u>(27,717,421)</u>	<u>(709,878)</u>	<u>1,107,299</u>	<u>37,777,412</u>
<b>Total Unrestricted funds</b>	<u>36,650,971</u>	<u>30,094,632</u>	<u>(27,717,421)</u>	<u>178,286</u>	<u>1,320,814</u>	<u>40,527,282</u>
<b>Endowment funds</b>						
Capital	1,195,506	-	-	-	163,356	1,358,862
Re-endowment fund	141,634	2,349	-	-	10,614	154,597
Hentschrew Prize Fund	500	-	-	-	-	500
	<u>1,337,640</u>	<u>2,349</u>	<u>-</u>	<u>-</u>	<u>173,970</u>	<u>1,513,959</u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

22. Statement of funds (continued)

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 July 2021 £
<b>Restricted funds</b>						
Shrewsbury School Foundation	60,800	664,128	(495,653)	(178,286)	-	50,989
Guyer Family Prize	180	40	(40)	-	-	180
Hentschrew Prize	80	-	-	-	-	80
Darwin Scholarship	7,212	-	-	-	-	7,212
Hargreaves Legacy	500	-	-	-	-	500
Salopian Club	-	16,120	(16,120)	-	-	-
Duffell Prize Fund	4,940	-	-	-	-	4,940
Shrewsbury School Parents' Association	-	365	(365)	-	-	-
Consolidated Fund: Unappropriated income	605,431	36,161	(15,088)	-	-	626,504
COVID Support	17,956	8,110	(26,066)	-	-	-
Art Fund	2,000	-	-	-	-	2,000
DFE Grant - Cross Partnership Grant	-	20,000	(922)	-	-	19,078
Gym Fund	-	1,400	-	-	-	1,400
External Bursaries	-	860	(860)	-	-	-
Packwood - Redevelopment of Science Facilities	85,289	-	-	-	-	85,289
Packwood - COVID Support	2,297	-	(2,297)	-	-	-
	<u>786,685</u>	<u>747,184</u>	<u>(557,411)</u>	<u>(178,286)</u>	<u>-</u>	<u>798,172</u>
<b>Total of funds</b>	<u><u>38,775,296</u></u>	<u><u>30,844,165</u></u>	<u><u>(28,274,832)</u></u>	<u><u>-</u></u>	<u><u>1,494,784</u></u>	<u><u>42,839,413</u></u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

22. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 August 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/(out) £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 July 2020 £</i>
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated Funds - all funds	1,317,388	32,279	-	381,531	(125,101)	1,606,097
<b>Unrestricted funds</b>						
General funds	32,149,590	31,274,065	(26,680,045)	973,213	179,738	37,896,561
Subsidiary trading	101	1,483,465	(762,416)	(714,837)	-	6,313
Pension scheme funding deficit	(1,462,000)	-	103,000	-	(1,499,000)	(2,858,000)
	30,687,691	32,757,530	(27,339,461)	258,376	(1,319,262)	35,044,874
<b>Total Unrestricted funds</b>	32,005,079	-	(27,339,461)	639,907	(1,444,363)	36,650,971
<b>Endowment funds</b>						
Capital	1,329,944	-	-	-	(134,438)	1,195,506
Re-endowment fund	124,549	25,820	-	-	(8,735)	141,634
Henschrew Prize Fund	500	-	-	-	-	500
	1,454,993	25,820	-	-	(143,173)	1,337,640

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

22. Statement of funds (continued)

	<i>Balance at 1 August 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/(out) £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 July 2020 £</i>
<b>Restricted funds</b>						
Shrewsbury School Foundation	401	1,252,092	(551,836)	(639,857)	-	60,800
Guyer Family Prize	170	40	(30)	-	-	180
Hentschrew Prize	80	-	-	-	-	80
Darwin Scholarship	7,212	-	-	-	-	7,212
Hargreaves Legacy	500	-	-	-	-	500
Bursary Fund	-	6,423	(6,423)	-	-	-
Salopian Club	-	17,292	(17,292)	-	-	-
Duffell Prize Fund	4,940	-	-	-	-	4,940
Shrewsbury School Parents' Association	-	315	(315)	-	-	-
Consolidated Fund: Unappropriated income	584,296	36,156	(15,021)	-	-	605,431
COVID Support	-	17,956	-	-	-	17,956
Art Fund	-	2,000	-	-	-	2,000
Sports Leaders Fund	-	400	(400)	-	-	-
Packwood - Redevelopment of Science Facilities	-	85,289	-	-	-	85,289
Packwood - COVID Support	-	2,297	-	-	-	2,297
Packwood - Theatre development	-	50	-	(50)	-	-
	<u>597,599</u>	<u>1,420,310</u>	<u>(591,317)</u>	<u>(639,907)</u>	<u>-</u>	<u>786,685</u>
<b>Total of funds</b>	<u><u>34,057,671</u></u>	<u><u>1,446,130</u></u>	<u><u>(27,930,778)</u></u>	<u><u>-</u></u>	<u><u>(1,587,536)</u></u>	<u><u>38,775,296</u></u>

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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#### Statement of funds (continued)

##### Designated Fund

A fund established by the Governors to assist future pupils with bursarial support to attend the School.

##### Re-endowment Fund

A fund established in 1924 to contribute to the upkeep of the estate and to the support of pupils at Shrewsbury School who are in financial need.

##### Shrewsbury School Foundation

A registered charity supporting a range of educational objectives through financial contributions to Shrewsbury School and its pupils. Donations received totalled £664,127 (2020 - £1,252,092) of which £490,810 (2020 - £541,259) was given to support bursaries awarded to pupils, £133,288 (2020 - £639,859) to assist with the construction and refurbishment of building (Barnes Theatre, Library and the Chatri Design Centre), £25,019 (2020 - £Nil) towards a new boat, £15,010 (2020 - £10,976) to assist in funding educational activities and £Nil (2020 - £60,000) for marketing activities.

##### Guyer Family Prize

An annual prize for an outstanding contribution to the music department.

##### Hentschrew Prize

An annual prize to the boy in the School House who contributes most to the well running of the house, in a social rather than academic or sporting context.

##### Darwin Scholarship

A scholarship awarded to pupils attending the School from Hong Kong who are judged outstanding academically, in the arts, music or sport.

##### Hargreaves Legacy

A legacy left by an old boy, to be used for educational purposes.

##### Bursary Fund

A donation to assist in the provision of bursaries to pupils attending the School.

##### Salopian Club Fund

The donations received from the Salopian Club to assist with costs relating to staff and the Salopian magazine.

##### Duffell Prize Fund

A donation received to fund a prize to a pupil who excels in design and technology.

##### Shrewsbury School Parents' Association

A donation received to assist with the purchase of books for new pupils joining the School.

##### Consolidated Fund

A consolidation of 70 small funds the income from which, is used to provide prizes, scholarships and bursaries to pupils at Shrewsbury School.

##### COVID Support

Donations received to assist the School with additional costs relating to COVID 19.

##### Art Fund

A donation received to support the Art Department.

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

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**Statement of funds (continued)**

Sports Leaders Fund

A donation received to support pupil activities.

DFE Grant - Cross Partnership Grant

Grant received, to support impactful, sustainable, and mutually beneficial partnerships with School's in the State Sector.

Gym Fund

Donations received to assist improving the gym facilities in one of the School's boarding houses.

External Bursaries

Donations received assist pupils who would not otherwise be able to attend Shrewsbury School.

Packwood - Redevelopment of Science Facilities

Donations received to assist with the redevelopment costs of the science facilities at Packwood Haugh School.

Packwood - COVID Support

Donations received to assist the School, with additional costs relating to COVID 19.

Packwood - Theatre development

Donation received to assist with the development of the Theatre at Packwood Haugh School, which was completed in previous years.

Transfers between funds

The transfer between restricted and general funds of £178,286 (2020 - £639,907) represents capital items purchased from restricted funds (capital items purchased are in accordance with the donors wishes).

The transfer between general and designated funds of £888,164 (2020 - £381,531) represents the transfer approved to the designated fund by the Trustees during the year.

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

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23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	Group 2020 £
Net income for the year (as per Statement of Financial Activities)	3,291,117	6,216,625
<b>Adjustments for:</b>		
Depreciation charges	2,547,472	2,500,152
(Gains)/losses on investments	(721,784)	88,536
Dividends and interest from investments	(106,773)	(122,323)
(Profit)/loss on the sale of fixed assets	(885,205)	422
Decrease/(increase) in stocks	18,129	(49,247)
Increase in debtors	(99,422)	(382,137)
Increase in creditors	1,814,059	176,864
Pension scheme movement	(87,000)	(103,000)
Interest paid on borrowings	103,332	99,402
Packwood Haugh School fixed assets transferred in	-	(4,653,324)
<b>Net cash provided by operating activities</b>	<b>5,873,925</b>	<b>3,771,970</b>

24. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash at bank	8,256,938	4,496,043
Cash held in investments	3,673	535,144
<b>Total cash and cash equivalents</b>	<b>8,260,611</b>	<b>5,031,187</b>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**

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**25. Analysis of changes in net debt**

	At 1 August 2020 £	Cash flows £	Other non- cash changes £	At 31 July 2021 £
Cash at bank	4,496,043	3,760,895	-	8,256,938
Cash held in investments	535,144	(531,471)	-	3,673
Debt due within 1 year	(1,046,792)	1,045,299	(584,580)	(586,073)
Debt due after 1 year	(4,042,223)	-	584,580	(3,457,643)
	<u>(57,828)</u>	<u>4,274,723</u>	<u>-</u>	<u>4,216,895</u>

**26. Capital commitments**

At 31 July 2021 the group and charity had capital commitments as follows:

	Group 2021 £	Group 2020 £
Contracted for but not provided in these financial statements	<u>2,510,994</u>	<u>218,271</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

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**27. Pension commitments**

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,725,910 (2020 - £1,708,402) and at the year-end £213,270 (2020 - £214,096) was accrued in respect of contributions to this scheme.

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

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

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

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

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

In view of the above rulings and decisions, the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**

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**27. Pension commitments (continued)**

**Shrewsbury School (1971) Pension and Life Assurance Scheme**

The School has a defined benefit pension scheme for certain support staff (Shrewsbury School (1971) Pension and Life Assurance Scheme) and its assets are invested in pooled tracker investment funds and a property fund with Legal & General Investment Managers. The scheme has been closed to new members since 2021.

The amounts in the financial statements for the year ended 31 July 2021, relating to pensions, are based on a full actuarial valuation dated 31 May 2019.

The valuation, as of 31 May 2019, revealed a funding deficit of £753,000. In the Recovery Plan dated 7 May 2020, the School has agreed to pay contributions with the view to eliminating the shortfall by 31 May 2026. The School also pays contributions of 23.8% per annum of pensionable salaries to meet the cost of future accrual of benefits for active members of the Scheme, in line with the schedule of contributions dated 3 June 2020. In accordance with the Schedule of Contributions dated 3 June 2020, the School is expected to pay contributions of £138,000 over the next accounting period. The contributions paid by the School are reviewed every 3 years as part of each formal actuarial valuation. The Scheme's next actuarial valuation is due on 31 May 2022.

In addition, the School is expected to meet the cost of administrative expenses for the Scheme.

The liabilities of the Scheme are based on the current value of expected benefit payment cashflows to members approximately over the next 60 years. The average duration of the liabilities is approximately 15 years.

The deficit is partly secured on the following properties: 33 Porthill Road, 23 and 23a Aston Road.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	<b>At 31 July 2021</b>	<i>At 31 July 2020</i>
	%	%
Discount rate	<b>1.50</b>	<b>1.30</b>
Future salary increases - pre 2030	<b>2.35</b>	<b>1.95</b>
Future salary increases - post 2030	<b>3.05</b>	<b>1.95</b>
Inflation assumption (RPI) - pre 2030	<b>3.25</b>	<b>2.85</b>
Inflation assumption (RPI) - post 2030	<b>3.05</b>	<b>2.85</b>
Inflation assumption (CPI) - pre 2030	<b>2.35</b>	<b>1.95</b>
Inflation assumption (CPI) - post 2030	<b>3.05</b>	<b>1.95</b>
Pre 6/4/1997 (fixed 3%)	<b>3.00</b>	<b>3.00</b>
Post 6/4/1997 (RPI min 3%, max 5% - Option A members) - pre 2030	<b>3.65</b>	<b>3.50</b>
Post 6/4/1997 (RPI min 3%, max 5% - Option A members) - post 2030	<b>3.55</b>	<b>3.50</b>
Post 6/4/1997 (CPI min 3%, max 5% - Option B members) - pre 2030	<b>3.30</b>	<b>3.20</b>
Post 6/4/1997 (CPI min 3%, max 5% - Option B members) - post 2030	<b>3.55</b>	<b>3.2</b>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

27. Pension commitments (continued)

	At 31 July 2021 Years	At 31 July 2020 Years
Mortality rates (in years)		
- for a male aged 65 now	22.0	22.0
- at 65 for a male aged 45 now	23.0	23.0
- for a female aged 65 now	24.4	24.4
- at 65 for a female aged 45 now	25.6	25.5

**Sensitivity analysis**

	At 31 July 2021 £	At 31 July 2020 £
Discount rate +0.25%	(344,000)	(377,000)
RPI rate +0.25%	104,000	71,000
CPI rate +0.25%	37,000	25,000
Assumed life expectancy age 65 - increase by 1 year	280,000	292,000

The Group's share of the assets in the scheme was:

	At 31 July 2021 £	At 31 July 2020 £
Equities	2,866,000	2,267,000
Bonds	722,000	697,000
Property	879,000	806,000
Target return	1,187,000	1,065,000
Insurance annuities	1,607,000	1,886,000
Cash	88,000	158,000
<b>Total fair value of assets</b>	<b>7,349,000</b>	<b>6,879,000</b>

The actual return on scheme assets was £649,000 (2020 - £(51,000)).

