



Rugby School

THE GOVERNING BODY OF RUGBY SCHOOL

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Registered Charity Number 528752

www.rugbyschool.co.uk

THE GOVERNING BODY OF RUGBY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

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THE GOVERNING BODY OF RUGBY SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2024

The Governing Body

B J O'Brien, LLB (Chair – resigned 6 March 2024)
N Bacon FCA, CTA (3,4,5,6,7) (Chair – from 7 March 2024)
R Aggarwal, MA, MBA (5)
J C Barwell OBE (resigned 17 October 2024)
E Marsden (Beesley) (9) (appointed 1 July 2024)
C A Thompson (Coates) LLB (2,6,8)
J Eastwood BA (resigned June 2023)
R J Elmhirst LLB (Deputy Chair – resigned 22 March 2024)
C Greenhalgh (1,2) (appointed 4 September 2024)
A S Habib (3,5)
C Marten MA (1,5,6,8,9) (Deputy Chair – from 23 March 2024)
F McLean (appointed 20 November 2024)
J Moreland MA, PGCE, NPQH (resigned 30 June 2024)
Rev Canon Dr M Pryce (1)
General Sir T Radford KCB DSO OBE (6)
D Skales BSC, FCA (3,5,6) (Deputy Chair – from 23 March 2024)
P Smulders BA, MBA (resigned November 2023)
T Strain (7) (appointed 20 November 2024)
G Swan (appointed 20 November 2024)
C Wills LLP (resigned 1 May 2024)

Appointed by

Governing Body
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Common Room
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Executive Head Master

P R A Green MA, PGCE – resigned 31 December 2023

Head Master of Rugby School

G Parker-Jones MA, PGCE

Head Master of Bilton Grange

G E B Jones MEd, BA, PGCE

CEO Rugby School Global

Dr N G Hampton MA, PhD, PGCE

Chief Operating Officer and Clerk to the Governing Body

P A Nicholls MA, FCA – resigned 31 August 2024

Dr D J White MA, PhD, FDA – appointed 1 October 2024

Principal Address and Registered Office

Rugby School, The Bursary, 10, Little Church Street, Rugby, CV21 3AW

**REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL
FOR THE YEAR ENDED 30 JUNE 2024**

Membership of Principle Governing Body Committees (as of date of this report)

(1) RS Education	(2) BG Education	(3) Finance, Audit & Estates
(4) Investment	(5) International Development	(6) Nominations
(7) Fundraising	(8) Risk, Compliance & Safeguarding	(9) Student Pastoral Welfare

Other Current Members of Governing Body Committees

W Assheton (3)	R Draycott (5)	P Henderson (4)	C Howe (1)
S Lebus (5)	C Lam (7)	A McNeile (2)	D McNeill (7)
F Salway (3)	A Stuart (1)	C Wills (5)	P Yates (4)

*(Relevant senior employees of the School are present in attendance
at each Governing Body Committee)*

Auditor

Crowe U.K. LLP
Cheltenham

Advisers

Bankers

National Westminster Bank plc, Rugby

Solicitors

Veale Wasbrough Vizards LLP, Bristol

Investment Property Manager

Tandem Property Asset Management, London

Principal Investment Managers

Quilter Cheviot Ltd, London
Partners Capital LLP, London
Veritas Investment Management, London
WCM Investment Management, California

Surveyors

Farebrother, London

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

The Governing Body of Rugby School (“Governing Body”), who are the trustees of Rugby School including Bilton Grange (the “School” or the “Charity”), present their Annual Report and the audited financial statements of the Charity for the year ended 30 June 2024. The Governing Body confirms that the financial statements comply with the Charity’s governing document, with current statutory requirements, with applicable accounting standards in the United Kingdom, with the Charities Statement of Recommended Practice (the Charities SORP (FRS 102)) and with the Charities Act 2011.

The Charity’s Objectives

Charitable Objects

The provision of a broad liberal Christian education at a boarding and day school at the School for children from Rugby and neighbourhood and elsewhere, and by ancillary or incidental activities and other associated activities for the benefit of the community.

Statement of Values

The Charity’s principal activity is the education and pastoral care of its students at Rugby School and Bilton Grange. All of its assets and its income and expenditure relate to that activity. The fundamental ethos of ‘the Whole Person is the Whole Point’ is everything we undertake at the schools to fulfil that principal aim.

The Charity’s Strategic Plan includes a Statement of the Rugby School Group ethos:

- ‘Whole Person, Whole Point’ is a useful short-hand for encapsulating what a Rugby School Group education is. It is a modern interpretation of Arnoldian¹ traditions: character development, leadership, questioning, balance, belonging and inclusivity.
- All schools in the Group will maintain rigorous standards of best practice in safeguarding and child protection.
- Schools in the Group provide an education that focuses on learning dispositions, not simply the acquisition of knowledge, and includes the full range of academic disciplines.
- Through the mechanism of a learner profile, attitudes, values, skills and knowledge are given equal weighting in an education in which all students sing and make music, are physically active and play sport, are given opportunities for creativity, attend concerts and exhibitions, take part in academic enrichment, have regular meetings with their tutor, and are given leadership opportunities throughout the School.
- The Group strives to be an international network of best-in-class schools, forming genuine partnerships that are more than just a badge above the door; schools which are authentically ‘Rugby’ but with a local flavour.
- There is a culture in which students are encouraged to ask themselves ‘is there more to life than the immediately visible?’
- All students and staff have a commitment to serving others.
- All schools in the Group operate along the lines of a co-educational full boarding school with day pupils.
- There is a strong house system through which outstanding pastoral care is delivered, designed to foster a sense of belonging and inclusion.
- Schools in the Group cherish and nurture the values of team sport as embodied by the game of Rugby Football.

¹ Arnoldian refers to Thomas Arnold, Rugby’s most famous Head Master from 1828-1842. His ethos for Rugby became a model for other public schools and exercised a strong influence on the education system of England and beyond.

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

- All schools have a charitable and philanthropic mechanism to allow talented and academically able children to attend, regardless of their family's financial means or background.
- A global Rugbeian Society will preserve and enhance the bonds of friendship among current and former students, parents, teachers and friends.
- The Group aspires to set the agenda in terms of developing and promoting excellence in teaching and learning, being at the forefront of global thinking on educational matters, whilst being mindful of its history and heritage.
- The Group will attract, train and retain the best staff in the world, embracing diversity and inclusion, promoting their interests and helping them to develop personally and professionally.

The schools consistently strive for all-round excellence. They recognise that there are many fundamental qualities which are not examinable: curiosity, shrewdness, initiative, leadership, an awareness of beauty, a sense of humour, a sense of responsibility and a gift for friendship, and that these and other basic qualities need to be developed in an institution that regards itself as educational.

The Governing Body consider that the schools provide an environment where each student is encouraged to develop and fulfil his or her potential, thereby inspiring a desire to contribute to the wider community.

Objectives for the Year

The Governing Body set the following aims for the academic year 2023/24:

- to maintain the School's commitment to high academic standards providing teaching in person and remotely;
- to facilitate curriculum, student and staff development through the implementation of an academic rolling plan;
- to enable our students to gain admittance to the best universities and courses they can;
- to continue the pioneering work of the Arnold Foundation and use the bursaries programmes (Arnold Foundation, Earle Fund, Lawrence Sheriff and others) to ensure that access to the School is as wide as possible;
- to maintain the standards of pastoral care through the implementation of a pastoral rolling plan;
- to continue to provide and enhance the range of co-curricular activities to fulfil our 'Whole Person Whole Point' ethos;
- to continue to explore opportunities to open overseas schools in partnership with suitable partners;
- to continue to improve the schools' facilities and to protect the historic environment through capital projects to improve and enhance the teaching, co-curricular and pastoral facilities throughout both schools;
- to continue to improve the sustainability of the School estate through an ongoing programme of capital investment.

Strategies to achieve Objectives

The schools' strategies for achieving its objectives were to:

- continue to review the academic curriculum to ensure that it is both broad and challenging; at Bilton Grange this means maintaining the traditional Common Entrance syllabus in the core subjects while devising something more innovative in the other subjects;

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

- continue to subscribe to independently set and assessed tests at age 13 and on entering the sixth form, which produce data which helps evaluate performance in GCSEs, the IB and A levels. Rugby School uses this data to assess value-added performance, against which a summary of outcomes is prepared annually for the Governing Body;
- continue to use academic rolling development plans across the schools and review these annually through department review meetings;
- encourage the students' spiritual and moral growth, their cultural awareness and physical development by promoting participation in a wide range of activities and through the curriculum;
- at Rugby School, continue to use a rigorous Personal Development Review (PDR) process involving the observation of lessons and the close scrutiny of all departments. A Bilton Grange, introduce a new, similar PDR system that focuses on a mentoring approach;
- maintain the House structure, which continues to be one of the defining features of life at Rugby School;
- at Rugby School, provide enhanced CPD and research opportunities (learning awards) for all staff, including learning awards, a Pastoral Leadership Qualification through HMC and lunchtime INSED opportunities;
- at Bilton Grange, also provide enhanced CPD opportunities including new pastoral 'listener' training and a 'mental health first aid' qualification;
- at Rugby School, enhance the process of Levee appointments and enhancing prefect training, including a programme of Graydin coaching;
- increase the number of co-curricular, student-led opportunities and establish a specified student-led enrichment hour in the Scheme of Hours;
- develop further vocational societies;
- provide appropriate high quality educational facilities;
- offer opportunities to day students through the Lawrence Sheriff Foundation awards and bursaries;
- develop the Earle Fund at Bilton Grange as a sister programme to the Arnold Foundation, offering fully-funded boarding places to children in Bilton Grange's Upper School;
- identify suitable candidates for Earle Fund and Arnold Foundation funded places at the schools directly or through links with partner charities and schools in the maintained sector and working with The SpringBoard Bursaries Foundation;
- continue to emphasise the role of the chaplaincy;
- extend the Rugby Schools Group reach by opening a nursery on the Bilton Grange site.

Review of the Year's Achievements and Performance

Principal activities of the year

Rugby School has 13 boarding houses and two day houses for 13–18 year old students. Bilton Grange is a predominantly day school for students aged from 3–13 years old with a boarding house for boys and a boarding house for girls, which take pupils from Year 3. Little Grange Nursery, for those aged from 6 months and up opened in August 2022 on the Bilton Grange site.

The average number of students in Rugby School during the year was 866 (2023: 864). The total number of boarders averaged 653 during the year, which maintained the boarder/day ratio at approximately 76%. The average number of students of Reception age up to sixth form in Bilton Grange was 391 (2023: 383) of whom the average number of full and weekly boarders was 56.

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

Supporting access to the schools remained a priority for the Governors. In 2023/24, 17.4% of Rugby School's students and 12.5% of the children at Bilton Grange received concessions through Scholarships, Lawrence Sheriff Foundationships and Arnold Foundation schemes. These awards entitle students to financial assistance up to 100% of fees and in some cases extras. All concessions beyond 5% scholarship awards are subject to parental means testing.

During the year, financial support towards the Rugby School fees was provided for 351 students, representing 40.7% of students in Rugby School, including a significant number of students in receipt of a bursary for the full value of the School fees. A further 147 students at Bilton Grange received some form of financial support representing 37.5% of the students in Bilton Grange. We are particularly proud of our continued efforts to build on and develop student mentoring for Arnold Foundation and Earle Fund students as part of our support for them.

The Schools' activities and strategy over the year have continued to support each School's Development Plans. Rugby School has maintained its high academic performance and its position as one of the leading co-educational boarding schools in the UK and the world.

Educational Performance at Rugby School

The exam results for summer 2024 show an improvement in the previous year's results, but also reflect the national trend of a move closer to the pre-Covid average grades:

All figures in percent A Levels (including IB)	2024	2023	2022	National Average	
				2024	2023
A* - A (7-6)	58.2	56.2	64.2	27.6	26.5
A* - B (7-5)	85.4	83.5	84.6	53.6	52.7
A* - E (7-1) (pass)	100.0	100.0	100.0	97.1	97.2
GCSE					
A* / 9-8	55.1	54.9	65.6	12.5	12.0
A* - A / 9-7	74.6	75.5	83.0	22.6	21.6
A* - B / 9-6	88.5	88.9	92.9	37.1	35.6
A* - C / 9-4 (pass)	98.7	98.4	99.6	70.4	67.8

As previously noted, both schools aim to offer far more than a strong academic performance. The Governing Body and staff place particular importance on robust and effective systems and processes for the pastoral care, support and guidance of our students. However, the academic performance remains a priority and some of the principal achievements of the schools were:

- Excellent A Level and IB Diploma results meant that admittance to universities remained strong, with almost all students progressing to university directly or following a gap year;
- The School enjoyed outstanding results in academic competitions, including Mathematics and Science Olympiads;

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

- For the second time students at Rugby School were awarded the International Baccalaureate Diploma. They achieved excellent results with strong successful take ups from universities and the number of students taking the exams is growing in 24/25.

