

Charity Registration No. 307332

Company Registration No. 00276785 (England and Wales)

BEDALES SCHOOL

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

Principal Address and Registered Office

Bedales School, Church Road, Steep, Petersfield, Hampshire, GU32 2DG

Website

www.bedales.org.uk

BEDALES SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Governors

S A Nokes (Chair)	(1,2,6,7)
C I Arney	(2,7)
J Boyd	(4)
C L Bradbury	(3)
F Grey	(1)
J M Hanson	(2,7)
E A Impey	(2)
O R Jonathan	(2,5,7)
S R Lehec	(1)
R B Lewis (Appointed 7 June 2024)	(2)
I M A Myers	(1)
E J Rees	(1)

Membership of Governing Body Committees and Specific Responsibilities

(1) Education	(2) Finance and General Purposes	(3) Safeguarding
(4) Staff Liaison	(5) Strategic Risk	(6) Nominations
(7) Remuneration		

Head of Bedales Schools W Goldsmith (1,2,3,4)

Bursar and Clerk to the Board of Governors (and Company Secretary) R D L Lushington (1,2,3,4,5)

Head of Bedales Preparatory School, Dunhurst C R Baty (1,2)

Head of Bedales Pre-Preparatory School, Dunannie F M Read (1)

Other Current Members of Governing Body Committees

N Blanchard	(2)
B Cairns	(1)
K Fulford	(2,3)
A Kerr	(1)
R T Reynolds	(2)
A Simmons (DSL)	(3)
P A Thackrey	(1, 3)
G Thompson	(1,3)
A R Wiggins	(1)

Company number 00276785

Registered office Church Road
Steep
Petersfield
United Kingdom
GU32 2DG

BEDALES SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Professional Advisors

Auditor

Azets Audit Services Limited
Ashcombe Court
Woolsack Way
Godalming
Surrey
United Kingdom
GU7 1LQ

Bankers

National Westminster Bank PLC
77 High Street
Godalming
Surrey
GU7 1AR

Insurance Brokers

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

Solicitors

Veale Wasborough Vizards
Orchard Court
Orchard Lane
Bristol
United Kingdom
BS1 5WS

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

BEDALES SCHOOL

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BEDALES SCHOOL

GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2024

Introduction

The Board of Governors present their Annual Report and audited financial statements of Bedales School ("the Charity", "the School" or "Bedales") for the year ended 31 August 2024.

The Board of Governors 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 (FRS102)) and the Charities Act 2011.

Objectives and activities

The objectives of the Charity are to provide education and training in particular by carrying on a School in or near Petersfield. As such, the School promotes, sustains and increases individual and collective knowledge and understanding in the specific area of study, skills and expertise. The Powers of the Charity are set out in the Articles of Association adopted on 25 October 2012. The Governors give consideration to the Charity Commission's guidance on public benefit when setting objectives and formulating plans.

The Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Purpose of the School

Bedales is inspiring a new generation of critical-thinkers, creators and leaders by cultivating a community of life long learners through its innovative, intellectually challenging curriculum. The School's founding principle 'work of each for weal of all', centred on authentic working relationships, develops excellence in the individual whilst appreciating their central role in shaping society on every level.

Bedales Vision and Strategy

In the School year 2021/22, there was extensive consultation on the Bedales purpose and vision which was agreed across the School community. Thinking then progressed in staff working parties to develop proposals to deliver the vision over the next 10 years under the four strands of 'Learning', 'Living', 'Community' and 'Environment'. The 10-year strategy was formally launched in September 2023, aiming, by 2033, for the School to be a fully realised community of learners, where:

- Students and staff are excited about the unique and precious experience of living and learning together, cultivating a lifelong love of intellectual endeavour, self-development and achievement.
- The young people in our care take advantage of developments in technology, neuroscience and psychology to develop positive physical and mental health skills that will stay with them for life.
- We understand the importance of identity and collective responsibility and learn to contribute positively to our world in a variety of ways.
- We learn, often through lived experience, of our place in the natural world and the importance of human accountability for the environment in all aspects of how we live and learn.

John Badley, in his *Memories and Reflections* (1955), wrote that 'education has a twofold purpose: it can be thought of as directed to the personal development of the individual, or to their contribution to the community of which they are a member.' Badley's views, as one of the founding leaders of the School, are as important to us today as they were when the School was set up in 1893 as they remind us that Bedales is a School built on profoundly communitarian principles. The individual work of students or staff must, according to the School motto, be taken in the context of their impact on 'all' - whether that be fellow students, the local community, the environment or the world. We aim to be true to the School's traditions while ensuring they remain relevant for the next decade.

BEDALES SCHOOL

GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

The 21st century is a time which challenges educational norms more than ever: climate change is arguably one of the biggest challenges that will impact us all, especially the generations to come; technological innovation democratises knowledge and learning like never before; Artificial Intelligence opens up opportunities within learning and future pathways, undermining so many assumptions about the world of work; in addition, technology allows for much greater communication between people (and machines) but likewise creates greater chances for misinformation, division and mental health problems, particularly in the young; and we have a much greater understanding of the need for us to strive for more diverse, representative and balanced communities. In response to these challenges, we want to be a place where the coeducational and communitarian heritage of the School is constantly being reimagined for these new and emerging realities.

Despite these broader threats facing society, and the more immediate ones facing all independent Schools (political change, economic uncertainty, international instability), our strategy comes at a position of relative strength for Bedales with demand strong and Will Goldsmith established as Head in February 2022 following his period as Acting Head.

GROUP STRUCTURE

Status and Administration

Bedales School is a Public Benefit Entity registered as a charity in England and Wales, number 307332. Its registered company number is 276785. The School is governed by its Memorandum and Articles of Association last amended in October 2012; the Board of Governors ensure that the Articles of Association remain current by reviewing them annually. The Governors confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Connected Charities

The School has a wholly owned trading subsidiary, Bedales Services Limited (BSL), formerly responsible for non-charitable operations but now non trading/dormant.

The Bedales Grants Trust Fund, founded in 1927, charity number 1036179, was set up to provide grants to parents of students at Bedales in need of financial aid to pay their tuition fees with a preference towards those parents who were themselves at Bedales School. During the year the Bedales Grants Trust Fund supported 20 pupils with grants with a total value of £215,530.

The John Badley Foundation, founded in 2010, charity number 1138332, was set up to support and promote the activities of the School and advance the education of its students primarily through 100% bursaries. The John Badley Foundation provided half of the funding for each of the 13 students supported with a total value of £301,436.

Governors

The Governors act both as Trustees and Directors and have overall responsibility for matters in relation to the Charity. A Governor nominations sub-committee proposes any new Governors for the full Board to appoint.

Governors may be elected at any general meeting and may stay in office until the conclusion of the annual general meeting in the eighth calendar year following the year of their election. Under special circumstances a Governor may be asked to serve an additional term of up to 4 years and a Governor can be re-elected after retirement.