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**

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**27. Pension commitments (continued)**

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2021 £	2020 £
Current service cost - within Schools and grant making	28,000	24,000
Net interest on pension scheme liabilities - within finance charges	37,000	29,000
<b>Total amount recognised in the Consolidated Statement of Financial Activities</b>	<u>65,000</u>	<u>53,000</u>

Movements in the present value of the defined benefit obligation were as follows:

	2021 £	2020 £
Opening defined benefit obligation	9,737,000	8,615,000
Contributions by scheme participants	3,000	4,000
Actuarial (gains)/losses	(211,000)	1,300,000
Benefits paid	(335,000)	(383,000)
Current service cost	28,000	24,000
Interest cost	125,000	177,000
<b>Closing defined benefit obligation</b>	<u>9,347,000</u>	<u>9,737,000</u>

Movements in the fair value of the Group's share of scheme assets were as follows:

	2021 £	2020 £
Opening fair value of scheme assets	6,879,000	7,153,000
Interest income	88,000	148,000
Actuarial gains/(losses)	562,000	(199,000)
Contributions by employer	152,000	156,000
Contributions by scheme participants	3,000	4,000
Benefits paid	(335,000)	(383,000)
<b>Closing fair value of scheme assets</b>	<u>7,349,000</u>	<u>6,879,000</u>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**

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**Pension commitments (continued)**

Reconciliation of funded status:

	2021 £	2020 £
Opening deficit	(2,858,000)	(1,462,000)
Employer contributions	152,000	156,000
Charge recorded in Statement of Financial Activities	(65,000)	(53,000)
Actuarial loss received in Statement of Financial Activities	773,000	(1,499,000)
	<u>(1,998,000)</u>	<u>(2,858,000)</u>

**28. Operating lease commitments**

At 31 July 2021 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group and Charity 2021 £</b>	<i>Group and Charity 2020 £</i>
<b>Group and Charity Amounts payable:</b>		
Within 1 year	39,543	52,287
Between 1 and 5 years	41,323	70,524
After more than 5 years	-	5,208
	<u>80,866</u>	<u>128,019</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	<b>Group 2021 £</b>	<i>Group 2020 £</i>
<b>Group and Charity</b>		
Operating lease rentals	<u>51,430</u>	<u>54,410</u>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**

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**29. Financial instruments**

	<b>Group 2021 £</b>	<i>Group 2020 £</i>	<b>Charity 2021 £</b>	<i>Charity 2020 £</i>
<b>Financial assets</b>				
Financial assets measured at fair value through income and expenditure	<u>7,462,922</u>	<u>6,116,746</u>	<u>7,462,922</u>	<u>6,116,746</u>

Financial assets measured at fair value through income and expenditure comprises investments in UK listed securities.

The Group's income, expense, gains and losses in respect of financial instruments are summarised below:

	<b>Group 2021 £</b>	<i>Group 2020 £</i>	<b>Charity 2021 £</b>	<i>Charity 2020 £</i>
Total investment income for financial assets measured at fair value through income and expenditure	106,773	122,323	106,773	122,323
Net (gain)/loss on financial assets measured at fair value through income and expenditure	721,784	(88,536)	721,784	(88,536)
Impairment loss /(gains) on financial assets measured at amortised cost	44,138	219,288	44,138	219,288
Total interest expense for financial liabilities held at amortised cost	<u>103,332</u>	<u>99,402</u>	<u>103,332</u>	<u>99,402</u>

**30. Related party transactions**

During the year Shrewsbury School had various transactions and balances outstanding at the year end with its two wholly owned trading subsidiaries, Shrewsbury School Enterprises Limited and Shrewsbury School Trading Company Limited. These are disclosed in note 6.

Governors' remuneration and expenses are disclosed in note 12 and key management personal remuneration is disclosed in note 13.

There are no other related party transactions to disclose.

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021

31. Consolidated Statement of Financial Activities for the year ended 31 July 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
<b>Income and endowments:</b>				
Grants and donations	4,358,558	1,384,154	23,471	5,766,183
<b>Charitable activities:</b>				
School fees	25,705,526	-	-	25,705,526
Other educational income	333,528	-	-	333,528
Other ancillary trading income	116,930	-	-	116,930
Other trading activities	1,483,465	-	-	1,483,465
Investments	83,818	36,156	2,349	122,323
Other income	707,984	-	-	707,984
<b>Total income</b>	<b>32,789,809</b>	<b>1,420,310</b>	<b>25,820</b>	<b>34,235,939</b>
<b>Expenditure on: Raising funds:</b>				
Trading activities	762,416	-	-	762,416
Fundraising costs	362,546	-	-	362,546
Financing costs	512,139	-	-	512,139
<b>Charitable activities:</b>				
Education and grant making	25,702,360	591,317	-	26,293,677
<b>Total expenditure</b>	<b>27,339,461</b>	<b>591,317</b>	<b>-</b>	<b>27,930,778</b>
<b>Net income before investment gains/(losses)</b>	<b>5,450,348</b>	<b>828,993</b>	<b>25,820</b>	<b>6,305,161</b>
Net gains/(losses) on investments	54,637	-	(143,173)	(88,536)
<b>Net income before transfers</b>	<b>5,504,985</b>	<b>828,993</b>	<b>(117,353)</b>	<b>6,216,625</b>
Transfers between Funds	639,907	(639,907)	-	-
<b>Net income before other recognised gains and losses</b>	<b>6,144,892</b>	<b>189,086</b>	<b>(117,353)</b>	<b>6,216,625</b>
Actuarial (losses)/gains on defined benefit pension schemes	(1,499,000)	-	-	(1,499,000)
<b>Net movement in funds</b>	<b>4,645,892</b>	<b>189,086</b>	<b>(117,353)</b>	<b>4,717,625</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	32,005,079	597,599	1,454,993	34,057,671
<b>Total funds carried forward</b>	<b>36,650,971</b>	<b>786,685</b>	<b>1,337,640</b>	<b>38,775,296</b>

**SHREWSBURY SCHOOL**

England & Wales - Charity number 528413

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# Accounts

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Charity number: 528413

**SHREWSBURY SCHOOL**

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2020**

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SHREWSBURY SCHOOL

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## SHREWSBURY SCHOOL

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 JULY 2020

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<b>Governors</b>	T.H.P. Haynes, BA, PGCE (Co-opted member), Chairman <sup>1,2,6</sup> S.R. Baker, BSc, FCA, CF (Co-opted member) <sup>1,4</sup> Councillor T.H. Biggins MA Appointed by Shropshire Council <sup>1,3,4</sup> R. Boys-Stones, BSc, FCA (Co-opted member) <sup>3</sup> D Chance MBA (Co-opted member) <sup>1,4</sup> J.R. Clark MA (Co-opted member) <sup>3,5,6</sup> Sir Peter Davis (Co-opted member) <sup>1,5</sup> Professor Sir C. Dobson, FRS Master of St. John's College, Cambridge (deceased 8 September 2019) <sup>5</sup> D. Flint, DL Appointed by the Lord Lieutenant of the County of Shropshire <sup>1,2,5</sup> C. Howarth, LLB (Co-opted member) <sup>2,6</sup> W.R.O. Hunter, QC (Co-opted member) (resigned 31 December 2019) <sup>2,6</sup> Dr S. Jones-Perrott MB, BS (appointed 31 August 2019) <sup>3,7</sup> Professor A.J. McCarthy BSc, PhD (Co-opted member) <sup>2,5</sup> J.M.H. Moir, BA, MBA (Co-opted member) <sup>1,7</sup> Councillor C.M. Motley B.A. Appointed by Shropshire Council <sup>1,5</sup> L. O'Loughlin, (Deputy-Chair) LLB (Hons) (Co-opted member) (resigned 31 December 2019) <sup>1,2,5</sup> J.D.C. Pitt MBA, BSc <sup>4</sup> F.L. Schofield BA, PGCE (Co-opted member) (appointed 1 January 2020) <sup>7</sup> D.R. Stacey DL (Co-opted member) (appointed 1 January 2020) <sup>1,3,7</sup> G. Walters BBLs <sup>6</sup> G Woods MA <sup>5</sup>
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- <sup>1</sup> Finance and General Purposes
- <sup>2</sup> Nominations and Remuneration Committee
- <sup>3</sup> Audit Committee
- <sup>4</sup> Investment Committee
- <sup>5</sup> Education and Safeguarding Committee
- <sup>6</sup> International Development Committee
- <sup>7</sup> The Prep School Committee

<b>Charity registered number</b>	528413
<b>Principal address and Registered Office</b>	The Bursary Kingsland House Shrewsbury School The Schools Shrewsbury SY3 7AA
<b>Headmaster</b>	L Winkley MA, MEd
<b>The Bailiff, Bursar and Clerk to the Governing Body</b>	M J Ware, MA, ACA

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SHREWSBURY SCHOOL

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS  
(CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2020

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<b>Independent auditor</b>	Crowe U.K. LLP Carrick House Lypiatt Road Cheltenham GL50 2QJ
<b>Bankers</b>	Handelsbanken Plc 1st Floor, Willow House West Shrewsbury Business Park Shrewsbury SY2 6LG  Lloyds Bank Plc 1 Pride Hill Shrewsbury SY1 1DG
<b>Investment Advisors</b>	Rathbone Investment Managers 8 Finsbury Circus London EC2M 7AZ

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT FOR THE YEAR ENDED 31 JULY 2020

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The Governors present their annual report for the year ended 31 July 2020, under the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter comply with the Act, the School's Statutes and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", the Charities SORP (FRS102) effective 1 January 2015.

#### REFERENCE AND ADMINISTRATIVE INFORMATION

The School was founded in 1552 as "The Free Grammar School of King Edward VI" and is registered with the Charity Commission under charity number 528413. The School's Governors, Officers and principal address and particulars of the School's professional advisers are as listed on pages 1-2.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing Document

Shrewsbury School is governed in accordance with the Shrewsbury School Statutes, approved by the Queen's Most Excellent Majesty, in Council on 12 October 2016.

##### Recruitment and Training of Governors

The School's Governing Body consists of both appointed and co-opted members.

The Master of St John's College Cambridge is an ex-officio member of the Governing Body. Three members are appointed to the Governing Body by persons or a body of persons as specified in the School's Statutes and effectively provide an informal link with Shrewsbury Town and its County. One member is elected by the Assistant Teachers of the School (Common Room).

Fourteen members (maximum) are co-opted by the current Governors, their names being brought forward for appointment by the Nominations and Remuneration Committee of the Governing Body. There is a regular audit of Governors' qualifications, skills and experience. Governors are encouraged to attend appropriate training courses and seminars.

New Governors are introduced to the workings of the School and the Governing Body largely by past financial statements, management accounts, minutes of Governor and sub-committee meetings, and a day's visit to the School, including meeting representatives of staff and employees. General information is provided in the School Statutes, the School Handbook, information for pupils, and Charity Commission regulations. Specific issues are addressed at an academic-year-end strategy meeting with the Headmaster. Governors are encouraged to keep abreast of new regulations. All Governors are required to undergo a Disclosure and Barring check for child protection purposes.

#### Organisational Management

The members of the Governing Body, as Trustees of the Charity, are legally responsible for the overall management and control of the School and meet as the full decision-making Governing Body of the School at least three times a year.

There are seven committees to which powers of investigation and recommendation are delegated, and which meet regularly under their respective chairmen. Minutes are kept of all meetings of the Trustees and of the Committees. Draft minutes are circulated to all Governors for discussion at meetings of the full Governing Body.

The Finance and General Purposes Committee (F&GP) is the working Committee responsible for making recommendations on the financial and operational policy to the Governing Body and for ensuring that the decisions and policies of the Governing Body are implemented. The F&GP meets at least three times a year, prior to full Governing Body meetings. The F&GP during the year was chaired by S. Baker.

The other committees are the Nominations and Remuneration Committee, chaired by L. O'Loughlin until 31

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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December 2019 and from 1 January 2020 by T Haynes; the International Development Committee, chaired by C. Howarth; the Audit Committee, chaired by R. Boys-Stones; the Investment Committee, chaired by D. Chance; the Education and Safeguarding Committee, chaired by Sir Peter Davis; and the Prep School Committee, chaired by M. Moir. Each Committee meets at least once a year.

The Governing Body has approved the terms of reference for each of the committees.

The day-to-day running of the School is delegated to the Headmaster, who is supported by the Bursar and their various management teams. The Packwood Haugh School Headmaster reports into the Headmaster of Shrewsbury School, and is supported by the Packwood Bursar and Packwood SLT. These groups form the key management personnel.

The Headmaster and the Bursar attend Governing Body and F&GP Committee meetings, and the meetings of other committees as appropriate. Other teaching and support staff attend Governing Body and committee meetings on an ad hoc basis to advise and inform Governors on specific areas of the School's activities.

Policies and guidelines for the effective governance and management of the School are regularly reviewed by the Audit Committee and their recommendations passed to the F&GP and the Governing Body for action.