Co-curricular highlights of the year at Rugby School

The School's Whole Person, Whole Point ethos means that co-curricular activities remain firmly at the heart of the school's educational programme.

Sport

The highlight of our sporting success last year saw our U15 netballers crowned national champions, and our U15 and U17 girls' cricket teams reached national finals in both the T20 and hundred ball competitions. We entered two girls' teams into the Rosslyn Park Sevens competition, and the sport of rugby is seeing increased take-up from girls within the School. Boys' Hockey had a successful year reaching the quarter finals of the Tier 1 competition (losing to the eventual winners), with our girls' XI finishing 5th in the Tier 1 league in their first year of entry.

We saw considerable success across tennis fixtures, and rackets now has a healthy number of students playing on a weekly basis. We are very likely to have our first Foster Cup entry in a long time, as we currently have a student seeded 12th in the country. We last won this competition in 1994, and it is the premier rackets competition on a national level for the top 16 U18 seeds.

Plans are underway for a sports tour to South Africa in the summer of 2025, and there is also an U15 netball tour to Barcelona, and an E Block & F Block cricket tour to Dubai and tennis tour to Portugal planned in the coming academic year. The sports tour to South Africa will include Boys' hockey for the first time, as we ensure that all core sports get access to good quality tours.

Ex-pupils Maia Bouchier and Jacob Bethell have had an excellent end to the summer, with Maia scoring her maiden century for England and Jacob making his international debut for England in T20 and white-ball cricket against Australia in September 2024.

The number of pupils on academy pathways has again increased. With the newly formed Birmingham Panthers professional netball team now in the area, this has provided developmental pathways for our students, with many already part of their PDP programmes. The U17 academy now train on site improving our partnership work. Many of our rugby players who were part of the Central Warriors academy (formerly Wasps), have now been picked up by Tigers or Saints. One current student has just signed a professional contract with Warwickshire, as part of the re-structuring of women's cricket. We also have an F Block student in the academy set-up for Leicester City, and some excellent horse-riders in the school with one recently qualifying for the Horse of The Year Show.

Rugby 360

It is a testament to the ongoing importance of service that we now have over 500 pupils engaged in the Rugby 360 service programme for 90 minutes each week. We have a thriving afterschool clubs programme, which supported over 700 local primary school children each week in the 23-24 academic year. In addition to this, we welcomed 750 students on site for Service Day in July, and on a weekly basis we work in 25 different local primary schools.

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

On an increasing basis, we have schools approaching us to work with them to support in gaps with numeracy, literacy, IT literacy and foreign language acquisition. Through the generosity of students, families and staff in the Rugbeian Community, we donated over 3.5 tonnes of food to the foodbank last year, and had students supporting in 18 different charity shops across both the Rugby and Lutterworth town centres.

Rugby School became a 'champion school' as part of the Schools Partnerships Alliance in the 2023-24 academic year. Rugby also achieved 'green flag' status for the first time in its history – an initiative from the sustainability levée as part of Rugby 360.

CCF

CCF has returned to sectional training, and we ran our first overnight field camp for the whole contingent since Covid. We recently finished 12th in the Sir Steuart Pringle Trophy at the Commando Training Centre in Lympstone, coming in second place in two stances. We aim to encourage our students in adventurous activities and we have run cycling expeditions and hillwalking trips to Snowdonia, and Half Termly range days at Bramcote barracks have been re-introduced. We have field gun and first aid competitions on the horizon, and the contingent is on an upward trajectory.

Music

We currently have 67 Music Scholars in the School. Nine of them achieved music diplomas in Trinity (seven with distinction) and three had offers to study Music at Oxbridge. In addition, the impressive list of national and international musical achievements spans choral, instrumental and composing. A recently ex-Rugby student is currently the BBC Young Chorister of the Year; another student plays for the National Youth Brass Band of Great Britain; and a third student took the public vote to win a major French opera competition. An Arnold Foundation student is being mentored by world-renowned composer Hans Zimmer. Yet another student has played the piano to sold out audiences across Europe.

The Rugby Chorister Programme is thriving at Bilton Grange, with 34 students on the programme being supported by pupils and staff from Rugby School. We have also enjoyed a growing number of successful collaborations with cathedral and college choirs in Oxford and Cambridge. The programme has provided opportunities for Rugby's choir to learn to lead younger people and organ playing students to gain real life experience of playing alongside worshipers and choirs.

The annual rock and pop night was a great success, with the winning band headlining at the Festival on The Close as a warm-up act for Adele (tribute). The most recent Blue Note society saw 300 sign-ups, which is a testament to the student feeling towards music in the school. Meanwhile the annual House Singing competition was a roaring success with Cotton and Rupert Brooke winning.

We enjoyed over 25 ensembles working together on a weekly basis, and it was good to see these come together in the large ensembles concert towards the end of Trinity.

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Performing Arts

Rugby School was named as a finalist in the Independent Schools of the Year Awards for Performing Arts, reflecting the quality and breadth of our provision. Rugby's Performing Arts department starred our Macready Theatre Young Actors' Company which had sell-out performances at the Edinburgh Fringe, receiving 4* and 5* reviews, from 'Broadway Baby' and 'What's On Stage'. Two Performing Arts Scholars became Rugby's first to achieve distinctions in the Performing Arts ATCL Diploma, and a further student was also awarded the Kristi Award at the Kristin Chenoweth's Broadway Bootcamp. Students in the newly created Macready Dance Company are flourishing bringing their creativity to our theatre performances; and in this year's highlight, they collaborated with the Kings International Ballet Academy in a sell-out performance of Carmina Burana, sung by Rugby School's Choral Society.

The Festival on The Close lit up Rugby town with its range of offerings in aid of Cancer Research UK. The community enjoyed collaborations with both Stomp and Flawless as part of the effort to develop more inclusive dance offerings. There was a comedy night, and strong ticket sales were seen for the Symphonic Ibiza event. Meanwhile workshops were offered on both Tuesday and Wednesday with these also offered to local secondary aged state school students.

The school musical was an outstanding centre piece of the year. 'Into the Woods' played to sell-out audiences in the Macready Theatre, and had a student cast (including tech, backstage, and ensemble) of over 60.

Duke of Edinburgh

The programme is thriving, with over 80 students signed up for Gold and 160 for Bronze. With Silver yet to be launched, this will be the largest cohort of D of E expeditioners in Rugby School history. We recently had over 25 students invited to a single event at Buckingham Palace to receive their Gold Award. In the past academic year, we saw 54 students complete their Bronze Award, 24 complete Silver, and 29 complete Gold (inc. OR's).

Levé

We have restructured the co-curricular levée to give the individual roles within it greater clarity. We now have 6 students who oversee one core area of life at Rugby: Sport, Music, Performing Arts, Charities, Sustainability and CCF. These are led by one student who has oversight of the whole group and is an individual that is deeply immersed in our provision. This has enhanced the efficacy of the group in creating a more strategic and driven leadership group.

Highlights of the year at Bilton Grange

2023-24 was the 150th anniversary for the school and a series of celebrations took place across the academic year. These included special concerts, productions, chapel services, sporting events, a celebratory summer ball and a closing ceremony which included the creation of a time capsule (to be opened in 2073).

Students from Bilton Grange won an impressive 37 scholarships at 13+ (academic, D&T, computing, drama, music, performing arts and sport) with 32 accepted. In addition, four scholarships (academic and sport) were awarded at 11+.

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Whilst 66% of the leaving cohort moved on to Rugby, there were twelve other public school destinations to which Biltonians departed. Of the leavers heading to Rugby, 40% were moving as boarders.

Academically, Bilton Grange is performing well with seven academic scholarships offered by senior schools. The Common Entrance results for the leaving cohort were the strongest they had been for many years. Twelve pupils took the additional Maths paper at CE and 75% secured an A* or A. Two Bilton Grange students received an award from their senior school for achieving the highest mark in their CE papers for a particular subject (Biology and Chemistry papers) and one boy received an award for being the top CE candidate from any school based on his results.

Bilton Grange was delighted to see its Pre-Prep short-listed for the 'Pre-Prep of the Year' category in the Independent School of the Year Awards 2024; this was the second year running for this particular accolade. Meanwhile the School's Early Years team won the Muddy Stilettos award for 'Most Creative Learning Through Play'.

Twelve children competed in the London Round of the Scholar's World Cup against forty other schools. One pupil finished 2nd overall and all twelve qualified for the round in Azerbaijan - although no-one was actually able to travel there.

Meanwhile BG's U11 teams made it through to the finals of Science and Maths National Quiz Competitions held at Oxford University.

The school achieved the NCCE Computing Quality Mark (CQM), which recognises the excellent computing education provision at Bilton Grange. It also achieved Green Flag Status for the second successive year due to its environmental efforts. Bilton Grange was shortlisted in the spring edition of The Week's top schools for its outdoor education.

A full range of sport, music and dramatic opportunities was again in evidence at Bilton Grange.

In the area of Performing Arts, each year group had the chance to perform and all productions carried a Victorian theme as a nod to the School's 150th birthday celebrations. The Upper School production of *Oliver!* was widely regarded as exceptional, while the Middle School productions of *Victorian Villainy* and *Bah Humbug!* were tremendous fun and high quality. Three pupils were awarded a Drama scholarship to their senior school and the LAMDA results were outstanding.

Music is also thriving at Bilton Grange. Concerts were staged throughout the year ranging from soloist evenings to large scale ensemble concerts and jazz soirees. Large numbers of children performed. Nine of the scholarships offered by senior schools were for music and the ABRSM and Trinity exam results were excellent.

The choristers programme enjoyed its second year with 38 children from year 4-8 attending vocal training and singing in public Evensong services over four days each week. The programme continued to achieve national renown and the choristers performed publicly on several occasions, including at Merton College Oxford as well as alongside the Rugby Singers and the King's Ballet in a memorable performance of *Carmina Burana*.

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The sporting programme was full with a strong showing in the major team sports. The U13 Boys were a particularly strong year group, with the A Team losing just one rugby match and remaining unbeaten through the regular hockey season. The hockey squad also won their IAPS regional qualifier and finished 9th overall at the national finals. The U13 Girls netball A Team also went unbeaten in their season. Significant successes were achieved with national medals won by BG pupils in swimming and athletics while a number of boys and girls gained county / regional selection in rugby, hockey, netball and cricket.

One BG pupil was crowned the IAME Euroseries Karting Champion 2023 and was on course to repeat this feat in 2024. In July, cricket and netball teams enjoyed a very successful tour of Barbados. Golf developed considerably through the year with BG hosting its first matches for some years. Twelve of the scholarships offered by senior schools were for sport.

Following continued DEI training, the staff DEI committee was established which has helped to enhance the working culture within the school for both staff and pupils.

Significant funds were raised by BG pupils for charities across the year including Children in Need, The Hoskyn Centre, the Rugby Foodbank, Comic Relief, Myton Hospice, the Precious Touch Foundation, the Motor Neurone Disease Association and Jeans for Genes.

There were also 122 pledges from members of the BG community which, alongside Rugby School, helped to raise over £105,000 for the Arnold Foundation and Earle Fund which provide boarding bursaries. In 2023/24 there were three children who benefited from a fully funded boarding place at BG thanks to the Earle Fund.

The Bilton Grange Challenge was launched in 2023/24 as a scheme to develop both a sense of service and personal development among the children in the Upper School. The first medals were awarded at Prize Giving with seven gold medals, four silver and twenty bronzes.

International Partnerships

The School continues to focus on working with schools internationally as part of the Rugby School Global network and the school is developing partnerships in a number of countries. At the close of its seventh year of operation, pupil numbers at Rugby School Thailand were over 1,000 for the year ended 30 June 2024. Rugby School Japan opened in Kashiwa-no-ha in Chiba Prefecture on 4 September 2023. Further schools are expected to be announced in 2024-25.

Little Grange Nursery

Little Grange Nursery opened on 1 August 2022 so the year ended 30 June 2024 was its second year of operation. Occupancy rates maintained the strong momentum of its first year and the provision has continued to garner very positive responses from parents.