The Governors determine the general policy of the School and the Board of Governors meets at least three times in each academic year. The day to day management of the School is delegated to the Head of Bedales School and the Bursar. The Governors' principal responsibilities are to:

BEDALES SCHOOL

GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

- Ensure that the School is run in accordance with its charitable objects and that all the functions of the School are authorised by the Powers, as set out in the Articles of Association, and by Charity Law;
- Act in the best interests of the School and current and future beneficiaries at all times;
- Appoint the Head and the Bursar and advise on the appointment of Deputy Heads and the Heads of Prep and Pre-prep as necessary;
- In consultation with the Head and his management team, set the strategy and policies by which the School will be run;
- Approve the financial reinvestment plan in accordance with the aim of maintaining and developing the School;
- Control finance by approving realistic budgets and longer term plans and by monitoring these documents;
- 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 risk management and legal compliance and be satisfied that there are appropriate measures in place to reduce risk and achieve compliance;
- Ensure competent professional advice is taken when necessary;
- Appoint a Chair and Vice Chair; and
- Review and approve the terms of reference of its committees and appoint members to those committees.

Organisational Management

The sub committees of the Board and the Governors with special responsibilities are listed on the Legal and Administrative page. The Finance & General Purposes Committee is chaired by J M Hanson, and the Education and Pastoral Committee is chaired by F Grey. In addition to these committees: C L Bradbury has special responsibility for Safeguarding; J Boyd is the Governor Representative on the Staff Liaison Group and oversees Nominations; and O R Jonathan has responsibility for Strategic Risk. There is a Governors' Nominations Committee and a Remuneration Committee, both of which draw on membership by Governors as required.

The key management personnel include the Governors, who are not paid, and full members of the Whole School Senior Team who for the year are: The Head of Bedales School; the Bursar and Clerk to the Governors; Director of External Relations; the Head of Bedales Prep; and the Head of Bedales Pre-prep. The pay and remuneration of the key management personnel is considered, as required, by the Governors' Remuneration Committee in view of the market rates for each post and the performance of the individuals fulfilling the roles. The Committee considers recommendations from the Head.

Recruitment and Training of Governors

A Governors' nominations committee has been set up to recommend and oversee the appointment of Governors. It meets when necessary to plan the future membership of Governors in light of likely retirements. The Governors have a wealth of experience and many have been professionally trained through their employers; it is vital that the Board of Governors as a whole covers the full spectrum of specialisms that are required to oversee the School and the appointment of new Governors is carefully managed to ensure that this requirement is met; there is a clear succession plan. Any training gaps are filled by making the most of opportunities provided by the Association of Governing Bodies of Independent Schools (AGBIS) and other organisations. The Governors receive an update on Safeguarding and Child Protection at each Board meeting and carried out a full annual review of Safeguarding at the June Board meeting. All Governors complete annual Safeguarding training and Governors appointed during the year complete an induction process which includes Safeguarding training.

BEDALES SCHOOL

GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

PRIORITIES FOR THE YEAR

Strategic Goals 2023 - 2033

Learning

In our School environment where divergent and creative ways of thinking are encouraged, students develop a confident understanding of their own abilities, self interests and potential.

By mapping out the curriculum and ensuring a cohesive and seamless whole school learning journey, we aim to develop a dynamic and thriving learning pathway through Bedales Pre-prep, Prep and Senior where students are inspired through exceptional opportunities, intellectual challenge, and where a commitment to excellence in teaching is prioritised.

With further innovation planned for Bedales Assessed Courses in particular, Bedales will be at the forefront of the education reform movement in offering a broader curriculum and multi-modal assessment methods that encourage a more adaptable and creative response from students. Bedales is therefore enacting what a growing number of educationalists are calling for in terms of GCSE reform which takes inspiration from high-performing school systems globally, such as Singapore where the most able students bypass exams at 16 to just take A Levels at 18, freeing space to gain the benefits of a broader, more enriching education.

A specific focus on technological innovations and environmental considerations will ensure students are well prepared for the world they will go into post education. Over the next decade, we will also focus on enhancing performance spaces across the Whole School, and further ensuring learning is informed by the 'real world' and outdoors to make the most of our inspiring estate.

Living

We will improve the quality of boarding provision, transitioning from single sex to mixed boarding houses.

All members of the community will learn to coexist with empathy, understanding their place as individuals and in groups. A focus on values will help students develop authenticity, self-confidence and self-awareness, whilst maintaining meaningful contributions to our school and wider communities. 'Bedales Service' will become a weekly feature of Bedalian life for all students. We will encourage healthy choices, grounded in physical and outdoor activities, within an environment where students live confidently and happily in the digital age.

Community

Our School environment aims to encourage and foster diversity at every level, valuing difference as a strength, and supporting all students. A doubling of our provision for full bursaries will strengthen our social mission and contribution to the wider community.

We will build on our links with like-minded educators around the world to drive educational improvements through our advocacy and engagement at national and international levels. By mobilising the Bedales community in the widest sense, we will support our young people, helping them navigate their post-Bedales pathways.

We will celebrate the many Bedalian contributions to society, harnessing the power of the diverse and inspirational role models in our community.

BEDALES SCHOOL

GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Environment

We are constantly striving to make the world around us more beautiful in every way. We will model a system-wide approach to active environmental responsibility. All members of our community will be involved in how we live, how our food is produced and how we ensure the environment is protected.

We will engage students in how we generate more of our own energy and how we manage the School estate in a sustainable way. A 'reduce, re-use, recycle' philosophy will be supported by more sustainable procurement. We will select suppliers and goods based on their sustainability credentials and carbon reporting, while using local suppliers wherever possible to reduce transport and support local businesses.

FINANCIAL INSTRUMENTS

The Charity's principal financial instruments comprise bank balances, other debtors, other creditors and bank loans. The main purpose of these instruments is to finance the Charity's operations.

The nature of the financial instruments used by the Charity is such that their market value does not fluctuate as a result of changes in market prices. The Charity's approach to managing other risks applicable to the financial instruments concerned is shown on the next page.

The interest rate on bank loans is variable. The Governors regularly consider the potential impact of changes in interest rates and the actions that would need to be taken if any changes were likely to occur. The bank loans are secured by charges over some of the School's property and repayment terms are linked to those secured assets. Other debtors are managed in respect of credit and cash flow risk by the regular monitoring of amounts outstanding. Other creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due. The Governors also consider credit interest on cash balances and this is actively managed to secure interest.

STRATEGIC REPORT

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Governors to present a strategic report.

ACHIEVEMENTS AND PERFORMANCE

Total student numbers continued to be strong: Bedales Senior 470, Bedales Prep Dunhurst 218 and Bedales Pre-prep 91 (total students across the Whole School: 779). The School's discipline over costs and containment of fee increases has ensured that the School's finances are in a robust position which will help with the continuing uncertain challenges of the current economic and political climate.

Bedales students secured places at some of the most prestigious educational and artistic institutions globally following the publication of A Level results in Summer 2024. Thirty-one per cent of grades achieved by Bedales students were A*- A, with 19% of students achieving the equivalent of at least three A grades, seven of whom had previously attended Bedales Prep or Pre-prep School.

Bedales students progressed to some of the most demanding courses at universities featured in the top 100 of the 2024 QS World University Rankings, including: University College London (UCL) (Theoretical Physics; Comparative Literature; Education, Society and Culture; English; Politics, Sociology and East European Studies); The University of Edinburgh (Product Design; Russian Studies and Politics); The University of Manchester (Civil Engineering, Biotechnology with Entrepreneurship; Politics and Modern History; History and Sociology); King's College London (Liberal Arts); University of Amsterdam (Liberal Arts and Sciences); University of Bristol (Engineering; Maths); University of Warwick (Maths); University of Leeds (Biological Sciences; International Development; English Literature; Music and Music Technology); University of Glasgow (Mathematics and Philosophy); Durham University (Natural Sciences; Theology and Religion); and University of St Andrews (Materials Chemistry).