The remuneration of the key management personnel of the School (Senior Leadership Team) is set by the Nominations and Remuneration Committee. The policy objectives are to provide appropriate incentives to encourage enhanced performance and to reward fairly and responsibly individual contributions to the School's success.

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

#### **Group Structure and Relationships**

During the year, the School had two wholly owned subsidiaries:

- Shrewsbury School Enterprises Limited (non-charitable); and
- Shrewsbury School Trading Company Limited (formerly Shrewsbury School Development Company Limited) (non-charitable).

The activities of these companies are discussed later in this report.

In addition, the School pays the employment, administrative and other costs and expenses of Shrewsbury School Foundation. These costs are categorised as fund raising costs within the Consolidated Statement of Financial Activities. The Governors have agreed that the School will incur these costs to the extent that Shrewsbury School Foundation exercises and continues to exercise its charitable objects (the "Shrewsbury School Charitable Objects") as set out in the Foundation Trust Deed.

Shrewsbury School and Packwood Haugh School both operate within the Shrewsbury School charity.

#### **Risk Management**

The Governing Body is responsible for the management of the risks faced by the School. Detailed analysis of the risks is delegated to the Audit Committee, assisted by the School's senior team. Risks are identified, assessed and controls established throughout the year. The risks are identified under the following headings; mission and objects; law and regulations; governance and management; external factors; marketing/pupil recruitment; academic factors; operational factors; human resources; environmental; technological and financial. A formal review of the major risks facing the School and the concomitant risk management processes is performed annually by the Governing Body.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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The key controls used by the School include:

- formal agendas and papers where appropriate for all Committee and Governing Body meetings with detailed minutes taken for each and circulated in draft to relevant participants and members unable to attend.
- clear and detailed terms of reference for each Committee.
- comprehensive strategic planning, budgeting and management accounting.
- timely, clear and accurate management financial information readily available.
- formal written policies agreed.
- established organisational management structure and lines of reporting.
- clear authorisation and approval levels for payments.
- Governors who have designated responsibility for child protection, health and safety, estates and admissions.

It is recognised that these control systems provide a reasonable, but not an absolute, assurance that risks are being managed properly. The Governors are satisfied that the major risks being faced by the School this year have been identified and are being adequately addressed in order to avoid each, or to mitigate the effects of an unavoidable occurrence.

#### **OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

##### Charitable Objects

The Objects of the Charity are the advancement of education, including the provision of boarding and day schooling.

Within these Objects the Charity has a number of permanent endowed funds held for special purposes in connection with the development of the School's facilities and for scholarships, bursaries, prizes and other educational purposes.

##### Public Benefit Aims and Intended Impact

Shrewsbury School was founded in 1552 by Royal Charter to provide charitable education in the Shrewsbury area. Today Shrewsbury attracts entrants from all over the United Kingdom – and also from abroad – whilst still retaining its strong links with the town and its citizens. Its many distinguished Alumni have occupied high office and achieved hugely in the fields of science, the artistic and cultural life of the country, sport, academia, the professions, politics, business and in many other ways as may be seen from the School's website ([www.shrewsbury.org.uk](http://www.shrewsbury.org.uk)). Since August 2019 Packwood Haugh School has become part of the overall Shrewsbury School charitable entity.

Shrewsbury School's aim is to offer a first class education to pupils between the age of 13 and 18, which at least matches – and hopefully exceeds – that found in the best independent boarding schools in the United Kingdom. Those at Shrewsbury experience depth of educational excellence, the opportunity to participate in a wide range of sporting and other extra-curricular activities, adventure and community responsibility.

Packwood Haugh School operates as an independent boarding and day Preparatory School for boys and girls aged from 4 to 13. Packwood covers all that is required by the National Curriculum Key Stages 1 and 2, and the first two years of Key Stage 3 and substantially more. Packwood aims for the highest quality of academic tuition and pastoral care and the development of wider sporting, artistic and social skills in all its pupils, while offering an environment in which each pupil can develop and fulfil their potential.

In short, at both schools the purpose is to encourage young people to become fully rounded, well educated, and responsible citizens able and keen to contribute to their communities.

In setting both schools' objectives and planning of activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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guidance on advancing education and fee charging.

Shrewsbury and Packwood provide substantial public benefit not only to the recipients of educational grants but also to the local community and a wider public. With effect from September 2019, Shrewsbury School appointed a member of its Senior Leadership Team as Head of Partnership and Community Engagement in order to focus the different strands of activity in this area and to measure the impact on beneficiaries. In October 2020, Shrewsbury School shared the award for Community Outreach at the Independent School of the Year Awards.

Educational grants and widening access to the School

Scholarships, bursaries and other awards are made available from three sources: funds controlled by the Governing Body as Trustees; funds managed by the Trustees of the Shrewsbury School Foundation; and the general income of the School. In the year, 317 (2019 - 299) pupils were assisted of whom 170 were means tested (2019 -164). The value of this means tested support was £2,452,712 (2019 - £2,281,139). This figure includes 11 pupils (2019 - 8) who were in receipt of 100% means tested remissions.

Packwood offered £319,273 in bursary and scholarship support in 2019-20, of which £201,718 was means tested.

Such a significant level of fee support is in keeping with the aims of the schools and underscores the charitable purpose.

Partnerships with local schools and the Shrewsbury House, Everton "The Shewsy"

Shrewsbury School engages in substantial charitable fund raising for both local and national organisations. Of special interest is the School's on-going financial support for Shrewsbury House, a youth club in Liverpool established by the School in 1903 to serve the needs of the deprived local community. In addition to fund raising, Shrewsbury School provides accounting and other services, free of charge, to Shrewsbury House and regularly makes arrangements for members of 'The Shewsy' to come to Shrewsbury School during the course of a year.

Partnership activity with local schools includes Shrewsbury School providing rehearsal and other facilities, welcoming participation from local students at weekly careers lectures and annual conferences, and academic teaching in classics, which is offered at a local state school at zero cost to that school.

Examples of other partnership activities are described below.

#### Case Study 1 - Shrewsbury Academy

During the year, Shrewsbury School has run two sessions each week of Maths for Year 11 pupils from Shrewsbury Academy followed by tea in the school canteen (except during COVID 19 period). The aim is to boost the top and re-engage the bottom Year 11 pupils. We have received good feedback from pupils and staff on the impact of these sessions.

#### Case Study 2 - Priory School

The Hispanic Fellow, employed by Shrewsbury School, was seconded one morning a week at no charge to Priory School to support GCSE Spanish oral work for Year 10 and Year 11 pupils.

#### Case Study 3 - Marches Multi Academy Trust (MMAT)

Pupils from MMAT given access to UCAS and HE talks hosted by Shrewsbury School. Heads of Faculties and teachers are offered one-to-one or small group subject specific tutorials to pupils from MMAT as part of their Oxbridge preparation.

In March 2020 it was confirmed that Shrewsbury School's joint bid with MMAT for the DfE Systems Partnership grant had been successful, with a development grant of £20,000 which will be match-funded by the Shrewsbury School in support of wider Maths provision and Year 10 careers programmes.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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#### Other community engagement

More broadly, local schools, clubs and other organisations make use of both schools' facilities either free of charge or at rates below commercial levels.

As well as supporting charitable fundraising by pupils and staff, Shrewsbury School regularly makes available its facilities to various external charities, either at no cost to the charity or at heavily discounted rates to cover school costs.

School staff are encouraged to participate in the local and wider community, providing their time free of charge. Such participation ranges from acting as Governors of local schools to assisting organisations with productions in the performing arts.

Shrewsbury School's annual concert series is open to the public and is well attended by members of the local community.

A detailed inventory of the extensive charitable activity has been compiled and is updated periodically. In addition, the schools record partnership activity on the schoolstogether.org website.

#### Fundraising

Shrewsbury School did not participate in any fundraising activities during the year and therefore there are no fundraising disclosures necessary under S162A of the Charities Act.

#### Objectives for the Year

This year, the focus has been on:

- Continuing to provide broad access to the School via the provision of scholarship and bursary funding to enable pupils to attend the School who otherwise would not have the financial resources to do so.
- The completion of the Barnes Theatre in Summer 2020.
- Implementation of the strategic plan adopted by the Governing Body in September 2019.

In addition, there has been considerable focus on maintaining the continuity of educational provision for all our pupils during the COVID 19 pandemic at both Shrewsbury School and Packwood Haugh.

#### REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

##### Operational Performance of the School

There were two major events affecting the School during 2019-20, the merger with Packwood Haugh in August 2019, and the evacuation of pupils from both school sites during the COVID 19 lockdown, starting in March 2020.

##### Packwood Haugh merger

The assets, liabilities, employees and trading activities of Packwood Haugh were transferred to Shrewsbury School on 1 August 2019. Packwood Haugh is a prep school, providing both boarding and day schooling to girls and boys between the ages of 4 to 13. Packwood Haugh, under the Headship of Rob Fox, retains its own identity, name, uniform and distinctiveness. The Headmaster of Packwood reports directly to the Headmaster of Shrewsbury School. The Prep School Governors' Committee has responsibility for overseeing the running of Packwood Haugh.

##### COVID 19 adjustments

In March 2020 based on government instructions both school sites closed, except for the children of key workers, and education of pupils was continued via on-line transmission of lessons (Remote Learning). Pastoral support and co-curricular were also provided remotely. It is worth noting the drive and ingenuity of Shrewsbury School and Packwood Haugh staff in developing and delivering an effective programme of 'education in remote'.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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The Governing Body agreed to make adjustments to reduce the fees at both schools for Summer Term via an Extra-ordinary Governing Body meeting in March 2020. Although the schools have been able to recoup some of the costs of boarding staff via the furlough scheme (CJRS), both schools had an operational deficit for the Summer Term 2020. Boarding and other staff who had no work while the school sites were shut were put on furlough leave for April, May and June 2020. The charity received £707,984 in furlough payments under the CJRS.

This year, Shrewsbury School numbers averaged 808 (2019 – 790) pupils of whom 612 (2019 – 619) were boarders and 196 (2019 – 171) were day pupils. Packwood Haugh School numbers averaged 180 of whom 68 were boarders.

Shrewsbury School pupil numbers at the start of the 2020/21 academic year were 819, and Packwood Haugh had 174 pupils.

It was an extra-ordinary year for A Levels and GCSEs. The exams were cancelled and, after some last minute changes, pupils had a choice between their Centre Assessed Grades which were subject to adjustment via an algorithm and the original grades set by the school. As a result of this 84.6% of A Level candidates received the equivalent of A\* to B, and 71.4% of GCSE candidates received grades A\* to A. Given the confusion of the assessment process it is not really appropriate to make the usual comparatives to previous years. What can be said is that these results are a fair set of outcomes for the pupils in question. Nobody has received a grade that is lower than what is just, and several have exceeded even the school's appraisal of their ability as a result of the Ofqual Algorithm.

Outside the classroom Shrewsbury School and Packwood Haugh School continued provide a wide range of co-curricular activities with many notable artistic performances, and achievements on the playing field.

#### Grants and Awards

The School, despite not possessing a large endowment reserve, continues to support and assist pupils to come to Shrewsbury. During the year the School awarded a total of £3,636,849 (2019 - £3,430,766) of scholarships, grants, prizes, bursaries and other allowances to pupils, of which £561,506 came from restricted funds, including £541,259 (2019 - £559,016) from Shrewsbury School Foundation.

The balance of scholarships, grants, prizes, bursaries and other allowances were made from the School's own general reserves.

The School holds a scholarship competition for suitably qualified candidates under the age of 14 each year. It awards four Butler Scholarships up to a value of 30% of fees; up to four Kennedy Scholarships; and two Moss Scholarships worth up to one-fifth of fees; and up to seven Alington Exhibitions worth £2,000 per year. There are also up to four Music Scholarships worth up to 30% of fees, each year, and two Art Scholarships worth one-fifth of fees. For entrants to the School at Sixth Form level, there are a range of academic, music and sporting awards. In addition, the School offers two means tested Sixth Form sporting scholarships worth up to 100% of fees.

Foundation Bursaries are awarded to pupils who will make a significant contribution to the School whether it be academically, in sport or through the arts. The funding for these awards comes from the Shrewsbury School Foundation, which raises funds from former pupils who were residents in the particular house. In the year these awards totalled £86,101 (2019 - £159,649) and assisted 8 (2019 - 11) pupils. In addition to the Foundation Awards, Shrewsbury School Foundation provided a further £455,158 (2019 - £399,366) in funding to support other bursaries.

The Governors approved a detailed grant making policy in June 2008 and this policy is published on the School's website. In short, the Governors' policy is to make bursary awards on the basis of the individual's educational ability and his or her family's ability to pay, subject to the particular conditions imposed by the original donor where the award is taken from restricted funds.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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#### Financial Review and Results for Year

The financial statements reflect the activities and results of the Charity (Shrewsbury School and Packwood) and its two subsidiary companies, Shrewsbury School Enterprises Limited and Shrewsbury School Trading Company Limited.

The group had net incoming resources of £6,216,625 (2019 - £2,158,178) for the year. This surplus included, as a donation, £4,443,847 relating to the transfer of the assets and liabilities of Packwood Haugh on the merger of the Schools on 1 August 2019. Excluding the aforementioned donation, the group had net incoming resources of £1,772,778. This shortfall compared to the previous year, reflected the reduction in school fees charged for the Summer Term, the significant reduction in commercial letting, offset by the receipts under the Government's furlough scheme and reduction in expenditure due to closure of both School sites for the Summer Term (particularly in relation to boarding and catering facilities).