Plans for Future Years

The Governing Body continues to pursue the School's general objectives as set out earlier. The Governing Body has also set the following aims for the academic year 2024/25:

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

- to maintain the School's commitment to high academic standards;
- to facilitate curriculum, student and staff development through the implementation of an academic rolling plan;
- to enable our students to gain admittance to the best universities and courses they can;
- to develop the provision at Bilton Grange Preparatory School as a core part of the Rugby Group of Schools;
- to continue the pioneering work of the Arnold Foundation and use the bursaries programmes (Arnold Foundation and Lawrence Sheriff) to ensure that access to the School is as wide as possible;
- to develop a plan for outstanding and forward thinking emotional and physical health and well-being vision for 2024;
- to continue to explore opportunities to open overseas schools in partnership with suitable investors;
- to continue to develop and strengthen the 'Whole Person Whole Point' brand using positive and inspiring examples to illustrate our ethos in action;
- to continue to improve the School's facilities and to protect the historic environment through capital projects to provide outstanding facilities that are safe, secure and inspirational places to live and work in;
- to continue to improve the sustainability of the School estate through an ongoing programme of capital investment;
- to continue to explore opportunities for on-line education, both commercially and for internal use.

Strategic development plans are presented to and reviewed by the Governing Body at least annually.

Public Benefit Objectives

In setting the School's objectives and planning its activities the Governing Body has 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 on fee-charging.

Widening access to the School

The Governing Body is conscious that the schools must remain accessible to talented children, irrespective of parental means. This was the main driving force for the launch of the Arnold Foundation for Rugby School in late 2002, which has expanded to offer places at Bilton Grange under the Earle Fund. As of September 2024, 185 students and former students had benefited from support provided by the Foundation since 2004. The Governing Body thanks all the donors who have contributed over the year and is delighted that there were 28 Arnold Foundation students and 3 Earle Fund students at the schools during 2023/24. Two of the new Arnold Foundation students had started as Earle Fund students. In September 2024 the number of students in the schools who are funded by the Arnold Foundation is 27 at Rugby School and a further 4 at Bilton Grange.

Long before the launch of the Arnold Foundation for Rugby School, the School funded from its endowed and restricted funds a large number of scholarships, bursaries and concessions.

The Governing Body is determined to ensure that these are directed to cases of greatest need; therefore scholarship and foundation scholarship awards are initially for a maximum of 5% of fees, such scholarships being, however, augmentable (up to 100% if necessary) based upon an assessment of parental means.

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

Bursaries policy

The School's policy is to award scholarships on the basis of an individual's educational potential. The School provides bursaries and augmentations, up to 100% of fees subject to means-tested assessments, to those students whose education may be at risk due to financial hardship or to make places available for deserving students from families who might otherwise not be able to afford school fees.

The total cost of scholarships, bursaries and augmentations during the year was £6.8 million (2023: £5.5 million) for the School. Approximately 40% of students receive some form of support. Awards entitle students to financial assistance up to 100% of fees and extras, subject to parental means tests.

Contribution to local schools

One fifth of the annual net income from the London Estate totalling £0.63 million (2023: £0.70 million) was paid to our neighbour, Lawrence Sheriff School, which operates in the maintained sector.

Community partnerships and services

The School aims to be a good neighbour in its local community and to develop mutually beneficial partnerships wherever possible.

Such initiatives have included those detailed above in the Review of the Year's Achievements and Performance as well as:

- members of staff contributed their time voluntarily to a number of charitable causes such as assisting in the running of the Bradby Club, the Rugby Portobello Trust, and the Lawrence Sheriff Alms-houses as well as acting as governors of a number of maintained schools;
- the School opened its sports and other facilities to many local individuals and organisations (including other schools) charging rates below those applying to commercial businesses, sometimes providing facilities free of charge;
- both Rugby School and Bilton Grange's facilities are provided free of charge for a number of charitable fundraising activities including school sports days, concerts, plays, art exhibitions local sporting organisations; and
- numerous local choirs and orchestras have held rehearsals and concerts in a number of School venues during the course of the year and the School has also hosted several events involving local schools.

Fundraising

Members of the School's Rugbeian Community Office and Development Team organise fundraising activities and events and co-ordinate philanthropic support and involvement for the Arnold Foundation, Earle Fund and the schools. No entities within the Group use fundraising consultants or involve commercial participators. The School is registered with the Fundraising Regulator and operates according to the Code of Fundraising Practice. All direct fundraising marketing is undertaken by the fundraising team within the Rugbeian Community Office to ensure that it is not unreasonably intrusive or persistent. All promotional material contains clear instructions on how an individual can change their preferences for communication or be removed from mailing lists. There have been no complaints about fundraising activities during the year.

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

Group Structure

The School's consolidated report and financial statements include the activities and results of its wholly-owned subsidiaries: Rugby School Enterprises Limited, Rugby School International Limited, Little Grange Nursery Limited and Rugby School Projects Limited and also of three associated charities: the Arnold Foundation for Rugby School, the Rugby School General Charitable Trust and the Rugby School War Memorial Fund. The trustees and directors of these associated charities and companies are all appointed by the Governing Body of Rugby School.

Rugby School Enterprises Limited

The principal aim of this trading subsidiary is to generate income from the use of the School's facilities when not required for their principal educational purpose, and particularly during holiday periods. The company operates language and other courses, operates the School shop and also runs a sports centre which is open to the public when not being used by the School. The company's distributable profit for the year is gifted to the School to be used for its principal activity.

Rugby School International Limited

The principal activity of the company is the provision of support to third parties to establish new premium international schools associated with Rugby School, in relation to using the School's trademarks and know-how. The company's distributable profit for the year is gifted to the School to be used for its principal activity.

Little Grange Nursery Limited

The principal activity of the company is the commercial provision of a nursery for children aged 6 months to 5 years and it received its Ofsted Registration in the Summer of 2022 before opening at Bilton Grange in August 2022.

Rugby School Projects Limited

This subsidiary company supplies design and build services and in March 2019 completed the construction of a new boarding house for the School. The entity is planned to be active during the planned construction of a new boarding house at Bilton Grange over the coming years.

The Arnold Foundation for Rugby School

The Arnold Foundation for Rugby School (the Arnold Foundation), an associated company that is also a registered charity, number 1095856, has the principal aim of raising funds for more bursary awards, widening access to the School, so that more YOUNG people may benefit from a boarding school education at Rugby, irrespective of their parents' ability to pay the fees.

The Rugby School General Charitable Trust

Prior to the 2002 incorporation of the Arnold Foundation for Rugby School, this trust (also an associated entity) was principally engaged in raising funds from supporters of the School, usually to assist with named capital projects. From 2002, activity in this Trust has been limited to the receipt of income from covenants and legacies that were established before the Foundation's existence and for fund-raising activities not conducted through the Arnold Foundation.

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

The Rugby School Combined War Memorial Fund

Originally established in honour of those members of the Rugby School family who fell in the two World Wars, this trust (an associated entity) uses its investment income to fund scholarships or bursaries awarded to the children of Rugbeians who meet the criteria for financial assistance to attend or remain at Rugby School.

The Trustees have expanded the Fund's objects by way of a Charity Commission Scheme in order to allow it to also support the children of those working in the emergency services and the NHS.

Financial Review

The School endeavours to ensure financial stability and continuing solvency year on year so that it can pursue its educational aims and objectives. Rugby School's management continues to recognise the importance of strong cost control, seeking to contain cost increases as much as possible while ensuring that the School continues to deliver first class education and pastoral care.

The School's charitable activities continue to be the main source of the Charity's consolidated income and expenditure.

The School's operations for the year ended 30 June 2024 resulted in net outgoing funds from operations of £4.78 million (2023: a net outgoing figure of £2.16 million), after charging £5.05 million (2023: £4.37 million) for depreciation on the School's property and equipment, but before pension revaluation adjustments under FRS 102.

The consolidated net incoming resources for the year, were heavily affected by a revaluation of the London Estate and revaluations in the value of the School's financial investments and stood at £3.0 million (2023: net outgoing resources of £12.2 million) which, in addition to the School's operating surplus, included:

- the Arnold Foundation for Rugby School received gifts and legacies of £0.84 million during the year;
- a net transfer of £2.45 million from the London Estate, after the payment of the one-fifth share to Lawrence Sheriff School;
- £6.8 million (representing 15.1% of gross fees) was used to fund scholarship and bursary awards. Assistance towards payment of the fees by way of scholarships and bursaries was provided to a total of 416 students across Rugby School and Bilton Grange.

Including the year-end revaluation on investments, which are substantially either restricted or endowment related, and the pension scheme actuarial revaluation, there was a net increase in the Charity's funds for the year of £3.0 million (2023: a net decrease £12.2 million) as the property investments in the London Estate saw a significant decrease in value as a result of the significant changes in discount rates applied due to the rapid increases in interest rates.

Balance Sheet

The movement of funds for the year generated total consolidated funds of £226.3 million standing to the credit of the School as at 30 June 2024. The underlying assets and liabilities are set out in the Balance Sheet and further analysed in the notes which accompany the financial statements.

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

Funds

The results of School operations (fees and related income less expenditure to administer, maintain and develop the School) are identified separately within the body of the financial statements. The use of net funds generated by this activity is unrestricted.

Endowed funds are predominantly represented by the London Estate, consisting principally of property in London bequeathed by the School's founder, Lawrence Sheriff. This permanent endowment yields commercial, retail and residential rental income and, after accounting for the costs of its maintenance and administration, one fifth of the remaining surplus (plus one fifth of the income from certain non-property investments) is paid to Lawrence Sheriff School, a neighbouring secondary school originally established by the Governing Body of Rugby School and now operating in the state sector. Of the four-fifths which remain, the primary use is to fund foundations, scholarships and bursaries. Any remaining balance is unrestricted in use, but in practice is applied to finance capital projects which are of long-term benefit or accumulated for the same uses in future years.

Restricted funds can only be used for specified purposes and, accordingly, the School accounts separately for such assets, and for the income and expenditure related to them. The Consolidated Statement of Financial Activities further analyses these restricted funds as Special funds, consisting principally of fixed interest bearing securities and holdings in investment trusts and equities, many of which arose originally from bequests for specific purposes, such as scholarships, bursaries and prizes. The annual net income from such funds is used exclusively for the specified purposes, with any unallocated amounts being carried forward for the specific purposes in future years.

Other restricted funds consist primarily of gifts and legacies received through the Arnold Foundation for Rugby School, but also through the General Charitable Trust and the War Memorial Fund (see above). Gifts from the General Charitable Trust are utilised in the period. The carried forward balance of other items on the Statement of Financial Activities relates to the Arnold Foundation for Rugby School and the War Memorial Fund (see note 21).

Reserves Policy

The Governing Body has moved to an EBITDA based objective. The School does not expect to borrow money to cover operational requirements other than to cover short-term timing issues. The School has issued a £35 million private placement in order to fund various capital expenditure programmes in view for the coming five years.

It is the intention of the Governing Body that, on a continuing basis, the School will retain sufficient unrestricted reserves to sustain the fixed assets which are used by the School for its charitable activities. In those years where there are free reserves, the School may consider advancing the capital expenditure programme or designating funds for an identified programme of capital maintenance and investment.

In other years where the School may have negative free reserves, the School aims to manage the day to day working capital requirements through careful management of short term liquid resources.

The policy on the unrestricted reserves ensures that a proportion is allocated as designated funds, established in respect of:

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

- Fixed assets fund – the School will retain sufficient unrestricted reserves to sustain the fixed assets which are used by the School for its charitable activities.
- Building maintenance fund – used when the School sets aside additional monies towards the costs of maintaining the School’s facilities as part of its development plans.
- Rugby School Enterprises fund – the funds gifted to the School by the trading subsidiary are to be utilised on projects determined by the Governing Body which benefit a significant proportion of the School’s community. During the current year this encompassed the provision of additional scholarships.
- Bilton Grange fund – this fund related to investments transferred to the Charity under the charitable merger in January 2020. The investments had been designated for usage in the construction of the new boarding house at Bilton Grange. The disposal of the assets was completed in the 2023/24.
- Bloxam Fund – The funds originated from a portion of the proceeds of sales in 2019 and 2020 of long-held donated art works and rare books which were designated by the Governors to be utilised for bursary funding and for projects to benefit a significant proportion of the School’s current and future community.

The financial statements indicate that the School’s unrestricted funds of £70 million (see note 22) are invested in premises and equipment with free reserves at a deficit of £17.9 million before any pension provision. Given the financial strength of the School, in particular the endowment investments, the Governing Body is satisfied that this is adequate.