BEDALES SCHOOL

GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Bedales' strong reputation in the performing arts continued this year, with three students gaining prestigious conservatoire offers, two at the Royal Northern College of Music and a Dance place at Trinity Laban. Bedales students will also be taking up places to study Applied Theatre and Education at Royal Central School of Speech and Drama, University of London; an acting Foundation course at ArtsEd based at the Lyric Hammersmith Theatre; and Creative Writing (undergraduate diploma) at the University of Oxford.

A number of students opted to continue their art and design education, pursuing Art Foundation courses with others joining undergraduate courses including: History of Art, Courtauld Institute of Art, University of London; Animation, Leeds Arts University; Fine Art - Photography, Glasgow School of Art; Fine Art, Kingston University; Television and Digital Production, Royal Holloway, University of London; and Creative Robotics and Costume for Theatre and Screen, University of the Arts, London.

International institutions continue to feature for Bedalians, with students taking up places at Virginia Tech, US (Aerospace and Astronautics); L'Atelier de Sèvres, France (Art); and Amsterdam University College, Netherlands (Liberal Arts and Sciences).

At GCSE and Bedales Assessed Courses level, over two thirds of grades were 9-7 (equivalent to A*-A). Twenty-seven per cent of students achieved at least nine grades 9-7 with 10% achieving a clean sweep of at least nine grades 9/8 (equivalent to A*). Of these high performing students, 11 attended Bedales Prep or Pre-prep prior to progressing to Bedales Senior.

Bedales' unique curriculum means that students currently take a combination of the School's own BACs combined with GCSEs in five core subjects. Introduced in 2006, BACs are well established, and involve a broader range of content, choice and assessment methods than the traditional GCSE, enabling students to pursue their interests and talents. BACs benefit from annual external validation by experienced moderators and are recognised as a qualification by universities.

SUPPORTING OTHERS

Bedales has a long history of supporting others in need, including refugees, whether it be the School's partnership with the Rural Refugee Network (RRN) charity, offering places to Syrian and Afghan refugees on fully funded bursaries through their GCSEs and A Levels or, further back, when Bedales welcomed an influx of Jewish students escaping Germany in the 1930s.

To broaden the School's ability to offer bursary support and to further supplement the support provided by the Bedales Grants Trust Fund ("BGTF"), Bedales established the John Badley Foundation ("JBF") in 2010 to change the lives of individuals who face disadvantage by providing a stable and inspiring education at Bedales Senior and Bedales Prep. By offering fully funded bursaries to children who could not otherwise have been able to consider an independent school education, the trajectories of these young people are being radically transformed. The JBF has been supporting children who have found themselves in difficult circumstances in their homes or school. The 30+ students who have received JBF support have included refugees fleeing war, as well as students from the UK. The School also offers a free 'community' place for a child to attend the Nursery at Bedales Pre-prep.

Fee Support 2023-24

Each year the School allocates a proportion of its gross fee income for bursary support. In addition to this, the BGTF and JBF provide financial support for bursaries and the long-term aim is to increase this total bursary support and continue to widen access to the School. The School also works with other charities to reach those in need, including Royal Springboard and Buttle UK. Below is a summary of the support provided in 2023-24:

Bursary Support £1.98m
Bursary support as % of gross fee income 8.11%
Exhibition and scholarship support £0.13m
Total fee support as % of gross fee income 8.65%
Number of pupils benefitting from fee support was 104, of which an increased number of 28 had support of over 75% of their fees

BEDALES SCHOOL

GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

	Total Bursaries	Breakdown
100%	20	13 JBF + 7 Ukrainian
75-99%	8	8 School
50-74%	20	1 BGTF + 19 School
25-49%	41	15 BGTF + 26 School
Below 25%	15	4 BGTF + 11 School

With the JBF established, the School community has been well placed to continue supporting families from Ukraine in 2023/24 with seven students spread across Bedales Prep and Senior, housed with local families or boarding.

Supporting others is at the heart of the Bedales curriculum. Global Awareness (GA) is taught as a distinct subject across the whole School, from Pre-prep to Senior, culminating in Bedales' most popular Bedales Assessed Course (BAC) and Global Perspectives Sixth Form course. The focus of GA is twofold – equipping students with critical 21st century skills and providing them with a unique insight into global issues. Activism and community service are at the heart of the BAC – students are led to becoming social entrepreneurs through groundbreaking project work which requires them to make an actual change, be that within our own community, nationally or globally. GA students regularly lead assemblies and discussions, teach lessons in Bedales Prep and Pre-prep, as well as other local schools and are responsible for organising major fundraising and community events. An enrichment course in Social Entrepreneurship and Innovation for the Sixth Form aims to continue and expand these efforts further in the coming years.

Bedales Senior, Prep and Pre-prep run a number of fundraising events and activities throughout the year. For example, Bedales Prep and Pre-prep collected and delivered donations to the Petersfield Food Bank as part of Harvest Festival and Bedales Senior hosted an Art Sale in conjunction with the Rural Refugee Network which raised over £10,000 to support refugees.

Sharing facilities

The programme of Bedales Events invites local people and schools to Bedales for poetry, music, drama, dance and more.

The school has partnerships with local state schools, groups and initiatives, and every opportunity is taken to share our facilities for wider benefit. This year, local organisations have benefitted from highly subsidised or free use of Bedales resources, including:

- Steep Primary School for weekly swimming classes
- Bohunt School – for its annual summer production in the Bedales Theatre
- Hosting curriculum 'taster' events at Bedales Senior and Prep Schools for local primary school children
- Hosting meetings of East Hampshire Primary School Heads
- Free use of school minibuses for local primary schools and charities to access activities
- Hosted a conference for teachers interested in developing innovative teaching practices, attended by 60 educationalists from 15 institutions, 13 of which were state primary and secondary schools.
- Edward Thomas Fellowship Group
- Petersfield Youth Theatre – Summer camps, workshops and main Quad for production
- Steep Village – hosting of annual Flower Show

Many other local sports clubs take the opportunity to hire our first-class facilities.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The financial performance of Bedales School was good and after the difficult COVID years there is clear evidence of recovery with strong fee income and tight management of costs enabling a healthy level of reinvestment in the fabric of the School to ensure that it is maintained and improved in line with strategic plans.

BEDALES SCHOOL

GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

There has been a change in focus to ensure that reinvestment relies less on loans and debt levels therefore remain relatively low. Current debt has been renegotiated over a longer period and this has reduced repayments considerably and resulted in more funds for capital reinvestment in each financial year. During the year the School also had a Revolving Credit Facility available, but after a review it was decided to cancel this agreement at the end of the financial year.

The net income for the year amounted to £461,096 (2023: £851,484). Additions to fixed assets during the year are outlined in note 13 of the accounts. These amounted to £3,436,415 (2023: £2,037,740) and consisted mainly of refurbishing the covered way and the assembly hall, replacing the roof and windows of the music block, replacing the windows of the girls boarding house and refurbishing the science labs.

A total of £2,111,319 was provided in the form of means tested bursaries, scholarships and free music lessons; this total included grants from the Bedales Grants Trust Fund, the John Badley Foundation, Rank Foundation and Royal National Children's Springboard Foundation. As a total the bursary support represents 8.65% of gross fee income.