During the year, the School completed the extension and refurbishment of the Barnes Theatre. Although this was delayed several months during the COVID 19 lockdown, this was completed in Summer 2020. In order to assist with the funding of the Barnes Theatre the School, in April 2020, secured a £2,000,000 loan from Handelsbanken Plc, over a six year (the first year being interest only, the capital being repaid over 5 years).

The School's strategic plan assumes the following means of financing the continued investment in the School's facilities:

- Achieving operating surpluses that generate substantial cash flows. This involves continuously reviewing the cost base of the School in all areas to ensure best use is being made of the School's resources, while maintaining a commitment to excellence; and
- Shrewsbury School Foundation will continue to provide financial support for the School. This is primarily in the form of funding for scholarships and bursaries, including Foundation Bursaries, but also includes donations towards specific building projects; and
- For large capital projects, the School will consider borrowing funds in the medium term, whilst ensuring that the overall level of borrowing is prudent; and
- Further increasing the commercial income of the School: new or refurbished School facilities are designed not only for use by the School, but also for commercial lettings, and to maximise the opportunity for the wider community; and
- Increase income generated by the School's overseas activities.

Net assets increased to £38,775,296 from £34,057,671. The increase comprised net incoming resources of £6,216,625 (including the Packwood asset/ liability donation of £4,443,847, and reduction in the market value of School investments of £88,536) and a £1,499,000 actuarial loss relating to School's defined benefit pension scheme under FRS 102.

The School's defined benefit scheme deficit, as calculated under the requirements of Financial Reporting Standard 102 (FRS102) increased by £1,499,000 compared to the previous year and as valued under FRS102 assumptions is now £2,858,000. The increase in the deficit is the result of the market conditions at the year-end (due to COVID19), with liabilities increasing substantially due to the reduction in corporate bond yields which are used to value the liabilities of the Scheme.

Capital expenditure totalled £3,899,685, of this £2,827,454 related to the redevelopment of the Barnes Theatre; £283,964 on information technology, £182,015 on the design and planning of the refurbishment of Riggs Boarding House; £89,800 on the purchase of laundry machinery and £76,788 on the establishment of a Lower School Common Room;

The School's two subsidiary companies continued to trade during the year. Shrewsbury School Enterprises Limited remained the vehicle through which the School conducts its overseas school business; Shrewsbury School Trading Company Limited, continued to operate the School shop, sporting and leisure activities and commercial lets of the School premises. As a result of COVID19, all the commercial lettings were cancelled over Easter and the Summer, this had a significant impact on the trading results of Shrewsbury School Trading Company Limited. Any profits made by these companies, in excess of operating needs, are gift aided to the

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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School.

#### International School Developments

The International Development Director has continued to work with the IDC committee to cement relationships with Shrewsbury International Asia (SIA), as well as to review opportunities in other parts of the world.

- Shrewsbury International School Bangkok (Riverside) provides an important income stream, reflecting the success of the venture. The site was a new build and opened in 2003, it currently has 1,783 pupils, aged between 3 to 18. There is a close working relationship between the schools.
- Shrewsbury International School Bangkok (City Campus) and Shrewsbury School International School, Hong Kong completed a second successful year of operation.
- The SIA high schools in mainland China moved closer to the operating stage

Further information regarding the Bangkok Schools can be found at [www.shrewsbury.ac.th](http://www.shrewsbury.ac.th) and for the Hong Kong School at [www.shrewsbury.hk](http://www.shrewsbury.hk)

#### Fundraising Performance

The School received £5,766,183 (2019 - £885,592) in donations during the year of this £4,443,847, related to the transfer of assets and liabilities from Packwood Haugh. Actual donations received totalled £1,322,336, of this amount £1,252,092 was donated by Shrewsbury School Foundation to the School.

Shrewsbury School Foundation (a separate Charity) raise funds to donate to the School for bursary support, capital and educational projects. In the current year the School received from the Foundation, £639,857 for capital projects (mainly the Barnes Theatre), £541,259 to support bursaries, £10,975 to fund small capital and educational projects and £60,000 for marketing activities.

In addition, £17,292 was received from the Salopian Club relating to staff and the Salopian Magazine. Other donations received were, £23,471 to be invested in the Endowment Fund; £19,590 to assist in future costs relating to COVID19; £6,422 to support bursaries and £3,469 to support educational projects.

#### RESERVES POLICY

The School does not possess large endowment reserves to generate income to assist in the financing of the School.

At the year-end Endowed Funds totalled £1,337,640 and Restricted Funds totalled £786,685, because of the particular spending constraints attached to them they are not available for funding the general operations of the School. Unrestricted Funds totalled £36,650,971 are expendable in accordance with the Objects of the School. However, these unrestricted funds, together with specific long-term bank finance, have already been invested by the Governing Body in the building, development and refurbishment of School buildings and other fixed assets used by the School. Accordingly, there are no current free reserves (unrestricted funds less the net book value of fixed assets financed by those funds).

Given our plans for new buildings, this nil balance will continue for several years. This is in accordance with the long-term plans of the Trustees for the development of the School and they are satisfied that the resources available to the School through external bank finance is adequate for its projected requirements. In addition to the operational land and buildings, the School owns residential properties for housing some of its staff.

There are also artefacts and works of art, which have been acquired and accumulated over very many years. These are of huge educational and wider cultural benefit to the School community and some are made available, under appropriate conditions, to external researchers and scholars. They are not revalued in the Balance Sheet and the Governors are of the view that there is no benefit to be gained from incurring the costs of valuations other than for insurance purposes.

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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The annual revenue expenditure requirements of the School are generally met from annual income. Prudent budgeting and tight financial control are designed to ensure that adequate but not excessive cash headroom is maintained, and this is supported by a seasonal overdraft facility. Cash balances have been held at a higher than usual level during the recent pandemic as a precaution against uncertainty.

The Governors are confident that the capital development plan can be achieved by the policies set out above, supported by prudent borrowing and support from Shrewsbury School Foundation.

The Governors have established a designated fund, which aims to provide bursarial support to enable pupils to attend the School. The intention of the Governors is to allocate a proportion of the School's commercial income each year, based on an agreed calculation, subject to operating requirements. The intention is to build up the fund in the next 2 to 3 years, and at that point, income from it will be used to provide bursarial support to pupils attending the School. During the year, the Trustees allocated £381,531 to the fund. At the year end the value of this designated fund was £1,606,097.

#### INVESTMENT POLICY

The Governors, as Trustees, have wide powers to invest in property and securities, including stocks and shares.

The Governors review, on a regular basis, the investment profile of the School, the risks and returns achieved and the likely future performance.

The fees in advance funds are invested in a targeted return fund with the aim of generating above inflation returns, while providing the security of investments backing the two years fees in advance liabilities.

The policy of the School with regard to endowed and designated investments is to ensure that they produce a regular and growing income stream, together with capital growth. This policy is implemented by the School's investment advisors Rathbones Investment Managers. Funds are invested either directly in equities and corporate bonds, or in unitised funds and other authorised instruments both in the UK and overseas. The Investment Committee has agreed an internal benchmarking target, with Rathbones and the performance of the investments are benchmarked against this target. The benchmark performance for the year to 31 July 2020 was a negative 3.96%. The School's investments averaged a negative return for the same period of 7.20%.

#### PRINCIPAL RISKS AND UNCERTAINTIES

As explained above, the Governors have considered the principal risks and uncertainties facing the School. The economic climate, especially during the COVID 19 pandemic, affects the ability of parents to afford the school fees, and the affordability of fees is considered as an important factor in the long term financial planning. In terms of unexpected costs, the Governors ensure that insurance is in place for known and insurable risks. With a large built estate, the School also monitors and plans for foreseeable future building repairs, referencing to the condition survey conducted in 2010. The management team also monitor carefully the level of scholarships and bursaries to ensure that grant commitments are maintained at a sustainable level, carefully reviewing the future grant funding available from Shrewsbury School Foundation.

The School has also considered non-financial risks and as the health and safety of the pupils and staff is paramount, they consider any potential breach to be a principal risk. To mitigate this they have developed policies to ensure the regulations and guidelines for the welfare of pupils and staff are observed.

#### FUTURE PLANS

- The communication and implementation of the revised strategic plan for the next decade
- The continued development of a cross sector programme of partnership and community engagement
- Revision of the Bursaries policy with a focus on transformative bursaries
- The extension and renovation of Rigg's Hall (construction phase July 2020 to March 2021).

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## SHREWSBURY SCHOOL

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### GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

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#### ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governing Body is required by law to prepare financial statements for each financial year, which give a true and fair view of the financial activities of the Charity and of its financial position at the end of that year. In preparing those financial statements the Governing Body is required to:

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

In the current uncertain economic climate the Governing Body has specifically reviewed future school cashflows and is confident that it is appropriate to produce financial statements on a going concern basis.

The Governing Body is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011 and the Shrewsbury School Statutes, approved by the Queen's Most Excellent Majesty, in Council on 12 October 2016. It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In determining how amounts are presented within items in the statement of financial activities and balance sheet, the Governors have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

So far as each of the Governors is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors Crowe U.K. LLP have indicated their willingness to remain in office.

This report was approved by the Governors, on 28 November 2020 and signed on their behalf by:



**T.H.P. Haynes**  
Chairman

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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL

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#### Opinion

We have audited the financial statements of Shrewsbury School (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 July 2020 set out on pages 16 to 63. 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards 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 been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 July 2020 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent 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.

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## SHREWSBURY SCHOOL

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### INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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#### Other information

The Governors 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

#### Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement, the Governors are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the Group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

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SHREWSBURY SCHOOL

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INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SHREWSBURY SCHOOL (CONTINUED)

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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the 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: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**Use of our report**

This report is made solely to the charity's Governors, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

*Crowe UK LLP*

**Crowe U.K. LLP**  
Statutory Auditor  
Carrick House  
Lypiatt Road  
Cheltenham  
GL50 2QJ

Date: 6 January 2021

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

SHREWSBURY SCHOOL

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 JULY 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income and endowments from:</b>						
Grants and donations	3	4,358,558	1,384,154	23,471	5,766,183	885,592
<b>Charitable activities:</b>						
School fees	4	25,705,526	-	-	25,705,526	23,476,512
Other educational income	5	333,528	-	-	333,528	310,329
Other ancillary trading income	5	116,930	-	-	116,930	334,448
Other trading activities	6	1,483,465	-	-	1,483,465	1,935,863
Investments	7	83,818	36,156	2,349	122,323	111,339
Other income	8	707,984	-	-	707,984	-
<b>Total income and endowments</b>		<b>32,789,809</b>	<b>1,420,310</b>	<b>25,820</b>	<b>34,235,939</b>	<b>27,054,083</b>
<b>Expenditure on:</b>						
<b>Raising funds:</b>						
Trading activities	9	762,416	-	-	762,416	1,076,367
Fundraising costs	9	362,546	-	-	362,546	396,813
Financing costs	10	512,139	-	-	512,139	239,877
<b>Charitable activities:</b>						
Education and grant making	11	25,702,360	591,317	-	26,293,677	23,396,901
<b>Total expenditure</b>		<b>27,339,461</b>	<b>591,317</b>	<b>-</b>	<b>27,930,778</b>	<b>25,109,958</b>
Net gains/(losses) on investments		54,637	-	(143,173)	(88,536)	214,053
<b>Net income/ (expenditure) before transfers</b>		<b>5,504,985</b>	<b>828,993</b>	<b>(117,353)</b>	<b>6,216,625</b>	<b>2,158,178</b>
Transfers between funds	22	639,907	(639,907)	-	-	-
<b>Net movement in funds before other recognised gains/(losses) carried forward</b>		<b>6,144,892</b>	<b>189,086</b>	<b>(117,353)</b>	<b>6,216,625</b>	<b>2,158,178</b>

SHREWSBURY SCHOOL

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)**  
FOR THE YEAR ENDED 31 JULY 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Note					
<b>Net movement in funds before other recognised gains/(losses) brought forward</b>	<b>6,144,892</b>	<b>189,086</b>	<b>(117,353)</b>	<b>6,216,625</b>	<i>2,158,178</i>
Actuarial losses on defined benefit pension schemes	27 (1,499,000)	-	-	(1,499,000)	<i>(165,000)</i>
<b>Net movement in funds</b>	<b>4,645,892</b>	<b>189,086</b>	<b>(117,353)</b>	<b>4,717,625</b>	<i>1,993,178</i>
<b>Reconciliation of funds:</b>					
Total funds brought forward	32,005,079	597,599	1,454,993	34,057,671	<i>32,064,493</i>
Net movement in funds	4,645,892	189,086	(117,353)	4,717,625	<i>1,993,178</i>
<b>Total funds carried forward</b>	<b>36,650,971</b>	<b>786,685</b>	<b>1,337,640</b>	<b>38,775,296</b>	<i>34,057,671</i>

The notes on pages 23 to 63 form part of these financial statements.