The Governing Body prepares a detailed long-term plan having regard to the School’s financial and physical resources, so that at all times the School retains the strength and flexibility to respond to contingencies and to longer term needs that may not be currently foreseen. Accordingly, the Governing Body consider that the School and the group have adequate resources and flexibility for the foreseeable future and consequently the adoption of the going concern basis is appropriate in preparing the financial statements. The reserves policy is monitored by the Finance & Audit Committee and is reviewed annually.

Fundraising Performance

The Arnold Foundation received £0.8 million of donations and legacies in the year. These funds will be applied for the specific aim of providing means-tested bursary awards to those students whose parents would not otherwise be able to afford an education at Rugby School.

Investment Performance

In relation to its financial investments, the Governing Body aims to optimise the returns generated by the investments such that, over the long term, the capital values are, at the least, maintained when adjusted for inflation.

This objective will be achieved if the investments exceed CPI+3% per annum on a rolling 5 year period, provided the total return targets are also met. These returns are being comfortably exceeded with the 5-year CAGR of 10.0% exceeding the 5 Year CAGR of CPI+3% (7.3%).

There are no specific restrictions other than that the investments should be suitable for trusts. The School’s investment performance is monitored regularly against objectives by the Investment Committee.

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

Governance and Management

Charity Governance Code

The Governing Body understands that effective governance is critical in running the charity and uses the Charity Governance Code as an important tool in assisting with the continuous review of governance of the Charity.

Governing Body

The School is an unincorporated charity created by the will of Lawrence Sheriff in 1567 and is a recognised charity under the Charities Act 2011 (charity number 528752). Its trusts include the Will, the 1873 Scheme and the Rugby School Act 1922. The Governing Body of Rugby School is a body corporate incorporated by Act of Parliament, under the Public Schools Acts 1868, as the charity's corporate trustee. As well as being regulated by the Charities Act, the Governing Body and the School are regulated by the Public Schools Acts 1868 and 1872, by the 1873 Scheme, by the Rugby Lower School (Transfer) Act 1906 and by the Rugby School Act 1922.

Appointments, Recruitment and Training of Governors

Under the statutes, there is one nominated Governor and other members are appointed by the Governing Body itself. The Governors and principal officers are named on page 3 and 4 of this report.

Where the Governing Body itself co-opts a new member, this follows a selection process and a recommendation from its Nominations Committee. Governors are selected for their skills and experience across an appropriate spectrum. Before taking up appointment, new Governors visit the school for induction, receive key information relating to the charity and sign an appointment letter. All Governors are encouraged to attend the annual strategic planning meeting which often incorporates trustee-training issues.

The Governing Body's voluntary code on retirements provides that, with the exception of the Lord Lieutenant and the Chairman and Deputy Chairman, members of the Governing Body do not normally serve more than ten years, unless, in exceptional circumstances, the Governing Body determines otherwise.

Governance

The Governing Body is responsible for the overall management and control of the School and meets at least once a term. Its principal responsibilities are to:

- ensure that the School is run in accordance with its charitable objectives and that all the functions of the School are authorised by the powers provided by its statutes and regulations and by charity law;
- act in the best interests of the School and current and future beneficiaries at all times;
- appoint the Head Master of Rugby School, the Head of Bilton Grange, the CEO of Rugby School Global and, after consultation with the Head Master, the Chief Operating Officer, the Deputy Head(s) and the Assistant Head(s) and approve their terms and conditions;
- in consultation with the Head Master and his management team, set the strategy and policies by which the School will be run;
- approve the Development Plan;
- ensure that the School meets the objectives that the Governing Body sets from time to time;

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

- control finance by approving realistic budgets and longer-term plans and by approving systems and safeguards that optimise the chances that they will be achieved;
- ensure the effective and efficient administration of the School and its resources, striving for best practice in good governance;
- ensure that the School is compliant with appropriate statutory and advisory regulations and aims for best practice in this area;
- understand the extent of duties in relation to risk management and to legal compliance and be satisfied that there is a rolling programme for meeting them;
- ensure that competent professional advice is taken when necessary;
- appoint a Chairman and one or more Deputy Chairs;
- appoint members to its committees; and
- review and approve the terms of reference and the output of these committees.

Organisational Management

Governing Body Committees

The Governing Body has appointed the following committees of its members to oversee the activities set out below. Membership is supplemented by the attendance of some of the principal officers of the School and by others with appropriate specialist knowledge. All these committees report regularly to the Governing Body and their terms of reference are reviewed annually.

- RS Education Committee: Review of education broadly, academic policies and performance.
- BG Education Committee: Review of education broadly, academic policies and performance.
- Fundraising Committee: Advise and support the trustees of the Arnold Foundation and the Governing Body in raising funds for the Arnold Foundation and Capital Projects.
- Student Welfare Committee: care for the safeguarding, wellbeing and pastoral needs of the student body.
- Risk, Compliance and Safeguarding Committee: Legislation and inspection compliance, risk management.
- Finance, Audit and Estates Committee: Financial policy and general operations relating to the running of the School. The audit sub-committee addresses financial reporting, systems and controls.
- International Development Committee: Formulation of the strategy for Rugby School's international development, international school partnerships and recommendation of international projects.
- Investment Committee: Management and administration of Special Funds and all other non-property investments. The Governing Body have agreed that the School's investment portfolio be managed on a discretionary basis by its Investment Managers subject to policies and objectives that the Governing Body establishes from time to time having regard to the Investment Committee's recommendations.
- Nominations Committee: Review of Governing Body membership, including recommendations of individuals who might be co-opted to the Governing Body.

Membership of these committees is shown on pages 3 and 4.

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

Key Management Personnel

The Governing Body delegates the daily management of Rugby School to the Head Master of Rugby School and of Bilton Grange to the Head of Bilton Grange and of international school projects and partnerships to the CEO RS Global. The Chief Operating Officer reports to the Head Master of Rugby School and is also the Clerk to the Governing Body. They are aided by other Key Management Personnel as detailed below.

Remuneration of the Key Management Personnel is set by the Nominations Committee with the policy objective of providing appropriate incentives to encourage performance and of rewarding fairly any individual contributions to the School's success.

The Executive Leadership Group comprises the Head Master of Rugby School, the Head of Bilton Grange, the CEO of Rugby School Global, the Chief Operating Officer, the Deputy Head of Rugby School, the Development Director, the Estates Director, the Finance Director, the HR Director and the Rugbeian Community Director.

The Leadership Group of the Charity comprised the SMTs of the schools together with the Operations and Administration Management Group and any other members of the Executive Leadership Group.

Changes to Organisational Management in 2023-24

After a decade in role, Peter Green, the Executive Head Master, retired from 1st January 2024. With his departure, the senior leadership of the group changed to that indicated above. The core executive group comprise the Head Master of Rugby School, the Head of Bilton Grange, the CEO of Rugby School Global and the Chief Operating Officer.

Support

The School and the Governing Body greatly appreciate the important and valuable support given to the School in so many ways by Rugbeians and many other friends of the School. Above all, the Governing Body remains deeply grateful to the entire staff, both teaching and operational and administrative, whose unstinting hard work and loyalty has enabled the School to achieve its major objectives.

Principal Risk and Risk Management

The Governing Body conducts annually a review of risk assessments undertaken by the School's management to identify the major risks to which the School (and the subsidiary and associated entities covered by this report) is exposed, and the systems for their mitigation. The Governing Body's Risk, Compliance and Safeguarding Committee reviews the School's Risk Management Report termly.

The Governing Body considers the principal risks faced by the School to be:

- affordability of fees by parents across the independent school sector;
- future demand for independent education and particularly boarding education;
- the ability to address the economic environment and cost-of-living challenges;

REPORT OF THE GOVERNING BODY OF RUGBY SCHOOL FOR THE YEAR ENDED 30 JUNE 2024

- an inappropriate mix of students or unfilled student places;
- the risks associated with the implementation of VAT to educational fees;

In the opinion of the Governing Body, the School (and the subsidiary and associated entities) has established resources and review systems which, under normal conditions, should allow those risks to be mitigated to an acceptable level in its day-to-day operations.

Statement of Governing Body responsibilities in respect of the Annual Report and the Financial Statements

The Governing Body is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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

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

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

Auditors

Crowe UK LLP has indicated its willingness to be re-appointed as statutory auditors.

Approval

This report and the accompanying financial statements were approved by the Governing Body on 25 February 2025. 

N Bacon
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BODY OF RUGBY SCHOOL

Opinion

We have audited the financial statements of Rugby School for the year ended 30 June 2024 which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 30 June 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

Other information

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

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BODY OF RUGBY SCHOOL *(continued)*

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 22, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the 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. This description forms part of our auditor's report.

Use of our report

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



Crowe UK LLP
Statutory Auditor
Cheltenham

Date: 11 March 2025

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

THE GOVERNING BODY OF RUGBY SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2024

	Funds: Notes	Unrestricted £'000	Endowed £'000	Restricted £'000	2024 £'000	Unrestricted £'000	Endowed £'000	Restricted £'000	2023 £'000
INCOME AND ENDOWMENTS FROM:									
Charitable Activities									
School fees receivable	2	41,494	-	-	41,494	38,276	-	-	38,276
Ancillary trading income	4	2,148	-	-	2,148	2,525	-	-	2,525
Other Trading Activities									
Trading income (non-ancillary)	5	3,803	-	-	3,803	2,994	-	-	2,994
Investments									
Investment income	6	461	192	5,521	6,174	465	194	5,692	6,351
Voluntary Sources									
Donations and legacies		3	83	777	863	1	258	582	841
Other		1	-	112	113	13	-	-	13
Total Income		47,910	275	6,410	54,595	44,274	452	6,274	51,000
EXPENDITURE ON:									
Raising Funds									
Trading	7	1,593	-	-	1,593	1,139	-	-	1,139
Financing costs		1,134	-	-	1,134	1,022	-	1	1,023
Investment management costs		14	102	2,771	2,887	28	94	2,024	2,146
Fund-raising and development		-	-	422	422	-	-	442	442
Total cost of fundraising		2,741	102	3,193	6,036	2,189	94	2,467	4,750
Charitable Activities									
School operations		47,952	-	-	47,952	43,509	-	11	43,520
Scholarships, bursaries and prizes	3	-	549	4,210	4,759	-	306	3,878	4,184
Payment to Lawrence Sheriff School	9	-	-	630	630	-	-	705	705
Costs of Charitable Activities		47,952	549	4,840	53,341	43,509	306	4,594	48,409
Total Expenditure	7	50,693	651	8,033	59,377	45,698	400	7,061	53,159
Net (Expenditure)/Income		(2,783)	(376)	(1,623)	(4,782)	(1,424)	52	(787)	(2,159)
Net gains/(losses) on investments	13	2,250	(386)	5,361	7,225	1,386	(13,877)	2,322	(10,169)
Net Income		(533)	(762)	3,738	2,443	(38)	(13,825)	1,535	(12,328)
Transfer between funds	20,21, 22	17	-	(17)	-	10	-	(10)	-
Release of Repairs Fund	21	-	-	-	-	-	-	(120)	(120)
Actuarial (loss)/gain on defined benefit pension scheme	18	555	-	-	555	222	-	-	222
NET MOVEMENT IN FUNDS		39	(762)	3,721	2,998	193	(13,825)	1,406	(12,226)
Reconciliation of Funds									
Balances brought forward at 1 July		69,257	130,927	23,163	223,347	69,064	144,752	21,757	235,573
BALANCES CARRIED FORWARD at 30 June		69,296	130,165	26,884	226,345	69,257	130,927	23,163	223,347

The notes on pages 28 to 55 form part of these financial statements.