Policy on reserves

The School's assets are sufficient to meet its obligations and are all held for use by the School. The unrestricted School funds are being held to finance current and future capital projects.

At 31 August 2024, the total funds of the School were £26,205,090 (2023: £25,584,994). Of these £36,032 (2023: £38,285) are restricted funds. Of the remaining reserves, £34,232,954 (2023: £32,538,687) is represented by tangible fixed assets. Therefore, the School has currently allocated all of its free reserves, supplemented by borrowings, on fixed assets.

The School has a 10 year plan which sets out its expected expenditure on fixed assets which will continue to improve the facilities of the School. This plan is managed in detail over the first 5 years with expenditure approved by the Board for the first 2 years.

The School believes that it is able to operate without free reserves and wishes to continue upgrading the facilities of the School through steady surpluses supplemented by borrowings.

Based on an actuarial valuation as at 31 August 2024, the School has a funding surplus of £357,000 (2023: £4,000) calculated under FRS 102 in respect of the School's defined benefit pension scheme for support staff. In accordance with FRS 102, this surplus has not been recognised in these financial statements (see note 19 for more information). The Governors believe that this notional funding calculation, which can vary between surplus and deficit according to the valuation assumptions made at the year end, does not have a significant effect on the School's cash flow in the short term and that in the longer term its effects are sustainable out of future income.

The reserves policy of the School is reviewed on an annual basis by the Governors.

Fundraising

In 2023/24 the focus was fundraising for full bursary support via The John Badley Foundation (JBF). The long-term aim is to raise sufficient donor income to build an endowment fund whilst also providing direct bursary support from donations. The School's Head of Development works with colleagues and volunteer parents and alumni to create and manage the fundraising programme, which overall in 2023/24 raised £2,517,179 of which £2,472,306 was for full bursary and other support to the School via the JBF. An additional £5,937 was raised for the Bedales Grants Trust Fund, and £38,935 for general School improvements.

BEDALES SCHOOL

GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

The School is very appreciative of members of the wider School community for their generous support of its fundraising activities which included live events and individual approaches. Donors choose a variety of ways to support the School, such as through single donations, purchasing merchandise, offering raffle prizes, regular donations, donating works of art, and making legacy commitments.

There were no complaints received during the year relating to the School's fundraising activities. The School has robust policies in place regarding vulnerable people and treating donors fairly.

STRATEGIC RISK

The governing body is responsible for the identification and management of risks. The major risks to which the School is exposed, as identified by the Governors, have been reviewed and systems and procedures established to manage those risks. Detailed examination of the risks and establishment of controls to mitigate them is delegated to the Whole School Senior Team and the process is overseen by the lead Governor for Strategic Risk in close liaison with the Finance & General Purposes Committee. A formal review of the risk management processes is undertaken annually at the March Board meeting. The focus is primarily on where risk is either increasing or decreasing and this then allows for the direction of resources, accordingly.

The principal risks to which the School is exposed include:

The Political and Economic Environment:

The Board of Governors regularly considers the political environment and how this impacts the School. The new Labour Government has imposed VAT on School fees from 1 January 2025 and removed charitable business rate relief for independent schools from 1 April 2025. In addition, there are further threats as a result of changes to Employers' National Insurance and the Minimum Living Wage from 1 April 2025. The impact of these policies is significant and will affect the ability of parents to choose to educate their children in the independent Sector. The sector is clear that this policy will result in a significant drop in pupil numbers but a corresponding and equally significant additional demand, above and beyond capacity, for maintained sector schools.

Whilst Bedales continues to provide difference in education and this uniqueness will continue to attract parents and future students, the school still expects to be affected by the drop in demand for independent school education. All possible measures are being taken to minimise the impact by retaining students, recruiting more students from overseas, ensuring all possible VAT reclaim can be made and passed back to parents in the form of slightly lower fees. The School recognises the importance of clear communication to current and prospective parents through this unsettling time.

The aim now has to be to maintain pupil numbers and ensure the long-term strength of the School; without this policy to impose VAT, the School had been aiming to grow. The Government's decision to increase ERNIC and the Minimum Living Wage represents a genuine financial threat to the School which cannot increase its expenditures on staff. These taxes are particularly unwelcome and challenging when combined with the effect of imposing VAT the loss of business rate relief, and represent a real threat to employment opportunities at the School. There are however further threats. Economic growth has remained slow, which is also adding pressure on parents who rely on income from their businesses. The wider global political environment is more unsettled than it was one year ago and this poses additional threats to confidence. Political and economic risks are outside of the control of the Governors, but the possible impact of these is considered to be significant and is regularly reviewed by the Finance and General Purposes Committee and further possible mitigation taken as appropriate.

Competitive Market

The market in which the School operates is highly competitive and developments in education are monitored to ensure that pupils receive an excellent, holistic, and varied educational experience in the School. Bedales sets out to be different, as recognised in the most recent ISI Inspection and preserving this difference is vital to its continuing success. The ten-year strategy seeks to reinforce this difference. Maintenance of strong pupil numbers in all three schools is imperative and a strong and target focussed External Relations team market the School effectively, but there will be further work in this area as the market becomes smaller. The pupil roll for 2024/25 is consistent with that in 2023/24.

BEDALES SCHOOL

GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Safe Environment

The School strives to ensure that all staff and pupils are able to work in a safe and supportive environment. Being able to operate a safe school is essential and all possible measures are taken to keep staff and pupils safe. Active monitoring of pupil wellbeing and welfare is undertaken by the pastoral care and Designated Safeguarding Lead team. Safeguarding procedures are tightly managed with clear policies and procedures in place supplemented by appropriate training for staff and strong safer recruitment practices.

Appropriate employment policies and procedures are in place under the management of the Bursar and the Director of Human Resources. Monitoring of staff wellbeing is carried out by the Director of Human Resources with input from staff representatives. Health and Safety procedures are clear and under regular review by the Health and Safety Manager. There are separate Health and Safety committees for: the Senior School; the Support Staff; and one covering the Prep and Pre-prep schools. The Health and Safety Strategy and Policy Committee chaired by the Head of Bedales Schools sets the strategy for Health and Safety in the School.

Compliance

The School operates in a highly regulated sector and the Whole School Senior Team ensures that the School is up to date with legal and regulatory requirements. School or individual membership of bodies, being either the constituent associations of the Independent Schools Council or other professional bodies, also ensure that it has access to up-to-date information and support.

Legal & Financial

The School operates in an increasingly litigious environment and appoints appropriate professional legal advisors and purchases insurance using specialist brokers, such that it can address requirements and meet potential challenges.

Risk Controls

The School plans strategically given due regard to appropriate risk. The Whole School Senior Team provide the Governing Body with regular reports which include details of principal strategic objectives and the activity being undertaken to achieve those objectives. The School also records significant achievements and updates the Governing Body on short-term plans.

Key controls used by the School to help mitigate risk and uncertainties include:

- formal agendas and minutes for all meetings of the governing body and committees;
- terms of reference for all committees;
- comprehensive strategic planning, financial forecasting, budgeting and management accounting;
- established and identifiable organisational structures and reporting lines which are regularly reviewed;
- comprehensive formal written policies;
- clear authorisation limits and anti-fraud measures;
- vetting procedures, as required by law, for protection of the vulnerable;
- comprehensive crisis management procedures involving governors right from the outset; and
- legal and specialist advice.