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**SHREWSBURY SCHOOL**

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**CONSOLIDATED BALANCE SHEET  
AS AT 31 JULY 2020**

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	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	14	42,324,161	36,271,726
Investments	15	6,116,746	5,796,650
		48,440,907	42,068,376
<b>Current assets</b>			
Stocks	16	310,020	260,773
Debtors	17	1,842,073	1,459,936
Cash at bank and in hand		4,496,043	3,916,824
		6,648,136	5,637,533
Creditors: amounts falling due within one year	18	(5,675,029)	(5,552,985)
<b>Net current assets</b>		<b>973,107</b>	<b>84,548</b>
<b>Total assets less current liabilities</b>		<b>49,414,014</b>	<b>42,152,924</b>
Creditors: amounts falling due after more than one year	19	(7,780,718)	(6,633,253)
<b>Net assets excluding pension liability</b>		<b>41,633,296</b>	<b>35,519,671</b>
Defined benefit pension scheme liability	27	(2,858,000)	(1,462,000)
<b>Total net assets</b>		<b>38,775,296</b>	<b>34,057,671</b>

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SHREWSBURY SCHOOL


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CONSOLIDATED BALANCE SHEET (CONTINUED)  
AS AT 31 JULY 2020

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	Note	2020 £	2019 £
<b>Charity funds</b>			
Endowment funds	22	1,337,640	1,454,993
Restricted funds	22	786,685	597,599
<b>Unrestricted funds</b>			
Unrestricted funds excluding pension asset	22	39,508,971	33,467,079
Pension reserve	22	(2,858,000)	(1,462,000)
Total unrestricted funds	22	<u>36,650,971</u>	<u>32,005,079</u>
<b>Total funds</b>		<u><u>38,775,296</u></u>	<u><u>34,057,671</u></u>

The financial statements were approved and authorised for issue by the Governors on 28 November 2020 and signed on their behalf by:

  
T.H.P. Haynes  
Chairman

  
S.R. Baker

The notes on pages 23 to 63 form part of these financial statements.

SHREWSBURY SCHOOL

CHARITY BALANCE SHEET  
AS AT 31 JULY 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	14	42,315,229	36,266,782
Investments	15	6,116,746	5,796,650
		<u>48,431,975</u>	<u>42,063,432</u>
<b>Current assets</b>			
Stocks	16	80,218	72,156
Debtors	17	2,153,777	1,898,397
Cash at bank and in hand		4,322,045	3,471,631
		<u>6,556,040</u>	<u>5,442,184</u>
Creditors: amounts falling due within one year	18	(5,580,314)	(5,352,793)
<b>Net current assets</b>		<u>975,726</u>	<u>89,391</u>
<b>Total assets less current liabilities</b>		<u>49,407,701</u>	<u>42,152,823</u>
Creditors: amounts falling due after more than one year	19	(7,780,718)	(6,633,253)
<b>Net assets excluding pension liability</b>		<u>41,626,983</u>	<u>35,519,570</u>
Defined benefit pension scheme liability	27	(2,858,000)	(1,462,000)
<b>Total net assets</b>		<u><u>38,768,983</u></u>	<u><u>34,057,570</u></u>

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SHREWSBURY SCHOOL

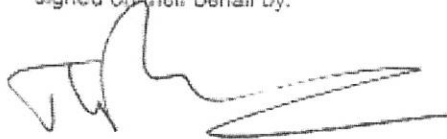
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CHARITY BALANCE SHEET (CONTINUED)  
AS AT 31 JULY 2020

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	Note	2020 £	2019 £
Charity funds			
Endowment funds	22	1,337,640	1,454,993
Restricted funds	22	786,685	597,599
Unrestricted funds			
Unrestricted funds excluding pension liability	22	39,502,658	33,466,978
Pension reserve	22	(2,858,000)	(1,462,000)
Total unrestricted funds	22	<u>36,644,658</u>	<u>32,004,978</u>
Total funds		<u><u>38,768,983</u></u>	<u><u>34,057,570</u></u>

The financial statements were approved and authorised for issue by the Governors on 28 November 2020 and signed on their behalf by:



T.H.P. Haynes  
Chairman



S.R. Baker

The notes on pages 23 to 63 form part of these financial statements.

SHREWSBURY SCHOOL

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JULY 2020**

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	23	3,771,970	4,220,590
<b>Cash flows from investing activities</b>			
Dividends and interest from investments		122,323	111,339
Purchase of tangible fixed assets		(3,899,685)	(1,326,061)
Proceeds from sale of investments		423,427	213,513
Purchase of investments		(469,458)	(695,380)
<b>Net cash used in investing activities</b>		<b>(3,823,393)</b>	<b>(1,696,589)</b>
<b>Cash flows from financing activities</b>			
Cash inflows from new borrowing		2,000,000	-
Repayments of borrowing		(907,347)	(853,231)
Interest paid on borrowings		(99,402)	(121,516)
<b>Net cash provided/(used) in financing activities</b>		<b>993,251</b>	<b>(974,747)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>941,828</b>	<b>1,549,254</b>
Cash and cash equivalents at the beginning of the year		4,089,359	2,540,105
<b>Cash and cash equivalents at the end of the year</b>	24	<b>5,031,187</b>	<b>4,089,359</b>

The notes on pages 23 to 63 form part of these financial statements

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 1. Legal status of the Charity

The School is governed in accordance with the Shrewsbury School Statutes approved by the Queen's Most Excellent Majesty in Council on 12 October 2016, whose registered office and primary place of business is Shrewsbury School, The Schools, Shrewsbury, SY3 7AA. It has no share capital. Its principal activity is the provision of boarding and day schooling. It is a registered Charity in England and Wales and its Charity registration number is 528413.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Shrewsbury School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. Please see note 6 for further details on the subsidiaries.

No separate SOFA has been presented for the Charity alone. The net result for the year relating to the School amounted to a surplus of £4,711,413 (2019 - £1,998,760).

##### 2.2 Going concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 12.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 2. Accounting policies (continued)

##### 2.3 Critical accounting estimates and areas of judgment

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

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

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

##### 2.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes.

Endowment funds are donations required to be retained as capital in accordance with the donors' wishes – permanent or expendable according to the nature of the restrictions. The costs of raising and administering such funds are charged against the specific fund.

The aim and use of each restricted and endowment fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 2. Accounting policies (continued)

##### 2.5 Income

All incoming resources are included in the Statement of Financial Activities when the School has entitlement to the income, the amount can be quantified with reasonable accuracy and the economic benefit to the School is considered probable.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School.

Income from other trading activities comprises revenue recognised by the School's wholly owned subsidiaries in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

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

Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where through the terms of an appeal or from the donor there is a trust law restriction on the use of any voluntary income, the income is credited to the relevant restricted fund or endowment. Gifts in Kind would be valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption or at the value to the School in the case of donated services of facilities.

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

##### 2.6 Expenditure

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Expenditure is accrued as soon as a liability is considered probable discounted to present value for longer term liabilities and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Liabilities are recognised where there is a legal or constructive obligation committing the entities to the expenditure.

Fundraising costs are those incurred in seeking voluntary contributions in relation to Shrewsbury School Foundation, a connected charity (Charity number 528415). Provided that, and so long as, Shrewsbury School Foundation exercises and continues to exercise its charitable objects in furtherance of the objects (the "Shrewsbury School Charitable Objects") set out in the Foundation Trust Deed, the School shall pay the employment, administrative and other costs and expenses of the Foundation in furthering Shrewsbury School's Charitable Objects.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Included in support costs of the School are bursary costs, payroll administration, budgeting and accounting, information technology, human resources and finance. School trip expenditure is included under support costs.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 2. Accounting policies (continued)

##### 2.6 Expenditure (continued)

Governance costs comprise the costs of running the charity including strategic planning for its future development, also internal and external audit, any legal advice for the Governors and all costs of complying with constitutional and statutory requirements such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

##### 2.7 Government grants

Government grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

##### 2.8 Tangible fixed assets and depreciation

Computer equipment costing more than £300 is capitalised and carried in the Balance Sheet at historical cost.

Major refurbishment expenditure, equipment, boats and vehicles costing more than £1,000 are capitalised and carried in the Balance Sheet at historical cost.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 10-50 years
Furniture, fixtures and fittings and equipment	- 3-10 years
Boats	- 10 years
Ground machines and vehicles	- 4-10 years

Depreciation is not charged on freehold land or assets under the course of construction.

Leasehold property is depreciated over the term of the lease.

Depreciation is calculated on a monthly basis.

The School owns a number of cultural and historic artifacts which are considered to be heritage assets. No value is attributed to them in the Balance Sheet and no depreciation is charged on the grounds that, for many of the assets, reliable historic cost information is not available and the depreciated historical cost of the assets is likely to be immaterial. In line with the Charity SORP, Shrewsbury School has not recognised these assets, as information to obtain their cost or value cannot be obtained at a cost commensurate with the benefit to the users of the accounts.

##### 2.9 Investments

Investments are stated at market value at the Balance Sheet date. The Consolidated statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost less provision for impairment.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 2. Accounting policies (continued)

##### 2.10 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### 2.11 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

##### 2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised costs using the effective interest method, less any impairment.

##### 2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.14 Fees in advance

Parents may, subject to contractual terms and conditions, pay to the School tuition fees in advance. The money may be returned, subject to specific conditions.

Investments are held to cover the next two years capital liabilities.

##### 2.15 Financial instruments

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

##### 2.16 Concessionary Loans

The loans from Shrewsbury School Foundation and Shropshire Council (see note 19) are considered to meet the criteria of concessionary loans under FRS 102. They have been recorded in the financial statements at face value.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 2. Accounting policies (continued)

##### 2.17 Pensions

The School operates a defined contribution pension scheme for non-teaching staff (Shrewsbury School (2001) Retirements Benefits Scheme). This scheme gives exemption from the requirement to offer a stakeholder pension scheme. During the year the total contributions were £323,667 (2019 - £251,924).

The School also contributes to a personal pension scheme for the benefit of certain Packwood Haugh School employees. The scheme is a defined contribution scheme administered by Scottish Widows. During the year the total contributions were £26,276.

The School contributes to a defined benefit pension scheme (final salary scheme) for the academic staff, which is a national scheme operated for the Department for Education and Skills, which requires contributions to be made to a separately administered fund. The total premiums paid during the year were £1,708,402 (2019 - £1,025,306).

In addition, the School operates a defined benefit pension scheme for non teaching staff (Shrewsbury School (1971) Pension and Life Assurance Scheme), which is closed to new members. The basis of contributions to the Scheme is calculated according to the advice of the Scheme actuary. During the year the total contributions were £11,409 (2019 - £17,875).

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

3. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Donations	-	1,298,865	23,471	<b>1,322,336</b>	885,592
Transfer in of assets and liabilities from Packwood Haugh School	4,358,558	85,289	-	<b>4,443,847</b>	-
<b>Total 2020</b>	<u>4,358,558</u>	<u>1,384,154</u>	<u>23,471</u>	<u><b>5,766,183</b></u>	<u>885,592</u>
<i>Total 2019</i>	<u>-</u>	<u>885,592</u>	<u>-</u>	<u>885,592</u>	

On 1 August 2019 all of the assets and liabilities of the Packwood Haugh School were transferred into Shrewsbury School. The transfer is recorded as a donation into Shrewsbury School.

4. Charitable activities - School fees receivable

	2020 £	2019 £
<b>The School's fee income comprised:</b>		
Gross fees	<b>28,780,869</b>	26,312,093
Less: Total bursaries, scholarships and allowances	<b>(3,636,849)</b>	(3,430,766)
	<u><b>25,144,020</b></u>	<u>22,881,327</u>
Add back bursaries, scholarships and allowances paid for by Restricted Funds	<b>561,506</b>	595,185
	<u><b>25,705,526</b></u>	<u>23,476,512</u>

Scholarships, bursaries and other awards were paid to 388 pupils (2019 - 299).

Within this means tested bursaries totaling £2,648,304 paid to 210 pupils (2019 - £2,281,139 to 164 pupils).

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

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5. Charitable activities - Other income

	2020 £	2019 £
<b>Other educational charitable income</b>		
Entrance and registration fees	138,608	81,305
Courses and sub-lettings	135,295	164,682
Royalties received	59,625	64,342
	<u>333,528</u>	<u>310,329</u>

	2020 £	2019 £
<b>Other ancillary activities</b>		
Commissions received	3,442	6,104
School trips	113,188	327,444
Late payment surcharges	300	900
	<u>116,930</u>	<u>334,448</u>

6. Other trading activities

	2020 £	2019 £
Trading activities SSEL	919,548	798,364
Trading activities SSTCL	563,917	1,137,499
	<u>1,483,465</u>	<u>1,935,863</u>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

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**Other trading activities (continued)**

**Shrewsbury School Enterprises Limited (SSEL)**

The Charity owns the whole of the £1 ordinary share capital of Shrewsbury School Enterprises Limited (Company registration number 4535585), incorporated in England. The Company's principle activity is the provision of consulting services to international Schools.

Its trading results for the period, as extracted from the audited accounts, are summarised below:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Turnover	<b>919,299</b>	798,245
Administration	<b>(224,492)</b>	(189,002)
<b>Operating profit</b>	<b>694,807</b>	609,243
Interest payable	<b>(2,040)</b>	(2,409)
Interest received	<b>249</b>	119
<b>Profit for the year</b>	<b>693,016</b>	606,953
Gift aid payment	<b>(687,434)</b>	(612,535)
<b>Retained profit/(loss)</b>	<b>5,582</b>	(5,582)

Shrewsbury School Enterprises Limited made a gift aid donation of £687,434 (2019 - £612,535) to Shrewsbury School during the year.

The net assets of Shrewsbury School Enterprises Limited at 31 July 2020 amounted to £5,583 (2019 - £1).

At the year end Shrewsbury School Enterprises Limited owed Shrewsbury School £841,140 (2019 - £841,483). Of which £137,635 (2019 - £137,635) is an unsecured loan, repayable with one year's notice and interest charges at 1% above Lloyds Bank Plc base rate.