THE GOVERNING BODY OF RUGBY SCHOOL
BALANCE SHEETS
AS AT 30 JUNE 2024

	Notes	Parent Charity		Consolidated	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
FIXED ASSETS					
Freehold properties, fixtures & equipment	12	74,263	63,071	74,263	63,071
Investments	13	140,490	139,995	168,667	161,775
		<u>214,753</u>	<u>203,066</u>	<u>242,930</u>	<u>224,845</u>
CURRENT ASSETS					
Stock		19	10	112	110
Debtors	14	7,977	5,699	5,896	6,061
Investments – deposits		23,065	29,183	23,336	29,428
Bank and cash		8,422	11,351	8,904	11,542
		<u>39,483</u>	<u>46,243</u>	<u>38,248</u>	<u>47,141</u>
CURRENT LIABILITIES					
Creditors due within one year	15	(11,973)	(9,271)	(13,334)	(9,659)
		<u>27,510</u>	<u>36,972</u>	<u>24,914</u>	<u>37,482</u>
NET CURRENT ASSETS					
		<u>27,510</u>	<u>36,972</u>	<u>24,914</u>	<u>37,482</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>242,263</u>	<u>240,038</u>	<u>267,844</u>	<u>262,327</u>
CREDITORS due after more than one year	16	(41,828)	(38,810)	(41,883)	(38,867)
NET ASSETS EXCLUDING PENSION LIABILITY PROVISIONS		<u>200,435</u>	<u>201,228</u>	<u>225,961</u>	<u>223,460</u>
Defined benefit pension scheme liability	18	384	(113)	384	(113)
NET ASSETS INCLUDING PENSION LIABILITY	19	<u>200,819</u>	<u>201,115</u>	<u>226,345</u>	<u>223,347</u>
FUNDS OF THE CHARITY:					
Endowment funds	20	114,473	117,719	130,165	130,927
Restricted funds	21	16,842	14,139	26,884	23,163
Unrestricted funds:					
Unrestricted income funds		69,120	69,370	68,912	69,370
Pension reserve		384	(113)	384	(113)
Total unrestricted funds	22	<u>69,504</u>	<u>69,257</u>	<u>69,296</u>	<u>69,257</u>
TOTAL CHARITY FUNDS		<u>200,819</u>	<u>201,115</u>	<u>226,345</u>	<u>223,347</u>

The deficit for the financial year in the financial statements of the parent charity was £296,000 (2023: deficit of £14.7 million).

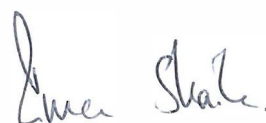
Approved by the Governing Body on 25 February 2025 and signed on their behalf by:



N Bacon – Chairman of Governing Body



D White – Chief Operating Officer



D Skales – Chairman of Audit Committee

The notes on pages 28 to 55 form part of these financial statements.

**THE GOVERNING BODY OF RUGBY SCHOOL
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024**

	Consolidated	
	2024	2023
	£'000	£'000
Reconciliation of net income to net cash flow from operating activities:		
Net Income for the reporting period (as per the Statement of Financial Activities)	(4,782)	(2,158)
Elimination of non-operating cash flows:		
Investment income and bank interest receivable	(769)	(926)
Endowment donations	(83)	(258)
Depreciation	5,055	4,370
Release of Repairs Fund	-	(120)
(Increase)/Decrease in stocks	(2)	(32)
(increase)/Decrease in debtors	165	1,041
Increase/(Decrease) in creditors	6,628	(481)
Increase/(Decrease) in Fees in advance scheme	63	(55)
Increase/(Decrease) in pension scheme liability	58	32
Net cash provided by operating activities	6,333	1,413
Cash flows from investing activities:		
Purchase of fixed assets	(16,246)	(8,268)
Purchase of investments	(32,644)	(6,908)
Sale of investments	31,556	8,903
Investment income and bank interest receivable	769	926
Transfer (to)/from short term bank deposits and equivalent	7,511	(28,460)
Net cash used in investing activities	(9,054)	(33,807)
Cash flows from financing activities:		
New endowments	83	258
Net cash provided by financing activities	83	258
Change in cash and cash equivalents in the reporting period	(2,638)	(32,138)
Cash and cash equivalents at the beginning of the reporting period	11,542	43,680
Cash and cash equivalents at the end of the reporting period	8,904	11,542
Analysis of cash and cash equivalents:		
Cash at bank	8,904	11,542
	8,904	11,542

The notes on pages 28 to 55 form part of these financial statements.

1. PRINCIPAL ACCOUNTING POLICIES

Rugby School (“the School”) is an unincorporated charity created by the will of Lawrence Sheriff in 1567 and is a recognised charity under the Charities Act 2011 registered in England & Wales (charity number 528752). Its trusts include the Will, the 1873 Scheme and the Rugby School Act 1922. The Governing Body of Rugby School is a body corporate incorporated by Act of Parliament, under the Public Schools Acts 1868, as the charity’s corporate trustee. As well as being regulated by the Charities Act, the Governing Body and the School are regulated by the Public Schools Acts 1868 and 1872, by the 1873 Scheme, by the Rugby Lower School (Transfer) Act 1906 and by the Rugby School Act 1922. The principal address is The Bursary, 10 Little Church Street, Rugby, Warwickshire CV21 3AW.

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and the Charities Statement of Recommended Practice (the Charities SORP (FRS102)), Financial Reporting Standard 102 and the Charities Act 2011 and the Rugby School Act 1922. A summary of the principal accounting policies, which have been applied consistently, is set out below.

(a) Basis of Accounting

The charity meets the definition of a public benefit entity.

The Governing Body consider that there are no material uncertainties about the charity’s ability to continue as a going concern.

The financial statements are prepared on a going concern basis in accordance with the historical cost accounting basis except that investments held as fixed assets, including investment properties, are carried at market value at the balance sheet date.

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

(b) Basis of Consolidation

The consolidated statement of financial activities (SOFA), balance sheet and the consolidated cash flow statement include the financial statements of the School, its subsidiary undertakings and associated entities made up to 30 June 2024. The subsidiary undertakings of Rugby School Enterprises Limited, Rugby School International Limited and Rugby School Projects Limited are all trading companies. The associated entities are The Arnold Foundation for Rugby School, Rugby School General Charitable Trust and Rugby School War Memorial Fund, all of which are registered charities.

No separate SOFA has been presented for the charity in the financial statements. The balance sheet of the parent charity is represented by the column headed “parent charity” and includes the results of School operations, the London Estate and the Special Funds, all of which are included within the same legal entity.

The separate parent charity's Statement of Financial Activities (SOFA) for the year ended 30 June 2024 shows gross income, excluding gift aid and donations from group entities, of £51.0 million (2023: £47.8 million) and a total deficit of £296,000 (2023: deficit of £14.7 million).

The charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only cash-flow statement with the consolidated financial statements.

The consolidation has been carried out on a line-by-line basis.

(c) Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated net of staff concessions and sibling discounts but include contributions received from Endowed and Restricted funds for scholarships and bursaries.

The provision of scholarships, augmentations and additional financial support is reviewed at least annually.

(d) Advance Fees

The School offers parents the opportunity to pay for up to 7 years fees in advance in accordance with a written contract. The amount received is invested and interest is accrued to contracts. This is treated as deferred income until the student joins the School, whereupon the fees for each term are released to fee income. Amounts received as Advance Fees may be returned to parents subject to specified conditions.

(e) Donations and legacies

Donations are credited to revenue when receivable. Legacies are recognised as receivable once probate has been granted and notification has been received if sufficient information regarding the value is provided. Entitlement to legacies may be included in the year of notification subject to the funds being received during that financial year or within 2 months after the year-end. It is the policy of the Trustees that any shares or other securities that are donated be converted to cash as soon as possible. No amounts are included in the financial statements for services generated by volunteers. Donations subject to specific wishes of the donors are retained in relevant restricted funds.

The assets and liabilities of Bilton Grange Trust Limited were transferred to the School by way of a charitable merger deed dated the on 6 January 2020. Given the nature of the transaction, the transfer has been reflected in the School's accounts as a donation.

(f) Expenditure

All expenditure is accounted for on an accruals basis as soon as a liability is considered probable and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been apportioned according to time spent.

(g) Support costs

Support costs include expenses which enable charitable activities and fund generating to be undertaken. These costs include finance and human resources and are allocated on a basis consistent with the use of the resource.

(h) Governance Costs

Governance costs relate to the general running of the charity. These costs include audit, legal advice for Governing Body and costs associated with meeting constitutional and statutory requirements such as the cost of Committee meetings, the preparation of statutory financial statements and satisfying public accountability.

(i) Recognition of Liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

(j) Leased Assets

Rentals payable under operating leases are charged to the SOFA on a straight-line basis over the term of the lease.

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as though they had been purchased outright. The amount capitalised is depreciated over the term of the lease. The corresponding leasing commitments are shown as obligations to the lessor. Lease payments are treated as consisting of capital and interest elements and the interest is charged to the SOFA in proportion to the remaining balance outstanding.

(k) Finance Costs

These include amounts accrued in accordance with the terms of the Advance Fee contracts.

(l) Currency

The financial statements are prepared in sterling which is the functional currency of the School.

Income and expenditure transactions incurred in foreign currency have been translated during the course of the period at the rate of exchange ruling at the time of the transaction.

(m) Taxation

As a registered charity, the School is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

Although the School is registered for VAT, School fees prior to December 2024 were exempt from VAT. Irrecoverable VAT on costs incurred is charged to the Statement of Financial Activities, or capitalised as part of the cost of the related asset, as appropriate.

(n) Pension Schemes

The School contributes to the Government's Teachers' Pension Scheme, a defined benefit scheme, at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The pension liability is the responsibility of the Teachers' Pension Scheme. As a result, it is not possible to identify the assets and liabilities of the Scheme that are attributable to the School. Accordingly, the Scheme is accounted for as if it were a defined contribution scheme.

The School also contributes to the Rugby School Pension and Life Assurance Scheme for Non-Teaching Staff, a defined benefit scheme, and the Rugby School Group Stakeholder Pension Scheme, a defined contribution scheme. The defined benefit scheme is administered by trustees and wholly invested with Baillie Gifford, at rates recommended by the Scheme Actuary. The defined contribution scheme is administered by Aviva.

(o) Tangible Fixed Assets

Expenditure on the acquisition or construction of new buildings, fixtures, fittings and equipment costing over £5,000 is capitalised and carried in the balance sheet at historical cost less depreciation. In certain circumstances, where the original costs of assets are not ascertainable, a reasonable estimate of the cost, if material, has been used.

Other expenditure on fixtures and equipment incurred in the normal day-to-day running of the School and its subsidiaries, and costing less than £5,000, is charged to the SOFA as incurred.

An impairment review of fixed assets is carried out on a regular basis.

(p) Depreciation

Freehold land is not depreciated.

Depreciation of other assets is normally calculated to write off the cost of the tangible fixed assets, less their estimated residual value, on a straight-line basis over the expected useful economic life of the assets. Some assets in the register have previously had their rates of depreciation adjusted to account for historic under-depreciation. Additions of freehold buildings and refurbishments are depreciated from the beginning of the year following completion.

The principal annual rates over which assets are depreciated are:

New building (incl. chapel organ)	50 years (generally)
Refurbishments	15 - 25 years
All-weather pitches and telecommunications work	15 years
Computer equipment	3 years
Other fixtures, fittings and equipment	5 years

(q) Investments and Investment Income

Investments are included at closing mid-market value at the balance sheet date. Any realised and unrealised gains and losses on revaluation or disposals are reported in the Statement of Financial Activities.

Investment properties (which are all held in the London Estate) are valued on an open market value basis. A formal professional valuation is carried out every 5 years and prepared on an informal basis in the intervening period. No depreciation is provided on investment properties.

Income from investments is included, together with the related tax credit, in the year in which it is receivable. Rent receivable from investment property is classified as investment income.

(r) Fund Accounting

Unrestricted funds are available for use at the discretion of the Governing Body in furtherance of the general objectives of the School and have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Governing Body for particular purposes.

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

Endowed funds are funds for which the capital must be retained in accordance with specific restrictions imposed by donors. In particular:

- permanent endowment arises where a donor intends the gift to be permanently retained. All income for spending will accrue to the appropriate restricted fund.
- expendable endowment funds are accounted for similarly, except that, if required, the capital may be converted into income for spending.

Investment income and gains are allocated to the appropriate fund.

(s) Total Return Accounting

During the year ended 30 June 2024 Rugby School, under powers granted by section 104A of the Charities Act 2011, adopted a total return approach to the investment of the London Estate Investment (non-property) Portfolio. The powers permit the Trustees to invest these funds to maximise total return and to make available a portion of the total return for expenditure each year. The intention is to receive a return of 3% each, with a minimum UTR of £500,000. Until the Trustees decide to appropriate all of the Total Return, the unappropriated portion of the Total Return shall be 'Unapplied Total Return' and remain part of the endowment.

(t) Stocks

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

(u) Reserve for Repairs, Rehabilitation and Reconstruction

In order to maintain the London Estate properties in good order, and with the authority granted by the Minister of Education, a designated reserve is set aside for repairs, rehabilitation and reconstruction. An appropriate sum is transferred to the reserve from the incoming resources of the London Estate to provide sufficient funds to meet liabilities arising in the foreseeable future.

(v) Key judgements and assumptions

Estimates, judgements and assumptions are made based on a combination of past experience, professional expert advice and other reasonable factors relevant to the circumstances.

The following areas have been considered:

- Pension liability. The School engages a firm of actuaries to provide expert advice about the assumptions made relating to the discount rate used, changes in retirement ages and mortality rates and the effect on the pension liability of changes in these assumptions.
- Investment property valuation. The School engages a firm of chartered surveyors to provide advice on the assumptions relating to the valuation.