BEDALES AS AN EMPLOYER

An Employer of Choice

Bedales is first and foremost a community and as such the staff are central to this; it is vital that there is a sense of belonging in our staff and that they feel valued for their contribution. Working for Bedales should bring pleasure and a sense of purpose, built on strong friendships and a shared belief in learning and developing one's talents. The experiences that we want the pupils to have when at Bedales translates directly to the experiences that we want the staff of the School to have as they spend time in our community. Above all, we believe in the underlying credo of the School "Work of Each for Weal of All".

BEDALES SCHOOL

GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Equality, Diversity and Inclusion

The School is an equal opportunity employer and is determined to ensure that no applicant or employee receives less favourable treatment on the grounds of race, gender, age, disability, religion, belief, sexual orientation, marital status, or is disadvantaged by conditions or requirements which cannot be shown to be justifiable. Each year, we publish our Gender Pay Gap report.

Consultation and Employee Voice

Consultation with staff is central to the Bedales ethos as a community and the School aims to take the views of its employees into account when decisions are made that are likely to affect their interests. The Staff Liaison Group is our body of elected representatives and provides a route for consultation and for employees voice matters direct to senior management and Governors through the Governor representative on the Group. The School also has two consultative groups one for teaching staff and another for support staff. These aim to consider training, development and well-being of our staff and address any concerns affecting each of the constituencies of staff.

The staff of the School are made aware of the financial performance of the School and are able to talk to the Bursar about this performance at any time. The work undertaken in 2022/23 to redefine the vision and strategy for the School for the next 10 years involved consultation groups and a wide range of the School's staff. Every member of staff has the opportunity to contribute to thinking about the future of the School.

The School encourages a questioning staff body and provides as many routes as possible for this. The staff have the opportunity to contribute in surveys and their feedback is welcomed and can help shape the School. There are opportunities for staff to suggest improvements and their help in finding better ways to meet requirements or find efficiencies is actively encouraged.

SUSTAINABILITY AND CARBON REPORTING

The School is committed to reducing the impact that its operation has on the environment and takes this responsibility very seriously. The School engaged the Carbon Trust to help in this work by identifying the emissions for the School in terms of tCO₂e for the Scopes 1 and 2 to provide a baseline from which to work and monitor progress towards achieving our aim of reaching Net Zero by 2045. We now calculate this each year using the relevant conversion factors.

To inform our work and enable us to plan for changes, FY18/19 is used as the baseline for our data and for tracking our progress.

Our emissions baseline data is as follows:

	Baseline Year (18/19) tCO ₂ e	2023/24 tCO ₂ e
Scope 1	1,425	1,265
Scope 2	490	0
TOTAL	1,915	1,265
Intensity Ratio (Scope 1 and 2 emissions per pupil or member of staff)	1.71	1.07

BEDALES SCHOOL

GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Meeting our Sustainability Objectives

The above figures do not include offsetting from our own estate. We are in the process of measuring this as it has to be part of our goal to reaching net zero. This work involves our students who are very much part of our sustainability goals, not just in terms of net zero but also in preserving and enhancing the biodiversity of our estate.

The School purchases all electricity from certified 100% renewable sources. We continue to seek to both reduce electricity consumption, but also to increase generation opportunities through Solar PVs and other possible technologies. Our Scope 1 emissions are those that we wish to reduce as a priority, but we are making good progress by using less and moving away from oil where we can; our intensity ratio has been reduced by 0.19 over that in 2022/23. It will take time and financial resources and available technology to reach our goals. Bedales is set in a remote location and one that is not supplied by natural gas. All heating is therefore provided using oil and LPG and electrical heating is currently not feasible for many of our buildings.

Our priority is to improve the thermal efficiency of our buildings to enable other forms of heating in the longer term. This mean replacing windows and roofs and installing further insulation and this work is underway with many improvements made during the year and further planned in 2024/25 and beyond. We will further our work to change lighting to LEDs (something that we started many years ago) and we will continue to drive to reduce energy consumption wherever we can. All building refurbishments will be to the latest building regulation standards as a minimum and the completion of our Assembly Hall as a refurbishment and extension of an old and inefficient building will make a significant further difference.

Our long term aim is to reach carbon net zero including Scope 3 emissions by 2045, but the first target will be to achieve net zero under scopes 1 and 2 and, in partnership with all members of our community and those who engage with the School, we are confident that this can be achieved.

Statement of Governing body responsibilities

The Governors, who are both the directors of Bedales School for the purpose of company law and Trustees for the purpose of Charity law, are responsible for preparing the Governing Body Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that year.

In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Governors are responsible for keeping adequate accounting records that 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 Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

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

The Governing body report, including the strategic report, was approved by the Board of Governors.

BEDALES SCHOOL

GOVERNING BODY REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Steph A Nokes

.....
S A Nokes (Chair)

Dated: 6 December 2024
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BEDALES SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF BEDALES SCHOOL

Opinion

We have audited the financial statements of Bedales School (the 'Charity') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 August 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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 Governing body report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

BEDALES SCHOOL

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

Responsibilities of Governors

As explained more fully in the statement of Governing body responsibilities, the Governors, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Governors are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the 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 Chapter 3 of Part 16 of the Companies Act 2006 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

BEDALES SCHOOL

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the Charity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the Charity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the Charity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the Charity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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



Alex Temlett CA ACA CTA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services Limited

6 December 2024
.....

Chartered Accountants
Statutory Auditor

Azets Audit Services Limited
Ashcombe Court
Godalming
Surrey
United Kingdom
GU7 1LQ

BEDALES SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

		Unrestricted funds	Pension reserve	Restricted funds	Total Unrestricted funds	Pension reserve	Restricted funds	Total
		2024	2024	2024	2024	2023	2023	2023
	Notes	£	£	£	£	£	£	£
<u>Income and endowments from:</u>								
Income from charitable activities	3	22,955,681	-	120	22,955,801	21,996,009	-	21,996,009
Other income	4	508,104	-	-	508,104	389,766	-	389,766
Total income		23,463,785	-	120	23,463,905	22,385,775	-	22,385,775
<u>Expenditure on:</u>								
Expenditure on charitable activities	5	22,474,310	159,000	2,373	22,635,683	20,988,855	168,000	21,156,870
Other Expenditure	10	367,126	-	-	367,126	377,421	-	377,421
Total resources expended		22,841,436	159,000	2,373	23,002,809	21,366,276	168,000	21,534,291
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		622,349	(159,000)	(2,253)	461,096	1,019,499	(168,000)	851,484

BEDALES SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	Unrestricted funds	Pension reserve	Restricted funds	Total Unrestricted funds	Pension reserve	Restricted funds	Total
	2024	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£	£
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources	622,349	(159,000)	(2,253)	461,096	1,019,499	(168,000)	851,484
Other recognised gains and losses							
Actuarial gain on defined benefit pension schemes	-	159,000	-	159,000	-	168,000	168,000
Net movement in funds	622,349	-	(2,253)	620,096	1,019,499	(15)	1,019,484
Fund balances at 1 September 2023	25,546,709	-	38,285	25,584,994	24,527,210	38,300	24,565,510
Fund balances at 31 August 2024	<u>26,169,058</u>	<u>-</u>	<u>36,032</u>	<u>26,205,090</u>	<u>25,546,709</u>	<u>38,285</u>	<u>25,584,994</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The funds breakdowns for the current and comparative period are shown in notes 23 and 24.