The management charge from the School to Shrewsbury Enterprises Limited was £187,228 (2019 - £54,169). In addition there is a licence fee of £10,000 (2019 - £10,000).

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

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**Other trading activities (continued)**

**Shrewsbury School Trading Company Limited (SSTCL)**

The Charity owns the whole of the £100 ordinary share capital of Shrewsbury School Trading Company Limited (Company registration number 5580019), incorporated in England. The principal activity of the Company was the operation of the School shop and other recreational activities.

Its trading results for the period, as extracted from the audited accounts, are summarised below:

	2020 £	2019 £
Turnover	546,453	1,136,366
Cost of sales	(299,860)	(624,227)
<b>Gross profit</b>	<b>246,593</b>	<b>512,139</b>
Administration	(236,024)	(260,729)
Other operating income	16,487	-
<b>Operating profit</b>	<b>27,056</b>	<b>251,410</b>
Interest receivable	977	1,133
<b>Profit for the year</b>	<b>28,033</b>	<b>252,543</b>
Gift aid payment	(27,403)	(252,543)
<b>Retained profit</b>	<b>630</b>	<b>-</b>

Shrewsbury School Trading Company Limited made a gift aid donation of £27,403 (2019 - £252,543) to Shrewsbury School during the year.

The net assets of Shrewsbury School Trading Company Limited at 31 July 2020 amounted to £730 (2019 – £100).

At the year end Shrewsbury School Trading Company Limited owed Shrewsbury School £122,850 (2019 - £351,082).

The management charge from the School to Shrewsbury School Trading Company Limited was £91,634 (2019 – £109,802).

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

**7. Investment income**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Interest	17,236	-	-	<b>17,236</b>	13,400
Dividend income	66,582	36,156	2,349	<b>105,087</b>	97,939
<b>Total 2020</b>	<b>83,818</b>	<b>36,156</b>	<b>2,349</b>	<b>122,323</b>	<b>111,339</b>
<i>Total 2019</i>	<i>68,080</i>	<i>40,620</i>	<i>2,639</i>	<i>111,339</i>	

**8. Other incoming resources**

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Government grant	707,984	<b>707,984</b>	-

The government grant received during the year related to the Coronavirus Job Retention Scheme.

**9. Expenditure on raising funds**

**Trading costs of the subsidiaries**

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Other costs	367,176	<b>367,176</b>	797,752
Staff costs	393,150	<b>393,150</b>	277,531
Depreciation	2,090	<b>2,090</b>	1,084
<b>Total 2020</b>	<b>762,416</b>	<b>762,416</b>	<b>1,076,367</b>
<i>Total 2019</i>	<i>1,076,367</i>	<i>1,076,367</i>	

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

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9. Expenditure on raising funds (continued)

Fundraising for voluntary resources

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Other costs	130,764	<b>130,764</b>	182,814
Staff costs	231,782	<b>231,782</b>	213,999
<b>Total 2020</b>	<u>362,546</u>	<u><b>362,546</b></u>	<u>396,813</u>
<i>Total 2019</i>	<u>396,813</u>	<u>396,813</u>	

10. Financing costs

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Fees in advance financing cost	92,670	<b>92,670</b>	98,302
Bad debts and debt collection	227,242	<b>227,242</b>	(63,515)
Bank and investment manager charges	63,825	<b>63,825</b>	48,574
Loan interest	99,402	<b>99,402</b>	121,516
Pension scheme financing cost	29,000	<b>29,000</b>	35,000
<b>Total 2020</b>	<u>512,139</u>	<u><b>512,139</b></u>	<u>239,877</u>
<i>Total 2019</i>	<u>239,877</u>	<u>239,877</u>	

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Teaching	12,603,128	-	12,603,128	10,187,747
Welfare	3,442,817	-	3,442,817	3,504,809
Premises	6,320,614	-	6,320,614	5,882,907
Support and governance	3,335,801	-	3,335,801	3,181,705
Grants, awards and prizes	-	591,317	591,317	639,733
<b>Total 2020</b>	<b>25,702,360</b>	<b>591,317</b>	<b>26,293,677</b>	<b>23,396,901</b>
<i>Total 2019</i>	<i>22,757,168</i>	<i>639,733</i>	<i>23,396,901</i>	

Summary by expenditure type

	Staff costs 2020 £	Depreciation 2020 £	Other costs 2020 £	Total funds 2020 £	Total funds 2019 £
Teaching	11,286,173	-	1,316,955	12,603,128	10,187,747
Welfare	1,086,607	-	2,356,210	3,442,817	3,504,809
Premises	2,050,238	2,498,062	1,772,314	6,320,614	5,882,907
Support and governance	1,967,589	-	1,368,212	3,335,801	3,181,705
Grants, awards and prizes	-	-	591,317	591,317	639,733
<b>Total 2020</b>	<b>16,390,607</b>	<b>2,498,062</b>	<b>7,405,008</b>	<b>26,293,677</b>	<b>23,396,901</b>
<i>Total 2019</i>	<i>13,006,786</i>	<i>2,369,629</i>	<i>8,020,486</i>	<i>23,396,901</i>	

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

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**Grants, awards and prizes**

	2020 £	2019 £
<b>From restricted funds:</b>		
Bursaries and scholarships	561,506	595,185
Prizes and awards	29,811	44,548
	<u>591,317</u>	<u>639,733</u>

**Governance included in support costs:**

	2020 £	2019 £
Remuneration paid to auditor for audit services	41,640	38,400
Remuneration paid to auditor for non- audit services	14,076	44,791
Other governance costs	87,143	256,320
	<u>142,859</u>	<u>339,511</u>

**12. Governors' remuneration and expenses**

During the year, no Governors received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 July 2020, expenses totalling £2,288 were reimbursed or paid directly to 7 Governors (2019 - £1,537 to 7 Governors). The Governors reimbursement of expenses related to travel and accommodation.

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

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**13. Staff costs**

	<b>Group 2020 £</b>	<i>Group 2019 £</i>
Wages and salaries	<b>13,594,684</b>	11,136,491
Social security costs	<b>1,376,131</b>	1,129,891
Other pension costs (Note 27)	<b>2,069,754</b>	1,295,105
	<b>17,040,569</b>	13,561,487
less capitalised labour costs	<b>(25,030)</b>	(63,171)
	<b>17,015,539</b>	13,498,316

During the year there were redundancy or termination payments made which amounted to £84,474 (2019 - £36,100). There was £46,380 (2019 - £36,100) outstanding at the year end.

The average number of persons employed by the charity during the year was as follows:

	<b>Group 2020 No.</b>	<i>Group 2019 No.</i>
Teaching	<b>244</b>	172
Welfare	<b>58</b>	46
Premises	<b>121</b>	115
Support	<b>68</b>	57
Other activities	<b>13</b>	16
	<b>504</b>	406

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

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13. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>Group 2020 No.</b>	<i>Group 2019 No.</i>
In the band £60,001 - £70,000	31	29
In the band £70,001 - £80,000	11	11
In the band £80,001 - £90,000	3	1
In the band £90,001 - £100,000	1	1
In the band £120,001 - £130,000	-	1
In the band £130,001 - £140,000	1	1
In the band £140,001 - £150,000	1	-
In the band £190,001 - £200,000	-	1
In the band £230,001 - £240,000	1	-
Aggregate employee benefits of key management personnel	<b><u>1,492,717</u></b>	<u>1,236,676</u>

Key management includes the Senior Leadership team.

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

14. Tangible fixed assets

Group

	Assets in course of construction £	Freehold Land & Buildings £	Furniture, Fixtures and fittings £	Boats £	Ground Machines & Vehicles £	Total £
<b>Cost or valuation</b>						
At 1 August 2019	624,398	48,623,336	9,509,714	936,527	1,238,649	60,932,624
Additions	3,178,622	-	609,069	46,160	65,834	3,899,685
Transfers in from Packwood Haugh School	-	4,376,981	271,626	-	4,717	4,653,324
Disposals	-	-	(546)	-	(23,044)	(23,590)
Transfers between classes	(187,489)	187,489	-	-	-	-
At 31 July 2020	<u>3,615,531</u>	<u>53,187,806</u>	<u>10,389,863</u>	<u>982,687</u>	<u>1,286,156</u>	<u>69,462,043</u>
<b>Depreciation</b>						
At 1 August 2019	-	16,002,135	7,182,855	638,847	837,061	24,660,898
Charge for the year	-	1,632,851	725,356	59,104	82,841	2,500,152
On disposals	-	-	(124)	-	(23,044)	(23,168)
At 31 July 2020	<u>-</u>	<u>17,634,986</u>	<u>7,908,087</u>	<u>697,951</u>	<u>896,858</u>	<u>27,137,882</u>
<b>Net book value</b>						
At 31 July 2020	<u>3,615,531</u>	<u>35,552,820</u>	<u>2,481,776</u>	<u>284,736</u>	<u>389,298</u>	<u>42,324,161</u>
At 31 July 2019	<u>624,398</u>	<u>32,621,201</u>	<u>2,326,859</u>	<u>297,680</u>	<u>401,588</u>	<u>36,271,726</u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

14. Tangible fixed assets (continued)

Charity

	Assets in course of construction £	Freehold Land & Buildings £	Furniture, Fixtures & fittings £	Boats £	Ground Machines & Vehicles £	Total £
<b>Cost or valuation</b>						
At 1 August 2019	624,398	48,623,336	9,501,744	936,527	1,238,649	60,924,654
Additions	3,178,622	-	602,569	46,160	65,834	3,893,185
Transfers in from Packwood Haugh School	-	4,376,981	271,626	-	4,717	4,653,324
Disposals	-	-	-	-	(23,044)	(23,044)
Transfers between classes	(187,489)	187,489	-	-	-	-
At 31 July 2020	<u>3,615,531</u>	<u>53,187,806</u>	<u>10,375,939</u>	<u>982,687</u>	<u>1,286,156</u>	<u>69,448,119</u>
<b>Depreciation</b>						
At 1 August 2019	-	16,002,135	7,179,829	638,847	837,061	24,657,872
Charge for the year	-	1,632,851	723,266	59,104	82,841	2,498,062
On disposals	-	-	-	-	(23,044)	(23,044)
At 31 July 2020	<u>-</u>	<u>17,634,986</u>	<u>7,903,095</u>	<u>697,951</u>	<u>896,858</u>	<u>27,132,890</u>
<b>Net book value</b>						
At 31 July 2020	<u>3,615,531</u>	<u>35,552,820</u>	<u>2,472,844</u>	<u>284,736</u>	<u>389,298</u>	<u>42,315,229</u>
At 31 July 2019	<u>624,398</u>	<u>32,621,201</u>	<u>2,321,915</u>	<u>297,680</u>	<u>401,588</u>	<u>36,266,782</u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

15. Fixed asset investments

Group and charity	Designated Fund £	Endowed Funds £	Fees in Advance £	Total £
<b>Cost or valuation</b>				
At 1 August 2019	1,307,229	1,459,045	3,030,376	5,796,650
Additions	171,867	297,591	-	469,458
Disposals	(122,016)	(301,411)	-	(423,427)
Net investments gains/(losses)	(125,101)	(143,281)	179,846	(88,536)
Movement in cash deposits	356,532	3,845	2,224	362,601
<b>At 31 July 2020</b>	<b>1,588,511</b>	<b>1,315,789</b>	<b>3,212,446</b>	<b>6,116,746</b>
<b>Net book value</b>				
<b>At 31 July 2020</b>	<b>1,588,511</b>	<b>1,315,789</b>	<b>3,212,446</b>	<b>6,116,746</b>
<i>At 31 July 2019</i>	<i>1,307,229</i>	<i>1,459,045</i>	<i>3,030,376</i>	<i>5,796,650</i>

Investments are primarily held to provide an investment return to the School.

**Investments at market value comprise:**

	2020 £	2019 £
Actively managed securities	3,170,350	2,990,504
Quoted stocks	2,411,251	2,633,603
Cash	535,144	172,543
<b>Total market value</b>	<b>6,116,745</b>	<b>5,796,650</b>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

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**Fixed asset investments (continued)**

**Material investments**

The following investments are held which represent more than 5% of the total market value of investments held:

	2020 £	2019 £
Link Fund Solutions - Ruffer Total Return	1,524,716	1,429,956
Link Fund Solutions - Trojan Inc	1,645,634	1,560,548
	<u>                    </u>	<u>                    </u>

**16. Stocks**

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Goods for resale and consumables	310,020	260,773	80,218	72,156
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

Stock recognised as an expense during the year was £299,860 (2019 - £624,227).

**17. Debtors**

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
School fees	458,327	263,760	458,327	263,760
Amounts owed by group undertakings	-	-	963,990	1,192,666
Other debtors	1,155,805	938,125	524,335	210,395
Prepayments and accrued income	227,941	258,051	207,125	231,576
	<u>1,842,073</u>	<u>1,459,936</u>	<u>2,153,777</u>	<u>1,898,397</u>

An impairment loss of £219,288 (2019 - gain of £65,445) was recognised against the School fee debtors.

Included within amounts due from group undertakings is a loan to Shrewsbury School Enterprises Limited of £137,635 (2019 - £137,635). This is unsecured and repayable with one year's notice and is charged at 1% above Lloyds Bank Plc base rate.