(w) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of investments which are held at fair value. The School and its entities only have financial assets and liabilities of a kind that qualify as basic financial instruments.

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE

	2024 £000	2023 £000
The School's fee income comprises:		
Gross fees	45,155	40,894
Less scholarships/bursaries not funded from Restricted Reserves	(2,060)	(1,323)
Less staff, sibling and other concessions	(1,601)	(1,295)
School Fees Receivable (SOFA)	41,494	38,276
Less scholarships/bursaries/grant/prizes/other awards funded from Restricted Reserves	(4,760)	(4,184)
Net Fees	36,734	34,092
Add back from Restricted Reserve	4,760	4,184
	41,494	38,276

In the figures for the year ended 30 June 2024, we have separated out certain scholarships and bursaries which were supported from Designated and other Unrestricted Funds rather than from Restricted Reserves.

3. CHARITABLE ACTIVITIES - SCHOLARSHIPS, GRANTS, PRIZES AND OTHER AWARDS

The total scholarships, grants, prizes and other awards paid for by Endowed and Restricted Funds comprise:

	2024 £000	2023 £000
Foundation Scholarships	120	123
Scholarships	1,061	998
Arnold Foundation awards (means-tested)	1,463	1,180
Bursaries (means-tested)	2,115	1,880
Contribution to School fees	4,759	4,181
Prizes and Exhibitions	1	3
	4,760	4,184

The total scholarships, grants, prizes and other awards paid for by Unrestricted Funds comprise:

	2024 £000	2023 £000
Scholarships	669	618
Bursaries (means-tested)	1,391	704
Contribution to School fees	2,060	1,322
Total scholarships, grants, prizes and other awards	6,820	5,506

4. CHARITABLE ACTIVITIES - OTHER INCOME

	2024 £000	2023 £000
Other educational charitable activities		
Registration fees	183	147
Courses	56	28
Other including tradesmen discounts and settlement fees	-	-
	<u>239</u>	<u>175</u>
Other ancillary activities		
Extra-curricular activities and trips (recharged)	969	831
Other including commissions	-	-
	<u>969</u>	<u>831</u>
Other trading activities		
School shop, museum, tuckshop and events	940	1,519
	<u>2,148</u>	<u>2,525</u>

5. TRADING INCOME AND EXPENDITURE

	2024 £000	2023 £000
Non-ancillary trading activities-including trading subsidiaries	<u>3,803</u>	<u>2,994</u>

Investment in subsidiary companies

The School has three wholly owned subsidiaries, Rugby School Enterprises Limited, Rugby School International Limited and Rugby School Projects Limited, all are registered in England and Wales. The revenue accounts, cash flow, assets and liabilities are consolidated in these financial statements. Full financial statements are filed with the Registrar of Companies.

Rugby School Enterprises Limited's principal activity is to supply third parties with the School's sports, catering and other facilities when these are not required by the School. The company covenants its taxable profits to the School.

Rugby School International Limited's principal activity is the provision to third parties of support to establish new premium international schools associated with Rugby School, in relation to using the Rugby School trademarks and know-how.

Little Grange Nursery Limited's principal activity is the operation of a nursery.

Rugby School Global Partnerships Limited commenced operation in September 2023. Its principal activity is the provision of educational training and teaching to partner schools in the UK and internationally.

Rugby School Projects Limited's principal activity is the supply of design and build construction projects.

Additionally, the School has three further associated charities - the Arnold Foundation for Rugby School, the Rugby School General Charitable Trust and the Rugby School War Memorial Fund.

Details of the significant subsidiaries and associated entities at 30 June 2024 are:

THE GOVERNING BODY OF RUGBY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

	Company registration number	Shareholding %	£	Net Assets at 30 June 2024 £	Turnover (incl inv't income) £'000	Expenditure £'000	Profit in the Year £'000
RS Enterprises Limited	2264068	100	4	4	1,910,597	1,910,597	0
Rugby School International Limited	10238790	100	1	1	665,040	665,040	0
Rugby School Projects Limited	10742346	100	1	1	5,699,124	5,699,124	0
Rugby School Global Partnerships Limited	15087238	100	1	(206,693)	10,522	217,215	(206,693)
Little Grange Nursery Limited	13879790	100	1	1	1,255,010	1,255,010	0
The Arnold Foundation for Rugby School	4516482	-	-	23,355,842	5,166,584	1,950,835	3,215,749
Rugby School Combined War Memorial Fund	-	-	-	2,378,241	342,185	57,072	285,114

6. INVESTMENT INCOME

	2024 £000	2023 £000
Rents receivable	5,405	5,424
Income on financial investments	653	871
Interest receivable on cash portfolio	116	56
	<u>6,174</u>	<u>6,351</u>

The rents receivable relates to leasehold property leases on the London Estate (note 13). The future cumulative minimum lease income under non-cancellable operating leases on the London Estate are as follows:

	2024 £000	2023 £000
Cumulative Leasehold property income:		
Within one year	5,057	4,575
Between 1 – 5 years	11,343	10,242
Over 5 years	17,557	16,563
	<u>33,957</u>	<u>31,380</u>

7. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Note	Staff costs £000	Other costs £000	Deprec'n £000	2024 Total £000	2023 Total £000
Costs of Generating and Managing Funds:						
Trading costs		858	735	-	1,593	1,139
Fund-raising costs		354	68	-	422	442
Finance costs		-	1,134	-	1,134	1,022
Investment management Costs		-	2,888	-	2,888	2,146
		1,212	4,825	-	6,037	4,749
Charitable Activities						
School operations:						
Teaching		17,321	2,417	973	20,711	18,528
Welfare		1,221	5,919	168	7,308	6,835
Premises		4,221	5,197	3,913	13,331	12,072
Support (including ancillary trading expenditure)		2,716	3,549	-	6,265	5,754
Governance		95	240	-	335	332
School's operating costs		25,574	17,322	5,054	47,950	43,521
Scholarships, bursaries and prizes	3	-	4,760	-	4,760	4,184
Payment to Lawrence Sherriff School	9	-	630	-	630	705
Total Expenditure		26,786	27,537	5,054	59,377	53,159

Support costs are attributable to the charitable activity of the provision of education and include finance, human resources, information technology, marketing, secretarial and legal support.

8. EXPENDITURE

Total resources expended include the following amounts:

	2024 £000	2023 £000
Amounts accrued to advance fees	23	9
Governors' travel expenses (6 Governors)	5	4
Fees payable to the Charity's auditors for:		
• The audit of the Charity and Group accounts	81	68
• Tax and VAT advisory services	15	34
• Pensions audit	1	1

9. PAYMENT TO LAWRENCE SHERIFF SCHOOL

Under the Rugby School (Transfer) Act 1906, as amended by the Rugby School Act 1922 and an Order of the Secretary of State for Education and Science dated 30 October 1968, an annual sum is payable to Lawrence Sheriff School, consisting of the income from an initial investment of £34,500 (market value at 30 June 2024 of £1,149,329 (2023: £937,932), plus one fifth of the remaining net annual income of the London Estate (before minor adjustments), plus £100. The total amount payable to Lawrence Sheriff School in respect of the 2023/24 financial year was £629,715 (2022: £704,743).

10. STAFF COSTS

Total Staff Costs:	2024	2023
	£000	£000
Salaries and wages	21,495	19,346
Social security costs	2,020	1,831
Pension contributions	3,128	2,788
	26,643	23,965
Benefits – health insurance contributions	143	96
Salaries and wages	26,786	24,061

Staff costs include redundancy and termination costs of £nil (2023: £nil) of which £nil remained outstanding at the year-end.

The average number of staff employed in the year was:

	2024	2023
	No.	No.
Teaching	284	264
Operations and Administration	507	496
Total	791	760

The School employs a significant number of part-time staff, many of whom are only employed for a few hours each week during term time.

Key Management Personnel

The earnings of the Key Management Personnel are determined by the Nominations Committee and for the year to 30 June 2024 were £1.817 million (2023: £1.906 million) including P11d benefits, employer national insurance and pension contributions.

Key Management Personnel are generally included in the table below and now include Bilton Grange's senior leadership team in full.

10. STAFF COSTS *(continued)*

The number of employees whose emoluments, including P11d benefits but excluding employer national insurance and pension contributions, exceeded £60,000 on an annual basis were:

	2024	2023
	No	No
£60,000 - £69,999	28	32
£70,000 - £79,999	16	13
£80,000 - £89,999	9	4
£90,000 - £99,999	6	4
£100,000 - £109,999	2	1
£110,000 - £119,999	-	1
£120,000 - £129,999	1	-
£130,000 - £139,999	-	1
£140,000 - £149,999	2	-
£150,000 - £159,999	1	-
£160,000 - £169,999	1	2
£170,000 - £179,999	-	-
£180,000 - £189,999	1	-
£210,000 - £219,999	-	-
£250,000 - £259,999	-	-
£260,000 - £270,000	-	1

44 of these employees (2023: 42) were members of a defined benefit pension scheme and employees 23 (2023: 15) were members of a defined contribution scheme at a charge of £188,593 for the year.

No Governors or persons connected with them received any remuneration or other benefits from the School or any connected organisation.

11. TAXATION

The School has charitable status and is thus exempt from corporation tax on primary purpose activities.

There is no UK corporation tax charge, in respect of the current or prior years, incurred by the trading subsidiaries, Rugby School Enterprises Limited, Rugby School International Limited, Little Grange Nursery Limited or Rugby School Projects Limited.

12. FREEHOLD LAND & BUILDINGS, FIXTURES AND EQUIPMENT

	Parent Charity and Consolidated			
	Freehold land & buildings	Assets under construction	Fixtures & equipment	Total
COST	£000	£000	£000	£000
As at 1 July 2023	107,038	136	7,924	115,098
Additions	9,073	6,665	509	16,247
Transfers	188	(188)	-	-
Disposals	-	-	-	-
As at 30 June 2024	116,299	6,613	8,433	131,345
DEPRECIATION				
As at 1 July 2023	45,952	-	6,075	52,027
Charge for the year	4,285	-	770	5,055
Transfers	-	-	-	-
Disposals	-	-	-	-
As at 30 June 2024	50,237	-	6,845	57,082
NET BOOK VALUE				
As at 30 June 2024	66,062	6,613	1,588	74,263
As at 30 June 2023	61,086	136	1,849	63,071

Fixtures and equipment includes kitchen assets purchased in line with the catering contract.

The net book value of equipment includes £0 relating to assets held under finance leases (2023: £0). A depreciation charge of £0 occurred in the year for finance leases (2023: £0).

In addition to the assets recorded on the balance sheet, the School has a collection of works of art and museum exhibits, which it has acquired over many years, mostly as gifts. A physical inventory of these assets is maintained but since such assets are held for educational purposes and are not for sale, the Governing Body consider that they do not meet the definition of Heritage Assets in the financial statements and the cost of valuation outweighs any benefit gained. In the opinion of the Governing Body the depreciated historical cost of these assets would now be immaterial.

Capital Commitments

Capital commitments in the form of orders approved and authorised, at 30 June 2024 amounted to £1,249,090 (2023: £1,914,403). In addition, in Rugby School Projects, at 30 June 2024 the commitment remaining for the contract with Stepnells relating to the new Boarding House at Bilton Grange amounted to £8,200,996.

13. FIXED ASSET INVESTMENTS

Parent Charity

	London Estate £000	Bilton Grange £000	Special Funds £000	Comp'n of Fees £000	Total £000
Balance at 1 July 2023	104,770	2,981	30,945	1,299	139,995
Additions	3,985	-	19,719	(1)	23,703
Cash balance movement	(47)	-	(398)	54	(391)
Disposals at net proceeds	(3,911)	(3,256)	(17,491)	-	(24,658)
Revaluations	(4,103)	275	5,639	28	1,839
Balance at 30 June 2024	<u>100,694</u>	<u>-</u>	<u>38,414</u>	<u>1,380</u>	<u>140,488</u>
Represented by:					
Freehold properties	93,150	-	-	-	93,150
Financial investments	6,581	-	37,637	911	45,129
Cash deposits	963	-	777	469	2,209
	<u>100,694</u>	<u>-</u>	<u>38,414</u>	<u>1,380</u>	<u>140,488</u>

Consolidated

	Parent Charity £000	Arnold Foundation £000	War Memorial £000	Total £000
Balance at 1 July 2023	139,995	19,697	2,083	161,775
Additions	23,703	10,081	177	33,961
Cash balance movement	(391)	(832)	(95)	(1,318)
Disposals at net proceeds	(24,658)	(6,810)	(89)	(31,557)
Revaluations	1,839	3,659	308	5,806
Balance at 30 June 2024	<u>140,488</u>	<u>25,795</u>	<u>2,384</u>	<u>168,667</u>
Represented by:				
Freehold properties	93,150	-	-	93,150
Financial investments	45,129	25,795	2,380	73,304
Cash deposits	2,209	-	3	2,212
	<u>140,488</u>	<u>25,795</u>	<u>2,383</u>	<u>168,667</u>

The London Estate investments include property professionally valued by Farebrother, Chartered Surveyors as at 30 June 2022. The Governing Body's updated valuation of the property portfolio as at 30 June 2024 was obtained in consultation with Farebrother and reflects the changes in the market conditions.