BEDALES SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	11	34,232,954		32,538,687	
Investments	12		2		2
			<u>34,232,956</u>		<u>32,538,689</u>
Current assets					
Stocks	14	23,545		23,311	
Debtors	15	6,386,322		6,115,340	
Cash at bank and in hand		6,987,219		3,608,826	
			<u>13,397,086</u>		<u>9,747,477</u>
Creditors: amounts falling due within one year	17	<u>(13,921,941)</u>		<u>(10,734,739)</u>	
Net current liabilities			<u>(524,855)</u>		<u>(987,262)</u>
Total assets less current liabilities			<u>33,708,101</u>		<u>31,551,427</u>
Creditors: amounts falling due after more than one year	18		<u>(7,503,011)</u>		<u>(5,966,433)</u>
Net assets excluding pension deficit/surplus			<u>26,205,090</u>		<u>25,584,994</u>
Defined benefit pension liability	19		<u>-</u>		<u>-</u>
Net assets including pension deficit/surplus			<u>26,205,090</u>		<u>25,584,994</u>
Income funds					
Restricted funds	24		36,032		38,285
<u>Unrestricted funds</u>					
General	23	<u>26,169,058</u>		<u>25,546,709</u>	
			<u>26,169,058</u>		<u>25,546,709</u>
			<u>26,205,090</u>		<u>25,584,994</u>

The financial statements were approved by the Governors, and authorised for issue, on 6 December 2024 and signed on their behalf by:


.....
S A Nokes (Chair) -
Chairman

Company Registration No. 00276785

BEDALES SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	21		7,341,334		3,439,048
Investing activities					
Purchase of tangible fixed assets		(3,436,415)		(2,037,740)	
Interest receivable		75,018		23,366	
Interest payable		(357,714)		(275,804)	
Net cash used in investing activities			(3,719,111)		(2,290,178)
Financing activities					
Repayment of bank loans		(240,000)		(187,334)	
Net cash used in financing activities			(240,000)		(187,334)
Net increase in cash and cash equivalents			3,382,223		961,536
Cash and cash equivalents at beginning of year			3,608,826		3,694,290
Cash and cash equivalents at end of year			6,987,219		3,608,826

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

Summary of significant accounting policies and key accounting estimate

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

1.1 Accounting convention

Bedales School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The financial statements are presented in pounds sterling (GBP £) and round to the nearest pound.

1.2 Consolidated accounts exemption

The charity has taken advantage of the exemption under section 402 and 405 of the Companies Act 2006 to exclude the results of its subsidiary, Bedales Services Limited, from these financial statements on the basis that the subsidiary's results are immaterial for the purposes of these financial statements.

1.3 Going concern

The Governors consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the Charity. The Board has paid particular attention to the ongoing effects of the introduction of VAT on school fees and the loss of charitable business rate relief. It has also closely monitored continuing slow global economic growth and inflationary pressures, but remains confident that sufficient funding is in place and there are adequate resources to service its liabilities as they fall due.

1.4 Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

1.5 Fees

Fees receivable are accounted for in the period in which the service is provided and are stated after deducting allowances, scholarships and other remissions allowed by the School, but include contributions received from bursaries and other trusts.

1.6 Donations

Donations receivable for the general purposes of the School are credited to unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds.

1.7 Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

1.8 Rent receivable and interest receivable

Rent receivable, bank and other interest are accounted for as they accrue and over the period to which they relate.

1.9 Expenditure

Resources expended are accounted for on an accruals basis. Expenditure is allocated to expense headings on a direct basis except for:

- Depreciation on buildings which is apportioned according to area taken up and central costs which are apportioned on the basis of the Governors' estimate of time spent on the relevant functions; and

- Support costs not directly attributable to particular functional activity categories, which are apportioned over the relevant categories on the basis of the Governors' estimates of the amounts attributable to that activity in the period, either by reference to staff time or space occupied, as appropriate.

The irrecoverable element of VAT is included within the item of expense to which it relates, as far as is practicable, or otherwise under the most appropriate heading.

Governance costs are included in support costs and comprise the costs of running the School, including strategic planning for its future development, auditors' remuneration, certain legal costs and all costs of complying with constitutional and statutory requirements, such as Board meetings and preparing statutory financial statements.

Payments in relation to the termination of employment are recognised when the relevant decision-making process has been completed and communicated to all affected parties.

Costs incurred in trading activities that raise funds are classified separately.

1.10 Tangible fixed assets

Tangible fixed assets are included at cost. Expenditure on items of furniture, equipment and computer equipment since 1 September 1973 is written down to nil over three periods on the basis of 33 1/3% per annum straight line. Major catering equipment and furniture is written down to nil over 15 years. Small items of expenditure and short life assets are charged directly to the Statement of Financial Activities.

Depreciation is provided on tangible fixed assets (charged the month after purchase) so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Buildings	2-10% per annum straight line
Fixtures and fittings	6.67% per annum straight line
IT Equipment	6.67-25% per annum straight line
Motor vehicles	10-25% per annum straight line
Equipment	10-20% per annum straight line

Freehold land and assets in the course of construction are not depreciated.

The anticipated average life of buildings is estimated by reference to 1 September 1981 (date of commencement of depreciation policy) or date of expenditure since that date.

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

1.11 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.12 Leased assets

Where assets are financed by leasing arrangements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation of the relevant assets is charged to the Statement of Financial Activities.

1.13 Lease payments

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the Statement of Financial Activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital portion reduces the amounts payable to the lessor. All other leases are treated as operating leases. The annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

1.14 Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

1.15 Debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

1.16 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

1.17 Creditors

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

1.18 Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

1.19 Pension costs

The School contributes to the Teachers' Pension Scheme at rates set by the scheme actuary and advised to the Governors by the Scheme Administrator. For the purposes of complying with the relevant accounting standards, the Teachers' Pension Scheme is accounted for as a defined contribution scheme, in accordance with FRS 102, as the School is not responsible for or entitled to receive benefit for any surplus or deficit on the scheme. Contributions are charged to the Statement of Financial Activities in the period which they become payable.

The School also operates a Group Personal Pension Plan for the support staff which is a defined contribution scheme and contributions are accounted for as a charge to the Statement of Financial Activities in the period to which they relate.

The School also contributes to a defined benefit pension scheme for support staff. The scheme is no longer open to new staff. Rates are set by the scheme actuary and advised to the School by the scheme administrator. This scheme is accounted for in accordance with FRS 102: Retirement Benefits, with the annually calculated notional surplus (to the extent that the School is expected to benefit through future reductions in contributions or refunds) or deficit on the funding of the scheme shown as a designated fund entitled "Pension Reserve", which is deducted from unrestricted funds on the balance sheet. Current service costs, curtailments, settlement gains and losses, net financial returns and actuarial gains and losses are included in the Statement of Financial Activities in the period to which they relate.

Changes in the assets and liabilities of the scheme in the period are disclosed and allocated as follows:

Changes relating to current or past service costs and gains and losses on settlements and curtailments, and pension finance costs arising from changes in the net of the interest costs and expected return on assets, are allocated to the relevant activity heading based on staff costs of employees within the scheme. Pension finance income arising from similar changes is recognised as an incoming resource. Actuarial gains and losses arising are recognised as other recognised gains and losses. The assets, liabilities and movements in the surplus or deficit of the scheme are calculated by qualified independent actuaries as an update to the latest full actuarial valuation.