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

**18. Creditors: Amounts falling due within one year**

	<b>Group 2020 £</b>	<i>Group 2019 £</i>	<b>Charity 2020 £</b>	<i>Charity 2019 £</i>
Trade creditors	194,237	644,843	183,304	606,560
Other taxation and social security	345,029	340,454	343,237	290,271
Fee deposits	910,966	732,591	910,966	732,591
Fees in advance (see note 20)	1,765,438	2,022,271	1,765,438	2,022,271
Other creditors	1,037,280	631,934	998,737	622,187
Accruals and deferred income	375,287	277,409	331,840	175,430
Other loan	65,000	65,000	65,000	65,000
Term loan 1	428,593	398,568	428,593	398,568
Term loan 2	461,486	439,915	461,486	439,915
Term loan 3	91,713	-	91,713	-
	<b>5,675,029</b>	<i>5,552,985</i>	<b>5,580,314</b>	<i>5,352,793</i>

Within other creditors is £214,096 (2019 - £189,407) payable in respect of pension contributions.

**19. Creditors: Amounts falling due after more than one year**

	<b>Group 2020 £</b>	<i>Group 2019 £</i>	<b>Charity 2020 £</b>	<i>Charity 2019 £</i>
Loan from Shrewsbury School Foundation	1,296,046	1,296,046	1,296,046	1,296,046
Fees deposits	2,671,920	2,465,197	2,671,920	2,465,197
Fees in advance (see note 20)	1,066,575	1,075,177	1,066,575	1,075,177
Other loan	693,334	758,334	693,334	758,334
Term loan 1	144,556	577,013	144,556	577,013
Term loan 2	-	461,486	-	461,486
Term loan 3	1,908,287	-	1,908,287	-
	<b>7,780,718</b>	<i>6,633,253</i>	<b>7,780,718</b>	<i>6,633,253</i>

The loan from Shrewsbury School Foundation is unsecured, interest free and has no fixed payment terms. The loan is considered a concessionary loan.

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

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**Creditors: Amounts falling due after more than one year (continued)**

**Other loan**

The other loan has been provided by Shropshire Council. The loan is repayable by April 2032 paid by monthly instalments. The loan is interest free and is secured on the following properties: Mosers Hall, The New House, 6 Ashton Road, 13 and 15 Ashton Road. This loan is considered to be a concessionary loan.

The other loan falls due as follows:

	<b>2020</b>	<b>2019</b>
	£	£
Between 1-2 years	<b>65,000</b>	65,000
Between 2-5 years	<b>195,000</b>	195,000
Over 5 years	<b>433,334</b>	498,334
	<u><b>693,334</b></u>	<u>758,334</u>

**Term loan 1**

The term loan from Lloyds Bank is secured by a first legal charge over the freehold land and buildings at The Tudors, Tudor House, including Emma Darwin Hall. The term loan is repayable by September 2021 in 30 termly instalments. The interest rate is fixed at 5.94%.

The term loan falls due as follows:

	<b>2020</b>	<b>2019</b>
	£	£
Between 1-2 years	<b>144,556</b>	448,475
Between 2-5 years	-	128,538
	<u><b>144,556</b></u>	<u>577,013</u>

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

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**Creditors: Amounts falling due after more than one year (continued)**

**Term loan 2**

The term loan from Handelsbanken is unsecured. The term loan is repayable by May 2021 in 20 quarterly instalments. The interest rate is fixed at 4.85%.

The term loan falls due as follows:

	2020 £	2019 £
Between 1-2 years	-	461,486

**Term loan 3**

The loan from Handelsbanken is unsecured. The loan is repayable by April 2026 in 24 quarterly instalments. The interest rate is fixed at 3.63%.

The term loan falls due as follows:

	2020 £	2019 £
Between 1-2 years	374,985	-
Between 2-5 years	1,209,813	-
Over 5 years	323,489	-
	<u>1,908,287</u>	<u>-</u>

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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

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**20. Fees in advance**

Parents may, subject to contractual terms and conditions, pay to the School tuition fees in advance. The money may be returned, subject to specific conditions but, assuming the relevant pupils remain in the School, advance fees will be applied as follows:

	2020 £	2019 £
Within 1-2 years	582,974	683,271
Within 2-5 years	451,079	391,906
Over 5 years	32,522	-
	1,066,575	1,075,177
Within 1 year	1,765,438	2,022,271
	2,832,013	3,097,448

The balance represents the accrued liability under the contracts. The movement during the year was:

	2020 £	2019 £
Balance at 1 August 2019	3,097,448	3,243,481
Transfer in from Packwood Haugh School	183,128	-
New contracts	2,299,176	2,128,841
Amounts accrued to contracts	92,670	98,302
	5,672,422	5,470,624
Amounts utilised in payment of fees to the School	(2,840,409)	(2,373,176)
Balance at 31 July 2020	2,832,013	3,097,448

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Tangible fixed assets	42,324,161	-	-	42,324,161
Fixed asset investments	4,800,957	-	1,315,789	6,116,746
Current assets	5,839,600	786,685	21,851	6,648,136
Creditors due within one year	(5,675,029)	-	-	(5,675,029)
Creditors due in more than one year	(7,780,718)	-	-	(7,780,718)
Provisions for liabilities and charges	(2,858,000)	-	-	(2,858,000)
<b>Total</b>	<b>36,650,971</b>	<b>786,685</b>	<b>1,337,640</b>	<b>38,775,296</b>

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
Tangible fixed assets	36,271,726	-	-	36,271,726
Fixed asset investments	4,337,605	-	1,459,045	5,796,650
Current assets	5,039,934	597,599	-	5,637,533
Creditors due within one year	(5,548,933)	-	(4,052)	(5,552,985)
Creditors due in more than one year	(6,633,253)	-	-	(6,633,253)
Provisions for liabilities and charges	(1,462,000)	-	-	(1,462,000)
<b>Total</b>	<b>32,005,079</b>	<b>597,599</b>	<b>1,454,993</b>	<b>34,057,671</b>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

22. Statement of funds

Statement of funds - current year

	Balance at 1 August 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2020 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated funds	1,317,388	32,279	-	381,531	(125,101)	1,606,097
<b>General funds</b>						
General funds	32,149,590	31,274,065	(26,680,045)	973,213	179,738	37,896,561
Subsidiary trading	101	1,483,465	(762,416)	(714,837)	-	6,313
Pension scheme funding deficit	(1,462,000)	-	103,000	-	(1,499,000)	(2,858,000)
	<u>30,687,691</u>	<u>32,757,530</u>	<u>(27,339,461)</u>	<u>258,376</u>	<u>(1,319,262)</u>	<u>35,044,874</u>
<b>Total Unrestricted funds</b>	<u>32,005,079</u>	<u>32,789,809</u>	<u>(27,339,461)</u>	<u>639,907</u>	<u>(1,444,363)</u>	<u>36,650,971</u>
<b>Endowment funds</b>						
Capital	1,329,944	-	-	-	(134,438)	1,195,506
Re-endowment fund	124,549	25,820	-	-	(8,735)	141,634
Henschrew Prize Fund	500	-	-	-	-	500
	<u>1,454,993</u>	<u>25,820</u>	<u>-</u>	<u>-</u>	<u>(143,173)</u>	<u>1,337,640</u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

22. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 August 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2020 £
<b>Restricted funds</b>						
Shrewsbury School Foundation	401	1,252,092	(551,836)	(639,857)	-	60,800
Guyer Family Prize	170	40	(30)	-	-	180
Hentschrew Prize	80	-	-	-	-	80
Darwin Scholarship	7,212	-	-	-	-	7,212
Hargreaves Legacy	500	-	-	-	-	500
Bursary Fund	-	6,423	(6,423)	-	-	-
Salopian Club	-	17,292	(17,292)	-	-	-
Duffell Prize Fund	4,940	-	-	-	-	4,940
Shrewsbury School Parents' Association	-	315	(315)	-	-	-
Consolidated Fund:						
Unappropriated income	584,296	36,156	(15,021)	-	-	605,431
COVID Support	-	17,956	-	-	-	17,956
Art Fund	-	2,000	-	-	-	2,000
Sports Leaders Fund	-	400	(400)	-	-	-
Packwood - Redevelopment of Science Facilities	-	85,289	-	-	-	85,289
Packwood - COVID Support	-	2,297	-	-	-	2,297
Packwood - Theatre development	-	50	-	(50)	-	-
	<u>597,599</u>	<u>1,420,310</u>	<u>(591,317)</u>	<u>(639,907)</u>	<u>-</u>	<u>786,685</u>
<b>Total of funds</b>	<u><u>34,057,671</u></u>	<u><u>34,235,939</u></u>	<u><u>(27,930,778)</u></u>	<u><u>-</u></u>	<u><u>(1,587,536)</u></u>	<u><u>38,775,296</u></u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

22. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 August 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 July 2019 £</i>
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Designated funds	743,816	23,427	-	489,484	60,661	1,317,388
<b>General funds</b>						
General funds	30,702,324	24,165,942	(23,452,858)	638,876	95,306	32,149,590
Subsidiary trading	5,683	1,935,863	(1,076,367)	(865,078)	-	101
Pension scheme funding deficit	(1,356,000)	-	59,000	-	(165,000)	(1,462,000)
	<u>29,352,007</u>	<u>26,101,805</u>	<u>(24,470,225)</u>	<u>(226,202)</u>	<u>(69,694)</u>	<u>30,687,691</u>
<b>Total Unrestricted funds</b>	<u>30,095,823</u>	<u>26,125,232</u>	<u>(24,470,225)</u>	<u>263,282</u>	<u>(9,033)</u>	<u>32,005,079</u>
<b>Endowment funds</b>						
Capital	1,275,402	-	-	-	54,542	1,329,944
Re-endowment fund	118,366	2,639	-	-	3,544	124,549
Hentschrew Prize Fund	500	-	-	-	-	500
	<u>1,394,268</u>	<u>2,639</u>	<u>-</u>	<u>-</u>	<u>58,086</u>	<u>1,454,993</u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

22. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 August 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 July 2019 £</i>
<b>Restricted funds</b>						
Shrewsbury School Foundation	403	789,303	(566,080)	(223,225)	-	401
Guyer Family Prize	160	40	(30)	-	-	170
Hentschrew Prize	80	-	-	-	-	80
Darwin Scholarship	7,212	-	-	-	-	7,212
Hargreaves Legacy	500	-	-	-	-	500
Sundry Bursary Donations	-	20,637	(20,637)	-	-	-
Salopian Club	-	30,641	(30,641)	-	-	-
Goulding Family Prize	60	-	(60)	-	-	-
Duffell Prize Fund	4,970	-	(30)	-	-	4,940
Sabrina Club	-	10,500	(500)	(10,000)	-	-
Shrewsbury School Parents' Association	-	2,254	(1,364)	(890)	-	-
Shropshire Squash Club	-	3,000	(3,000)	-	-	-
GMR Group	-	29,167	-	(29,167)	-	-
Friends of Shropshire Archives	-	50	(50)	-	-	-
Consolidated Fund: Unappropriated income	561,017	40,620	(17,341)	-	-	584,296
	<u>574,402</u>	<u>926,212</u>	<u>(639,733)</u>	<u>(263,282)</u>	<u>-</u>	<u>597,599</u>
<b>Total of funds</b>	<u><u>32,064,493</u></u>	<u><u>27,054,083</u></u>	<u><u>(25,109,958)</u></u>	<u><u>-</u></u>	<u><u>49,053</u></u>	<u><u>34,057,671</u></u>

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### Statement of funds (continued)

##### Designated Fund

A fund established by the Governors to assist future pupils with bursarial support to attend the School.

##### Re-endowment Fund

A fund established in 1924 to contribute to the upkeep of the estate and to the support of pupils at Shrewsbury School who are in financial need.

##### Shrewsbury School Foundation

A registered charity supporting a range of educational objectives through financial contributions to Shrewsbury School and its pupils. Donations received totalled £1,252,092 (2019 - £789,303) of which £541,259 (2019 - £559,016) was given to support bursaries awarded to pupils, £639,859 (2019 - £214,974) to assist with the construction and refurbishment of building (Barnes Theatre, Library and the Chatri Design Centre), £10,976 (2019 - £7,063) to assist in funding educational activities and £60,000 for marketing activities.

##### Guyer Family Prize

An annual prize for an outstanding contribution to the music department.

##### Hentschrew Prize

An annual prize to the boy in the School House who contributes most to the well running of the house, in a social rather than academic or sporting context.

##### Darwin Scholarship

A scholarship awarded to pupils attending the School from Hong Kong who are judged outstanding academically, in the arts, music or sport.

##### Hargreaves Legacy

A legacy left by an old boy, to be used for educational purposes.

##### Bursary Fund

A donation to assist in the provision of bursaries to pupils attending the School.

##### Sundry Bursary Donations

Donations received from The Knightsbridge School Educational Trust £NIL (2019 - £10,881), Walker Trust £NIL (2019 - £6,000) and Keasby Foundation £Nil (2019 - £3,756) to provide financial support for specific pupils who attend the School.

##### Salopian Club Fund

The donations received from the Salopian Club to assist with costs relating to staff and the Salopian magazine.

##### Goulding Family Prize

A donation received to fund the award of a music prize to a pupil who excels at music.

##### Duffell Prize Fund

A donation received to fund a prize to a pupil who excels in design and technology.

##### Sabrina Club

A donation to support the purchase of a boat and School rowing training courses.

##### Shrewsbury School Parents' Association

A donation received to assist with the purchase of books for new pupils joining the School.

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### Statement of funds (continued)

##### Shropshire Squash Club

A donation to assist with the lighting of the squash courts.

##### GMR Group

A donation to enhance the infrastructure of the School in order to provide a better education for pupils.