The London Estate investments includes £93.2 million property and £6.6 million in its managed equity portfolio.

13. FIXED ASSET INVESTMENTS *(continued)*

To fulfil the requirements of FRS 102, the Governing Body have included the properties in the financial statements at the open market valuation, though it is the intention of the Governing Body to retain the investment properties within the School's endowed funds (note 20) with only the income being used towards the School's charitable purposes. As described in the Governors' Report, Rugby School's share of the net income from these properties is used primarily to finance foundations, scholarships, bursaries and other allowances awarded by the School.

The gross rental income generated from the London Estate properties in 2023/24 was £5.4 million (2022/23: £5.1 million).

The Estate is wholly owned by Rugby School. However, under the terms of the Rugby Lower School (Transfer) Act 1906 and of the Rugby School Act 1922, and as recorded in Note 9, one fifth of the annual net income from this Estate is paid to Lawrence Sheriff School in Rugby.

Special Funds comprise a number of different funds, the income and capital from which is restricted for specific purposes such as scholarships, grants and prizes.

14. DEBTORS

	Parent Charity		Consolidated	
	2024	2023	2024	2023
	£000	£000	£000	£000
Trade debtors	2,743	2,014	3,122	2,648
Taxation recoverable and accrued income from HMRC	-	-	1,021	2
Other debtors	703	1,307	718	1,352
Inter-group balances	3,572	329	-	-
Prepayments and accrued income	959	2,049	1,035	2,059
	7,977	5,699	5,896	6,061

15. CREDITORS: due within one year

	Parent Charity		Consolidated	
	2024	2023	2024	2023
	£000	£000	£000	£000
Trade creditors	2,852	3,036	2,986	3,148
Taxation and social security	786	584	817	606
Other creditors	1,646	1,534	1,650	1,538
Inter-group balances	-	-	-	-
Accruals and deferred income	3,016	1,788	4,176	2,017
Entrance fees and final term deposits	1,226	1,097	1,257	1,117
Advance fees	646	818	646	818
Advance fees via Scheme (note 17)	1,801	414	1,802	415
	<u>11,973</u>	<u>9,271</u>	<u>13,334</u>	<u>9,659</u>

16. CREDITORS: amounts due after more than one year

	Parent Charity		Consolidated	
	2024	2023	2024	2023
	£000	£000	£000	£000
Finance lease creditor	-	-	-	-
Debt finance	35,000	35,000	35,055	35,058
Entrance fees and final term deposits	3,347	3,311	3,347	3,310
Advance fees via Scheme (note 17)	3,481	499	3,481	499
	<u>41,828</u>	<u>38,810</u>	<u>41,883</u>	<u>38,867</u>

17. COMPOSITION OF FEES SCHEME

Parents may enter into a contract to pay to the School up to the equivalent of five years' tuition fees in advance under the School's Composition of Fees Scheme. The money may be returned subject to specific conditions. Assuming the students enter and remain at the School, their advance fees will be applied as follows:

	2024	2023
	£000	£000
Between 2 to 5 years	1,790	262
Between 1 to 2 years	1,690	236
	<u>3,480</u>	<u>498</u>
Within 1 year (note 15)	1,801	414
Balance at 30 June	<u>5,281</u>	<u>912</u>

17. ADVANCE FEE PAYMENTS *(continued)*

The balance represents the accrued liability under the contracts. The movements during the period were:

	2024	2023
	£000	£000
Balance at 1 July	913	857
New contracts	5,305	688
Refunds	(120)	-
Amounts accrued to contracts	21	5
	<u>6,119</u>	<u>1,550</u>
Amounts utilised in payment of fees to the School	(838)	(638)
Balance at 30 June	<u>5,281</u>	<u>912</u>

18. PENSION SCHEMES

(a) Teachers' Pension Defined Benefits Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff although it enacted phased withdrawal from September 2023 so that new joiners will not be able to join the TPS. The pension charge for the year includes contributions payable to the TPS of £2,106,364 (2023: £1,976,234). There was £266,868 accrued in respect of employer and employee contributions payable at the year-end (2023 - £231,645).

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%.

18. PENSION SCHEMES *(continued)*

(b) Rugby School Pension and Life Assurance Scheme for Non-Teaching Staff (1973)

Composition of the Scheme

The School operates a defined benefit pension scheme, the Rugby School Pension and Life Assurance Scheme for Non-Teaching Staff (1973). This is an approved funded pension scheme. The assets of the Scheme are held separately from the assets of the School in trustee administered funds. The Scheme closed to future accrual on 5 April 2006. Contributions to the Scheme are assessed in accordance with the advice of a qualified actuary.

Actuarial valuation

A full actuarial valuation was carried out at 6 April 2024 and showed the Scheme to be in deficit by only £69k; expressed as a percentage (assets divided by liabilities) the scheme was 99% funded on an 'ongoing basis'. Given the conservative assumptions applied and the strong employer covenant the Trustees have agreed that it would be unnecessary to seek contributions from the School.

The next tri-annual valuation date is set to be as of 5 April 2027.

The principal actuarial assumptions at the balance sheet date were:

	2024	2023
Rate of increase in salaries	n/a	n/a
Rate of increase in pensions payment	5.00%	5.00%
Discount rate	5.01%	5.22%
Inflation assumption	3.78%	3.68%
Statutory rate of increase of pensions in deferment	3.78%	3.68%
Expected return on Scheme assets	5.01%	5.22%
Assumes life expectancy on retirement at age 60:		
Retiring today – males	25.8	26.5
Retiring today – females	28.5	29.2
Retiring in 20 years – males	27.0	27.7
Retiring in 20 years – females	29.7	30.4

The amounts recognised in the balance sheet are as follows:

	Market Value	Market Value
	2024	2023
	£000	£000
Fair value of Scheme assets	5,671	5,690
Present value of funded obligations	(5,287)	(5,803)
Asset/(Deficit) in the scheme	384	(113)

18. PENSION SCHEMES *(continued)*

Change in the present value of the defined benefit obligation are as follows:

	2024	2023
	£000	£000
Defined benefit obligation at 1 July	5,803	6,370
Interest cost	293	235
Benefits paid	(443)	(209)
Actuarial losses/(gains)	(366)	(593)
Defined benefit obligation at 30 June	5,287	5,803

Change in the present value of the scheme assets are as follows:

	2024	2023
	£000	£000
Fair value of scheme assets at 1 July	5,690	6,067
Employer Contributions	-	-
Benefit payments	(443)	(209)
Expenses paid	(50)	(20)
Expected return on scheme assets	284	223
Actuarial gains / (losses)	189	(371)
Fair value of scheme assets at 30 June	5,670	5,690

Analysis of the amounts charged within the Statement of Financial Activities are as follows:

	2024	2023
	£000	£000
Interest on pension scheme liabilities	(293)	(235)
Expenses	(50)	(20)
Expected return on pension scheme assets	285	223
Total amount charged to the Statement of Financial Activities	(58)	(32)

Analysis of actuarial gains and losses:

	2024	2023
	£000	£000
Actual return less expected return on scheme assets	189	(371)
Experience gains and losses arising on the scheme liabilities	310	(204)
Changes to assumption underlying the present value of the scheme liabilities	56	797
Actuarial gain/(loss)	555	222

18. PENSION SCHEMES *(continued)*

Actual return:

	2024 £000	2023 £000
Actual return on the Scheme assets in the period	473	(148)

The School does not expect to contribute to the defined benefit pension scheme during 2024/25.

History of experience gains and losses:

	2024 £000	2023 £000	2022 £000	2021 £000	2020 £000
Present value of Scheme liabilities	5,286	5,803	6,370	8,409	8,886
Fair value of Scheme assets	5,670	5,690	6,067	7,057	6,337
Asset/(Deficit)	384	(113)	(303)	(1,352)	(2,549)
Experience gains /(losses) on the liabilities	310	(204)	(5)	34	33
Experience gains/(losses) on scheme assets	189	(371)	(909)	823	(363)
Actuarial gain/(loss)	555	222	1,113	1,240	(956)

Virgin Media pension case

The Charity is aware of the Virgin Media v NTL Pension Trustees II Limited Court of Appeal judgement which may give rise to adjustments to the Rugby School Pension and Life Assurance Scheme for Non-Teaching Staff (1973). At present the legal process is incomplete and therefore we are unable to quantify any potential liabilities.

(c) Rugby School Group Stakeholder Pension Scheme for Non-Teaching Staff

From 1 October 1997 to 30 September 2001, Rugby School operated a defined contribution pension scheme for certain non-teaching staff. The pension cost charge represented contributions payable by the School to the fund; these contributions matched those of the employees up to a maximum of 5%.

With effect from 1 October 2001, the scheme was replaced by the Rugby School Group Stakeholder Pension Scheme. The School contributes double the employee contributions up to a maximum of 12% of pensionable pay. Employer contributions totalling £1,414,998 (2023: £1,149,243) were paid in respect of this pension scheme for the year. This increase reflects an increasing number of the teaching staff in both schools joining the scheme as a result of the phased withdrawal put into effect for the TPS from September 2023. At the period-end £143,794 (2023: £114,007) was payable in respect of employer and employee contributions to this scheme.

The assets of all schemes are held separately from the School in independently administered funds.

19. ANALYSIS OF NET ASSETS

(a) Current year analysis of net assets between funds:

The net assets are held for the various funds and advance fees as follows:

	Endowed Funds £000	Restricted Funds £000	Unrestricted Funds £000	Advance Fees £000	2024 Total £000
Parent Charity					
Fixed Assets	-	-	74,263	-	74,263
Investments	110,586	20,137	8,384	1,383	140,490
Net Current Assets/ (Liabilities)	3,887	(3,295)	24,889	2,029	27,510
Long Term Liabilities	-	-	(37,964)	(3,480)	(41,444)
	114,473	16,842	69,572	(68)	200,819
Consolidated					
Fixed Assets	-	-	74,263	-	74,263
Investments	128,716	30,184	8,384	1,383	168,667
Net Current Assets/(Liabilities)	1,449	(3,300)	24,736	2,029	24,914
Long Term Liabilities	-	-	(38,019)	(3,480)	(41,499)
	130,165	26,884	69,364	(68)	226,345

(b) Prior year analysis of net assets between funds

The net assets are held for the various funds and advance fees as follows:

	Endowed Funds £000	Restricted Funds £000	Unrestricted Funds £000	Advance Fees £000	2023 Total £000
Parent Charity					
Fixed Assets	-	-	63,071	-	63,071
Investments	112,964	14,468	11,263	1,300	139,995
Net Current Assets/ (Liabilities)	4,755	(329)	33,479	(933)	36,972
Long Term Liabilities	-	-	(38,424)	(499)	(38,923)
	117,719	14,139	69,389	(132)	201,115
Consolidated					
Fixed Assets	-	-	63,071	-	63,071
Investments	125,729	23,482	11,264	1,300	161,775
Net Current Assets/(Liabilities)	5,198	(319)	33,536	(933)	37,482
Long Term Liabilities	-	-	(38,482)	(499)	(38,981)
	130,927	23,163	69,389	(132)	223,347

20. ENDOWED FUNDS

(a) Current year movement in endowed funds:

	Balance at 30 June 2023 £000	Incoming funds £000	Amounts expended £000	Total return to income £000	Investment gains/ (losses) £000	Balance at 30 June 2024 £000
Parent Charity						
London Estates: Property	101,937	-	-	-	(5,350)	96,587
London Estates: Equity	5,955	81	-	-	1,247	7,283
Lewis Benefaction fund	9,827	111	(652)	-	1,317	10,603
Bilton Grange	-	-	-	-	-	-
	117,719	192	(652)	-	(2,786)	114,473
Consolidated						
Arnold Foundation Awards	13,208	84	-	-	2,400	15,692
	130,927	276	(652)	-	(386)	130,165

(b) Prior year movement in endowed funds:

	Balance at 30 June 2022 £000	Incoming funds £000	Amounts expended £000	Total return to income £000	Investment gains/ (losses) £000	Balance at 30 June 2023 £000
Parent Charity						
London Estates: Property	118,720	-	-	-	(16,783)	101,937
London Estates: Equity	5,245	94	-	-	616	5,955
Lewis Benefaction fund	9,244	100	(399)	-	882	9,827
Bilton Grange	162	-	(164)	-	2	-
	133,371	194	(563)	-	(15,283)	117,719
Consolidated						
Arnold Foundation Awards	11,382	258	163	-	1,405	13,208
	144,753	452	(400)	-	(13,878)	130,927

London Estates

The London Estate consists principally of property in London bequeathed by the School's founder, Lawrence Sheriff. This permanent endowment yields commercial and residential rental income (see restricted funds). Endowed funds also include equity investments (see Total Return note 20c). In the year there was no application of total return to income (see detail in Total Return note 20c).