Details of the scheme assets and liabilities, and major assumptions are shown in note 19.

1.20 Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

1.21 Fund structure

Unrestricted funds are those available to further the School's charitable objectives at the discretion of the Governors

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the Governors.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions

1.22 Financial instruments

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the instrument is measured at the present value of the future receipts discounted at a market rate of interest.

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the instrument is measured at the present value of the future receipts discounted at a market rate of interest.

2 Critical accounting estimates and judgements

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

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

Key areas subject to judgement and estimation are as follows:

Pension scheme accounting

Judgement is applied when selecting the assumptions forming the basis of the School's defined benefit pension scheme valuation.

Fixed asset depreciation

Judgement is applied when assigning anticipated average lives to the fixed assets of the School. Management consider the useful life of an asset by asset basis in the year of acquisition to determine a suitable category.

Bad debt provision

Judgement is applied when assessing the expected amounts to be received from outstanding term fees. Each individual debtor balance is reviewed and a provision is recognised based on a considered expectation of the proportion of the debt that may not be recovered.

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

3 Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £
Gross fees	24,410,938	-	24,410,938	23,384,778
Extra lessons income	1,240,038	120	1,240,158	1,038,987
Registration fees	61,600	-	61,600	58,994
The John Badley Foundation bursaries	301,436	-	301,436	301,628
Bedales Grant Trust Fund bursaries	236,807	-	236,807	254,442
Less: Total scholarships, bursaries, other remissions and costs	(3,295,138)	-	(3,295,138)	(3,042,820)
	<u>22,955,681</u>	<u>120</u>	<u>22,955,801</u>	<u>21,996,009</u>
Analysis by fund				
Unrestricted funds	22,955,681	-	22,955,681	21,996,009
Restricted funds	-	120	120	-
	<u>22,955,681</u>	<u>120</u>	<u>22,955,801</u>	<u>21,996,009</u>

4 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	571	232
Interest receivable	75,018	23,366
Rental income	432,515	366,168
	<u>508,104</u>	<u>389,766</u>

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

5 Expenditure on charitable activities

	Unrestricted funds 2024 £	Pension reserve 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Pension reserve 2023 £	Restricted funds 2023 £	Total 2023 £
Teaching costs	15,865,956	-	-	15,865,956	14,438,420	-	-	14,438,420
Depreciation, amortisation and other similar costs	1,739,990	-	-	1,739,990	1,662,543	-	-	1,662,543
Premises	3,378,991	-	-	3,378,991	3,413,819	-	-	3,413,819
Support costs	1,414,630	159,000	2,373	1,576,003	1,371,348	168,000	15	1,539,363
Welfare	74,743	-	-	74,743	102,725	-	-	102,725
	<u>22,474,310</u>	<u>159,000</u>	<u>2,373</u>	<u>22,635,683</u>	<u>20,988,855</u>	<u>168,000</u>	<u>15</u>	<u>21,156,870</u>

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

6 Analysis of support costs

Support costs allocated to charitable activities

	Printing, postage and stationery	Marketing and communications	Information technology	Staff costs	Professional fees
	£	£	£	£	£
School operating costs	90,263	194,440	269,901	145,114	70,838
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Premises costs	Other support costs	Total 2024		
	£	£	£		
School operating costs	524,455	119,619	1,414,630		
	<u> </u>	<u> </u>	<u> </u>		

7 Net movement in funds

2024 **2023**
£ £

Net movement in funds is stated after charging/(crediting)

Fees payable to the company's auditor for the audit of the company's financial statements	20,950	19,900
Depreciation of owned tangible fixed assets	1,739,990	1,662,543
Loss on disposal of tangible fixed assets	1,988	-
Pension scheme actuarial losses/(gains)	163,000	1,215,000
Other pension scheme movements	61,000	105,000
Pension contributions to defined benefit pension schemes	220,000	273,000
	<u> </u>	<u> </u>

8 Governors' remuneration and expenses

No remuneration or benefits were provided to any Governor during the period, other than the School purchasing Governors' indemnity insurance to provide cover of up to £5,000,000. The premium was part of the public liability premium and is not separately identified.

Travel and accommodation expenses to and from meetings of £922 (2023: £1,410) in relation to 3 Governors (2023: 4) were reimbursed to the Governors during the period. No other payments were made to any Governors.

9 Employees

The average monthly number of employees (including senior management team) during the year was:

	2024 Number	2023 Number
Teaching	160	155
Support	241	227
	<u> </u>	<u> </u>
Total	401	382
	<u> </u>	<u> </u>

The staff full time equivalents in the year were 303 (2023: 286).

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

9 Employees	(Continued)	
Employment costs	2024	2023
	£	£
Wages and salaries	12,599,598	11,381,366
Social security costs	1,241,608	1,141,699
Other pension costs	2,024,750	1,915,355
	<u>15,865,956</u>	<u>14,438,420</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024	2023
	Number	Number
£60,001 - £70,000	20	13
£70,001 - £80,000	5	3
£80,001 - £90,000	1	1
£90,001 - £100,000	-	1
£100,001 - £110,000	2	1
£130,001 - £140,000	1	1
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-
	<u>21</u>	<u>21</u>

All of the higher paid employees are either in the Teachers' Pension Scheme, the School's Defined Benefit Pension Scheme or the School's Defined Contribution Pension Scheme.

Key management personnel

The key management roles in the School for the period were the Governors, who are not paid, the Head, Bedales School, the Bursar and Clerk to the Governors, Director of External Relations, the Head of Prep School and the Head of Pre-prep School. Their total emoluments including employer pension contributions and employers national insurance were £730,260 (2023: £765,036).

10 Other Expenditure

	Unrestricted funds	Unrestricted funds
	2024	2023
Net loss on disposal of tangible fixed assets	1,988	-
Bank loan interest	311,996	236,612
Bank charges	28,877	77,119
Net bad debt provision (write-back)/charge	(21,453)	24,498
Financing costs	45,718	39,192
	<u>367,126</u>	<u>377,421</u>

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

11 Tangible fixed assets

	Freehold Land	Buildings	Assets under construction	Fixtures and fittings	IT Equipment	Motor vehicles	Equipment	Total
	£	£	£	£	£	£	£	£
Cost								
At 1 September 2023	15,489	50,714,124	1,001,083	207,100	3,117,598	502,682	986,145	56,544,221
Additions	-	2,191,784	987,143	-	208,783	26,982	21,723	3,436,415
Disposals	-	-	-	-	(644,079)	(7,194)	-	(651,273)
Transfers	-	1,953,249	(1,953,249)	-	-	-	-	-
At 31 August 2024	15,489	54,859,157	34,977	207,100	2,682,302	522,470	1,007,868	59,329,363
Depreciation and impairment								
At 1 September 2023	-	20,201,845	-	206,686	2,494,081	390,384	712,538	24,005,534
Depreciation charged in the year	-	1,367,234	-	42	264,215	42,111	66,388	1,739,990
Eliminated in respect of disposals	-	-	-	-	(644,079)	(5,036)	-	(649,115)
At 31 August 2024	-	21,569,079	-	206,728	2,114,217	427,459	778,926	25,096,409
Carrying amount								
At 31 August 2024	15,489	33,290,078	34,977	372	568,085	95,011	228,942	34,232,954
At 31 August 2023	15,489	30,512,279	1,001,083	414	623,518	112,298	273,606	32,538,687

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

11 Tangible fixed assets

(Continued)

Transfers in the year totalling £1,953,249 relate to the completion of the construction of a new building. Upon completion, the building no longer met the criteria to be recognised as an asset under construction and was subsequently transferred to buildings.