##### Friends of Shropshire Archives

A donation received to assist with the conservation of the Schools archives.

##### Consolidated Fund

A consolidation of 70 small funds the income from which, is used to provide prizes, scholarships and bursaries to pupils at Shrewsbury School.

##### COVID Support

Donations received to assist the School with additional costs relating to COVID 19.

##### Art Fund

A donation received to support the Art Department.

##### Sports Leaders Fund

A donation received to support pupil activities.

##### Packwood - Redevelopment of Science Facilities

Donations received to assist with the redevelopment costs of the science facilities at Packwood Haugh School.

##### Packwood - COVID Support

Donations received to assist the School, with additional costs relating to COVID 19.

##### Packwood - Theatre development

Donation received to assist with the development of the Theatre at Packwood Haugh School, which was completed in previous years.

##### Transfers between funds

The transfer between restricted and general funds of £639,907 (2019 - £263,282) represents capital items purchased from restricted funds (capital items purchased are in accordance with the donors wishes).

The transfer between general and designated funds of £381,531 (2019 - £489,484) represents the transfer approved to the designated fund by the Trustees during the year.

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

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**23. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>Group 2020 £</b>	<i>Group 2019 £</i>
Net income for the period (as per Statement of Financial Activities)	<b>6,216,625</b>	2,158,178
<b>Adjustments for:</b>		
Depreciation charges	<b>2,500,152</b>	2,370,713
Gains/(losses) on investments	<b>88,536</b>	(214,053)
Dividends and interest from investments	<b>(122,323)</b>	(111,339)
Loss on the sale of fixed assets	<b>422</b>	16,284
Decrease/(increase) in stocks	<b>(49,247)</b>	19,234
Increase in debtors	<b>(382,137)</b>	(47,423)
Increase/(decrease) in creditors	<b>176,864</b>	(33,520)
Pension scheme movement	<b>(103,000)</b>	(59,000)
Interest paid on borrowings	<b>99,402</b>	121,516
Packwood Haugh School fixed assets transferred in	<b>(4,653,324)</b>	-
<b>Net cash provided by operating activities</b>	<b>3,771,970</b>	4,220,590

**24. Analysis of cash and cash equivalents**

	<b>Group 2020 £</b>	<i>Group 2019 £</i>
Cash at bank	<b>4,496,043</b>	3,916,824
Cash held in investments	<b>535,144</b>	172,535
<b>Total cash and cash equivalents</b>	<b>5,031,187</b>	4,089,359

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

**25. Analysis of changes in net debt**

	At 1 August 2019 £	Cash flows £	Transfer in of Packwood Haugh School £	Other non- cash changes £	At 31 July 2020 £
Cash at bank	3,916,824	157,232	421,987	-	4,496,043
Cash held in investments	172,535	362,609	-	-	535,144
Bank overdraft	-	130,576	(130,576)	-	-
Debt due within 1 year	(903,483)	907,347	-	(1,050,656)	(1,046,792)
Debt due after 1 year	(3,092,879)	(2,000,000)	-	1,050,656	(4,042,223)
	<u>92,997</u>	<u>(442,236)</u>	<u>291,411</u>	<u>-</u>	<u>(57,828)</u>

**26. Capital commitments**

At 31 July 2020 the group and charity had capital commitments as follows:

	Group and Charity 2020 £	Group and Charity 2019 £
Contracted for but not provided in these financial statements	<u>218,271</u>	<u>2,842,169</u>

**27. Pension commitments**

**Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,708,402 (2019 - £1,025,306) and at the year-end £214,096 (2019 - £144,182) was accrued in respect of contributions to this scheme.

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

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

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## SHREWSBURY SCHOOL

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 27. Pension commitments (continued)

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

On 27 June 2019, the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal, as well as employer and member representatives, to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closes to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions, the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

#### **Shrewsbury School (1971) Pension and Life Assurance Scheme**

The School has a defined benefit pension scheme for certain support staff (Shrewsbury School (1971) Pension and Life Assurance Scheme) and its assets are invested in pooled tracker investment funds and a property fund with Legal & General Investment Managers. The scheme has been closed to new members since 2001.

The amounts in the financial statements for the year ended 31 July 2020, relating to pensions, are based on a full actuarial valuation dated 31 May 2019.

The valuation, as of 31 May 2019, revealed a funding deficit of £753,000. In the Recovery Plan dated 7 May 2020, the School has agreed to pay contributions with the view to eliminating the shortfall by 31 May 2026. The School also pays contributions of 23.8% per annum of pensionable salaries to meet the cost of future accrual of benefits for active members of the Scheme, in line with the schedule of contributions dated 3 June 2020. In accordance with the Schedule of Contributions dated 3 June 2020, the School is expected to pay contributions of £138,000 over the next accounting period. The contributions paid by the School are reviewed every 3 years as part of each formal actuarial valuation. The Scheme's next actuarial valuation is due on 31 May 2022.

In addition, the School is expected to meet the cost of administrative expenses for the Scheme.

The liabilities of the Scheme are based on the current value of expected benefit payment cashflows to members approximately over the next 60 years. The average duration of the liabilities is approximately 15 years.

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

**27. Pension commitments (continued)**

The deficit is partly secured on the following properties: 33 Porthill Road, 23 and 23a Aston Road.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	<b>At 31 July 2020</b>	<i>At 31 July 2019</i>
	%	%
Discount rate	1.30	2.10
Future salary increases	1.95	2.40
Inflation assumption - RPI	2.85	3.40
Inflation assumption - CPI	1.95	2.40
Pre 6/4/1997 (fixed 3%)	3.00	3.00
Post 6/4/1997 (RPI min 3%, max 5% - Option A members)	3.50	3.80
Post 6/4/1997 (CPI min 3%, max 5% - Option A members)	3.20	3.30
	<hr/> <hr/>	<hr/> <hr/>
	<b>At 31 July 2020</b>	<i>At 31 July 2019</i>
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	22.0	21.9
- at 65 for a male aged 45 now	23.0	22.9
- for a female aged 65 now	24.4	24.3
- at 65 for a female aged 45 now	25.5	25.4
	<hr/> <hr/>	<hr/> <hr/>

Sensitivity analysis:

	<b>At 31 July 2020</b>
	£
Discount rate +0.25%	(377,000)
RPI rate +0.25%	71,000
CPI rate +0.25%	25,000
Assumed life expectancy age 65 - increase by 1 year	292,000
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**SHREWSBURY SCHOOL**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

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**27. Pension commitments (continued)**

The Group's share of the assets in the scheme was:

	<b>At 31 July 2020 £</b>	<i>At 31 July 2019 £</i>
Equities	<b>2,267,000</b>	<i>2,489,000</i>
Bonds	<b>697,000</b>	<i>667,000</i>
Property	<b>806,000</b>	<i>831,000</i>
Target return	<b>1,065,000</b>	<i>1,076,000</i>
Insurance annuities	<b>1,886,000</b>	<i>1,858,000</i>
Cash	<b>158,000</b>	<i>232,000</i>
Total fair value of assets	<b><u>6,879,000</u></b>	<i><u>7,153,000</u></i>

The actual return on scheme assets was £-51,000 (2019 - £154,000).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	<b>2020 £</b>	<i>2019 £</i>
Current service cost - within Schools and grant making	<b>24,000</b>	<i>30,000</i>
Net interest on pension scheme liabilities - within finance charges	<b>29,000</b>	<i>35,000</i>
Total amount recognised in the Consolidated Statement of Financial Activities	<b><u>53,000</u></b>	<i><u>65,000</u></i>

Movements in the present value of the defined benefit obligation were as follows:

	<b>2020 £</b>	<i>2019 £</i>
Opening defined benefit obligation	<b>8,615,000</b>	<i>8,736,000</i>
Contributions by scheme participants	<b>4,000</b>	<i>5,000</i>
Actuarial losses	<b>1,300,000</b>	<i>125,000</i>
Benefits paid	<b>(383,000)</b>	<i>(510,000)</i>
Current service cost	<b>24,000</b>	<i>30,000</i>
Interest cost	<b>177,000</b>	<i>229,000</i>
Closing defined benefit obligation	<b><u>9,737,000</u></b>	<i><u>8,615,000</u></i>

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

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27. Pension commitments (continued)

Movements in the fair value of the Group's share of scheme assets were as follows:

	2020 £	2019 £
Opening fair value of scheme assets	7,153,000	7,380,000
Interest income	148,000	194,000
Actuarial losses	(199,000)	(40,000)
Contributions by employer	156,000	124,000
Contributions by scheme participants	4,000	5,000
Benefits paid	(383,000)	(510,000)
Closing fair value of scheme assets	<u>6,879,000</u>	<u>7,153,000</u>

Pension commitments (continued)

Reconciliation of funded status:

	2020 £	2019 £
Opening deficit	(1,462,000)	(1,356,000)
Employer contributions	156,000	124,000
Charge recorded in Statement of Financial Activities	(53,000)	(65,000)
Actuarial (loss) received in Statement of Financial Activities	(1,499,000)	(165,000)
	<u>(2,858,000)</u>	<u>(1,462,000)</u>

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

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28. Operating lease commitments

At 31 July 2020 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group and Charity 2020 £</b>	<i>Group and Charity 2019 £</i>
<b>Group and Charity Amounts payable:</b>		
Within 1 year	52,287	30,730
Between 1 and 5 years	70,524	54,281
After more than than 5 years	5,208	394
	<u>128,019</u>	<u>85,405</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	<b>Group and Charity 2020 £</b>	<i>Group and Charity 2019 £</i>
<b>Group and Charity</b>		
Operating lease rentals	<u>54,410</u>	<u>54,756</u>

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

29. Financial instruments

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Financial assets</b>				
Financial assets measured at fair value through income and expenditure	10,612,789	9,713,474	10,438,791	9,268,281
Financial assets measured at amortised cost	1,613,832	1,201,592	1,946,652	1,666,821
	<u>12,226,621</u>	<u>10,915,066</u>	<u>12,385,443</u>	<u>10,935,102</u>
	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	9,527,832	8,647,996	9,434,909	8,497,987
	<u>9,527,832</u>	<u>8,647,996</u>	<u>9,434,909</u>	<u>8,497,987</u>

Financial assets measured at fair value through income and expenditure comprises investments in UK listed securities and cash at bank.

Financial assets measured at amortised cost comprise School fees, group and other debtors, accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals, loans and fees in advance.

The Group's income, expense, gains and losses in respect of financial instruments are summarised below:

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Total investment income for financial assets measured at fair value through income and expenditure	122,323	111,339	122,323	111,339
Net (gain)/loss on financial assets measured at fair value through income and expenditure	(88,536)	214,053	(88,536)	214,053
Impairment loss /(gains) on financial assets measured at amortised cost	219,288	(65,445)	219,288	(65,445)
Total interest expense for financial liabilities held at amortised cost	99,402	121,516	99,402	121,516
	<u>452,477</u>	<u>381,463</u>	<u>452,477</u>	<u>381,463</u>

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SHREWSBURY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

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**30. Related party transactions**

During the year Shrewsbury School had various transactions and balances outstanding at the year end with its two wholly owned trading subsidiaries, Shrewsbury School Enterprises Limited and Shrewsbury School Trading Company Limited. These are disclosed in note 6.

Governors remuneration and expenses are disclosed in note 12 and key management personal remuneration is disclosed in note 13.

There are no other related party transactions to disclose.

SHREWSBURY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

31. Consolidated Statement of Financial Activities for the year ended 31 July 2019

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
<b>Income and endowments:</b>				
Grants and donations	-	885,592	-	885,592
<b>Charitable activities:</b>				
School fees	23,476,512	-	-	23,476,512
Other educational income	310,329	-	-	310,329
Other ancillary trading income	334,448	-	-	334,448
Other trading activities	1,935,863	-	-	1,935,863
Investments	68,080	40,620	2,639	111,339
<b>Total income</b>	<b>26,125,232</b>	<b>926,212</b>	<b>2,639</b>	<b>27,054,083</b>
<b>Expenditure on:</b>				
<b>Raising funds:</b>				
Trading activities	1,076,367	-	-	1,076,367
Fundraising costs	396,813	-	-	396,813
Financing costs	239,877	-	-	239,877
<b>Charitable activities:</b>				
Education and grant making	22,757,168	639,733	-	23,396,901
<b>Total expenditure</b>	<b>24,470,225</b>	<b>639,733</b>	<b>-</b>	<b>25,109,958</b>
<b>Net income before investment gains/(losses)</b>	<b>1,665,007</b>	<b>286,479</b>	<b>2,639</b>	<b>1,944,125</b>
Net gains/(losses) on investments	155,967	-	58,086	214,053
<b>Net income before transfers</b>	<b>1,810,974</b>	<b>286,479</b>	<b>60,725</b>	<b>2,158,178</b>
Transfers between Funds	263,282	(263,282)	-	-
<b>Net income before other recognised gains and losses</b>	<b>2,074,256</b>	<b>23,197</b>	<b>60,725</b>	<b>2,158,178</b>
Actuarial (losses)/gains on defined benefit pension schemes	(165,000)	-	-	(165,000)
<b>Net movement in funds</b>	<b>1,909,256</b>	<b>23,197</b>	<b>60,725</b>	<b>1,993,178</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	30,095,823	574,402	1,394,268	32,064,493
<b>Total funds carried forward</b>	<b>32,005,079</b>	<b>597,599</b>	<b>1,454,993</b>	<b>34,057,671</b>