Lewis Benefaction Fund

The Lewis Benefaction Fund is an expendable endowment capital fund which generates income for the provision of scholarships and bursaries. The income from the fund is fully utilised for this purpose (see restricted funds) and the capital has not been expended.

Arnold Foundation Awards

The Arnold Foundation endowed funds includes £50 of permanent funds and the balance relates to expendable endowment funds which generate income for the financing of bursary awards to Rugby School. This fund is held by the Arnold Foundation for Rugby School. The income from the fund is utilised for this purpose (see restricted funds).

(c) Statement of Total Return

The School adopted a Total Return policy for its London Estate Endowed Non-Property Investment Funds only. This allows investment managers greater flexibility in managing funds within the agreed risk parameters. Unapplied total returns are the total returns on the investments (capital or income in nature), less monies paid out of the Endowed Funds.

The preserved value is protected with an annual CPI uplift and is based on a valuation date of 31 July 2009.

The Unapplied Total Return movements are:

	Preserved Value £000	Unapplied Value £000	Total £000
Brought forward:			
Preserved Value	5,633	-	5,633
Unapplied Total Return	-	148	148
Total	5,633	148	5,781
Movement in reporting period:			
Investment return: dividend/income	-	-	-
Investment return: gains/losses	-	1,247	1,247
Unapplied total return allocated to income	-	-	-
Unapplied total return allocated to capital	173	(173)	-
Additional Grant to Lawrence Sheriff School	-	-	-
Net movement in reporting period:	173	1,074	1,247
Carried Forward at 30 June 2024:			
Total	5,806	1,222	7,028

21. RESTRICTED FUNDS

(a) Current year movement in restricted funds:

	Balance at 30 June 2023	Incoming funds	Amounts expended	Transfer	Total Return t/f applied to income	Investm't gains	Balance at 30 June 2024
	£000	£000	£000	£000	£000	£000	£000
Parent Charity							
Special Funds:							
Common Investment Fund	12,007	70	(685)	-	-	3,795	15,187
Lewis Benefaction Fund	-	-	-	-	-	-	-
London Estate	1,390	5,299	(5,782)	-	-	-	907
School	742	6	-	-	-	-	748
	14,139	5,375	(6,467)	-	-	3,795	16,842
Consolidated							
War Memorial	2,093	35	(57)	-	-	307	2,378
General Charitable Trust	-	23	(6)	(17)	-	-	-
Arnold Foundation for Rugby School	6,931	978	(1,504)	-	-	1,259	7,665
	23,163	6,411	(8,034)	(17)	-	5,361	26,884

(b) Prior year movement in restricted funds:

	Balance at 30 June 2022	Incoming funds	Amounts expended	Transfer	Total Return t/f applied to income	Investm't gains	Balance at 30 June 2023
	£000	£000	£000	£000	£000	£000	£000
Parent Charity							
Special Funds:							
Common Investment Fund	10,963	160	(394)	-	-	1,278	12,007
Lewis Benefaction Fund	-	-	-	-	-	-	-
London Estate	1,654	5,216	(5,359)	(120)	-	-	1,390
School	725	46	(29)	-	-	-	742
	13,342	5,422	(5,783)	(120)	-	1,278	14,139
Consolidated							
War Memorial	1,878	32	(54)	-	-	237	2,093
General Charitable Trust	-	46	(36)	(10)	-	-	-
Arnold Foundation for Rugby School	6,537	774	(1,187)	-	-	807	6,931
	21,757	6,274	(7,060)	(130)	-	2,322	23,163

Common Investment Fund

The Common Investment Fund consists of numerous funds, the income and capital being restricted for specific purposes. With the approval of the Charity Commission, there is a pooling system under which investments belonging to its restricted fund are pooled. The majority of the funds are restricted for the provision of scholarships, bursaries and prizes.

Lewis Benefaction Fund

The income from the endowed fund is fully utilised for the provision of scholarships and bursaries.

21. RESTRICTED FUNDS (*continued*)

London Estates

The London Estate endowment yields commercial and residential rental income and, after accounting for the costs of its maintenance and administration, one fifth of the remaining surplus (plus one fifth of the income from certain non-property investments) is paid to Lawrence Sheriff School, a neighbouring secondary school originally established by the Governing Body of Rugby School and now operating in the state sector. Of the four fifths which remain, the primary use is to fund foundations and scholarships. Any remaining balance is unrestricted in use, but in practice is applied to finance capital projects which are of long-term benefit or accumulated for the same uses in future years.

Included within the London Estate Fund is a Reserve Fund for repairs, rehabilitation and reconstruction:

	2024 £000	2023 £000
As at 1 July	1,230	1,350
Transfer from/to net income resources	0	(120)
As at 30 June	<u>1,230</u>	<u>1,230</u>

In accordance with an Order made by the Minister of Education on 15 January 1963, the Governing Body may transfer funds into a Reserve Fund for the reconstruction and development of the real property of the Foundation at Holborn (the London Estate). No funds were transferred out of restricted funds in the year (2022: no funds) which represents fulfilment of restricted capital projects.

War Memorial Fund

The War Memorial Fund makes awards to help the children of Rugbeians, who are in need of financial assistance, to attend or to remain at Rugby School. The bursaries are assessed and awarded by Rugby School with funding being granted by the War Memorial Fund.

General Charitable Trust

The Trust receives income from covenants and legacies which were established prior to the existence of the Arnold Foundation. The income is gifted to the School, usually to assist with specific capital projects. In the year there was a transfer of £23,000 (2023: £46,000).

Arnold Foundation for Rugby School

The Arnold Foundation fund is monies given to provide funds and future income for the provision of bursary awards to Rugby School and to Bilton Grange via the Earle Fund.

	£000
Expend by the Arnold Foundation in the year to 30 June 2024 in accordance with the wishes of the donors:	
Bursary awards	<u>1,504</u>
Unexpended balance of gifts and legacies as at 30 June 2024:	
Restricted funds to be utilised for Bursary Awards	7,479
Unrestricted funds in Arnold Foundation (but treated as Restricted for the Group) to be utilised for bursary Awards	186
	<u>7,665</u>

Fundraising costs in the year of £441,000 (2023: £442,000) were met by Rugby School.

22. UNRESTRICTED FUNDS

(a) Current year movement in unrestricted funds:

	Balance 1 July 2023 £000	Incoming funds £000	Amounts expended £000	Transfers £000	Investment gains/ (losses) £000	Balance 30 June 2024 £000
Parent Charity						
Designated funds:						
Fixed assets fund	63,071	-	-	11,192	-	74,263
New boarding house fund	-	-	-	-	-	-
Building maintenance fund	282	-	-	-	-	282
Commercial entities fund	688	-	-	-	-	688
Bilton Grange designated	5,286	-	-	(5,560)	274	-
Bloxam Fund	11,800	(517)	(12)	-	528	11,799
General unrestricted funds:						
School operations	(11,757)	38,887	(40,876)	(5,615)	1,449	(17,913)
Pension reserve	(113)	-	(58)	-	555	384
	69,257	38,370	(40,946)	17	2,806	69,504
Consolidated						
Rugby School Enterprises	-	1,911	(1,911)	-	-	(0)
Rugby School International	-	665	(665)	-	-	-
Rugby School Global P'ships	-	10	(218)	-	-	(208)
Rugby School Projects	-	5,699	(5,699)	-	-	(0)
Little Grange Nursery	-	1,255	(1,255)	-	-	-
	69,257	47,910	(50,694)	17	2,806	69,296

(b) Prior year movement in unrestricted funds:

	Balance 1 July 2022 £000	Incoming funds £000	Amounts expended £000	Transfers £000	Investment gains/ (losses) £000	Balance 30 June 2023 £000
Parent Charity						
Designated funds:						
Fixed assets fund	59,173	-	-	3,898	-	63,071
New boarding house fund	-	-	-	-	-	-
Building maintenance fund	282	-	-	-	-	282
Commercial entities fund	688	-	-	-	-	688
Bilton Grange designated	5,121	-	-	-	165	5,286
Bloxam Fund	11,199	(225)	(25)	-	850	11,799
General unrestricted funds:						
School operations	(7,081)	41,382	(42,540)	(3,888)	370	(11,757)
Pension reserve	(303)	-	(32)	-	222	(113)
	69,079	41,157	(42,597)	10	1,608	69,257
Consolidated						
Rugby School Enterprises	-	1,522	(1,522)	-	-	-
Rugby School International	-	596	(596)	-	-	-
Rugby School Projects	-	-	-	-	-	-
Little Grange Nursery	(15)	997	(983)	-	-	-
	69,064	44,273	(45,698)	10	1,608	69,257

22. UNRESTRICTED FUNDS *(continued)*

Fixed asset fund

The fund carried forward at the year-end represents the net book amounts invested in tangible fixed assets. A transfer of £11,192,000 was made into the fund (2023: transfer into the fund of £3,898,000) which represents the net fixed asset additions, disposals and depreciation for the year.

Building maintenance fund

The building maintenance fund was originally established for maintenance priorities of the School's buildings over a five-year period. In the year £nil (2023: £nil was expended) was expended from the fund.

Commercial entities fund

The funds gifted by Rugby School Enterprises Limited, Rugby School International limited, Rugby School Global Partnerships Limited, Rugby School Projects Limited and Little Grange Nursery Limited are to be utilised on projects which would benefit a significant proportion of the School's community and may be used for bursaries for exceptional students. £1,400,222 was transferred for the year (2023: £952,429).

Bilton Grange fund

With the charitable merger of Bilton Grange into the School, the non-endowment investments previously held in the name of Bilton Grange Trust Limited were designated by the Governors to be used for capital investment into Bilton Grange and its facilities. These funds have now been deployed to support the construction of the new boarding house at Bilton Grange.

Bloxam fund

The funds in the Bloxam Fund are a portion of the proceeds of sales in 2019 and 2020 of long-held donated art works and rare books have been designated by the Governors to be utilised for bursary funding and for projects to benefit a significant proportion of the School's current and future community. These funds are added to by various fundraising initiatives or donations from time to time.

School operations

General unrestricted funds are invested in the fabric and estate of the School which is critical to the educational provision.

23. FINANCE AND LEASE COMMITMENTS

The School has the following minimum lease payments, due in relation to non-cancellable operating lease agreements:

	Parent Charity		Consolidated	
	2024	2023	2024	2023
	£000	£000	£000	£000
Payable within 1 year	734	283	734	283
Payable between 2 to 5 years	665	221	665	221
Payable after more than 5 years	-	-	-	-
	<u>1,399</u>	<u>504</u>	<u>1,399</u>	<u>504</u>

During the year the School maintained in place an annually renewable, unsecured, on-demand, £5,000,000 overdraft facility with National Westminster Bank Plc. The facility has remained undrawn during the year ending 30 June 2024.

23. FINANCE AND LEASE COMMITMENTS *(continued)*

On 30 June 2021, the School committed to a 40-year private issue for £35 million placed with MetLife, that closed and funded on 1 September 2021, due for repayment on 1 September 2061. Interest at 2.32% per annum is computed on a 30/360-day basis and payable semi-annually on 1 March and 1 September.

24. RELATED PARTY TRANSACTIONS

The children of staff and Governors may attend the School, subject to the normal entry procedures. In such cases, Governors pay School fees at the standard rates, but staff members receive a discount.

25. CONTINGENT LIABILITIES AND ASSETS

The School has two ongoing claims, one by parents of a former student who was unhappy with their experience at the School and one by a former employer who is claiming in relation to a workplace accident. No provision has been made for any liabilities for these claims at 30 June 2024 as there remains some uncertainty as to the potential outcome in relation to both value and timing and both are expected to be covered by insurance.

26. POST BALANCE SHEET EVENTS

There were no material post-balance sheet events.