12 Fixed asset investments

	Other investments
Cost or valuation	
At 1 September 2023 & 31 August 2024	2
Carrying amount	
At 31 August 2024	2
At 31 August 2023	2

	Notes	2024 £	2023 £
Other investments comprise:			
Investments in subsidiaries	13	2	2

13 Subsidiaries

Details of the Charity's subsidiaries at 31 August 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Bedales Services Limited	Bedales School, Church Road, Steep, Petersfield, Hampshire, GU32 2DG	Non-trading	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Bedales Services Limited	-	(16,860)

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

14 Stocks

	2024 £	2023 £
Finished goods and goods for resale	23,545	23,311

15 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	6,050,182	5,817,750
Amounts owed by fellow group undertakings	8,040	7,474
Other debtors	109,115	43,146
Prepayments	218,985	246,970
	<u>6,386,322</u>	<u>6,115,340</u>

16 Loans and overdrafts

	2024 £	2023 £
Bank loans	4,380,000	4,620,000
Payable within one year	240,000	240,000
Payable after one year	4,140,000	4,380,000

The bank loans are secured on the freehold premises of the School. Interest is charged at 1.75% above base rate on the loan which is repayable in 2027.

17 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans	16	240,000	240,000
Other taxation and social security		282,145	291,028
Trade creditors		286,613	519,395
Fees received in advance		9,084,274	7,385,831
Fees in advance scheme		1,540,281	664,898
Entrance deposits		1,208,520	1,215,667
Other creditors		1,101,332	232,906
Accruals and deferred income		178,776	185,014
		<u>13,921,941</u>	<u>10,734,739</u>

Fees in advance scheme

Parents may enter into a contract to pay the school tuition fees in advance. The money may be returned subject to specific conditions. Assuming pupils remain in the school, the fees in advance will be applied as follows:

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

17 Creditors: amounts falling due within one year

(Continued)

	2024	2023
	£	£
Within one year	1,540,281	664,898
One to two years	1,421,475	589,310
Two to five years	1,667,627	744,690
After five years	273,909	252,433
	<u>4,903,292</u>	<u>2,251,331</u>

18 Creditors: amounts falling due after more than one year

	Notes	2024	2023
		£	£
Bank loans	16	4,140,000	4,380,000
Fees in advance scheme		3,363,011	1,586,433
		<u>7,503,011</u>	<u>5,966,433</u>

19 Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

19 Retirement benefit schemes

(Continued)

Defined benefit schemes

Teachers' Pension Agency

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge accrued at the year-end in respect of contributions to this scheme was £118,178 (2023 - £149,849).

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 resulted in the employers' contribution rate increasing from 23.6% to 28.6 % from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

The TPS is now closed to new entrant teachers. These teachers will be automatically enrolled into the Aviva Pension Trust for Independent Schools (APTIS) defined contribution pension scheme.

In previous years, we have disclosed that the 31 March 2016 Actuarial Valuation of the TPS, or subsequent valuations, may be subject to change following a remedy being reached to the Court of Appeal's judgment in the McCloud / Sargeant case that the transitional provisions of the implementation of the 2015 reforms to Public Service Pensions, including the TPS, gave rise to unlawful age discrimination. Whilst the remedy has now been determined by the Government, the effect of this on the School's contributions to the TPS, including whether any additional or catch-up contributions are required, is still unknown. Accordingly, until notification of changed / additional contributions is received from the TPS and discussed and agreed with the School, no provision for any additional past benefit pension costs in respect of the TPS is included in these financial statements.

Hampshire Pension Fund ("the fund")

The figures below relate to the funded liabilities within the Fund which is part of the Local Government Pension Scheme (the "LGPS"). The funded nature of the LGPS requires the Employer and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets.

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

19 Retirement benefit schemes

(Continued)

Key assumptions

	2024 %	2023 %
Discount rate	5.0	5.3
Expected rate of increase of pensions in payment	2.7	3.1
Expected rate of salary increases	4.7	4.1
Expected rate of inflation (CPI)	2.7	3.1

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2024 Years	2023 Years
Retiring today		
- Males	22	22
- Females	25	25
Retiring in 20 years		
- Males	23	23
- Females	26	26

Amounts recognised in the profit and loss account:

	2024 £	2023 £
Current service cost	65,000	151,000
Net interest on defined benefit (asset)/liability	(4,000)	(46,000)
Total costs	61,000	105,000

Amounts taken to other comprehensive income:

	2024 £	2023 £
Actual return on scheme assets	(892,000)	170,000
Less: calculated interest element	548,000	453,000
Return on scheme assets excluding interest income	(344,000)	623,000
Actuarial changes related to obligations	150,000	588,000
Restriction of defined benefit pension surplus	357,000	4,000
Total costs	163,000	1,215,000

The actuarial valuation on which the defined benefit pension surplus/deficit is based produced a surplus of £357k (2023 - £4k). Under accounting standards, a surplus can only be recognised if the School has the ability to reduce contributions to the pension scheme in future or reclaim refunds through the scheme. On the basis that this may not be possible, the Governors believe that the surplus should be restricted to £Nil.

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

19 Retirement benefit schemes

(Continued)

The amounts included in the balance sheet arising from the Charity's obligations in respect of defined benefit plans are as follows:

	2024 £	2023 £
Present value of defined benefit obligations	10,856,000	10,542,000
Fair value of plan assets	(11,213,000)	(10,546,000)
	<u>(357,000)</u>	<u>(4,000)</u>
Surplus in scheme		
Restriction on scheme assets	357,000	4,000
	<u>-</u>	<u>-</u>
Total liability recognised	-	-

Movements in the present value of defined benefit obligations:

	2024 £
Liabilities at 1 September 2023	10,542,000
Current service cost	65,000
Benefits paid	(470,000)
Contributions from scheme members	25,000
Actuarial gains and losses	150,000
Interest cost	544,000
	<u>10,856,000</u>
At 31 August 2024	<u>10,856,000</u>

The defined benefit obligations arise from plans funded as follows:

	2024 £
Wholly unfunded obligations	-
Wholly or partly funded obligations	10,856,000
	<u>10,856,000</u>

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

19 Retirement benefit schemes (Continued)

Movements in the fair value of plan assets:

	2024 £
Fair value of assets at 1 September 2023	10,546,000
Interest income	548,000
Return on plan assets (excluding amounts included in net interest)	344,000
Benefits paid	(470,000)
Contributions by the employer to defined benefit pension schemes	220,000
Contributions by scheme members	25,000
	<hr/>
At 31 August 2024	11,213,000
	<hr/> <hr/>

The fair value of plan assets at the reporting period end was as follows:

	2024 £	2023 £
Equity instruments	4,261,000	3,691,000
Debt instruments	6,167,000	6,222,000
Property	785,000	633,000
	<hr/>	<hr/>
	11,213,000	10,546,000
	<hr/> <hr/>	<hr/> <hr/>

20 Capital commitments

At 31 August 2024 the Charity had no capital commitments which were not provided for in the financial statements (2023: £2,512,662). These capital commitments in respect of the comparative period related to the construction of the Assembly Hall.

21 Cash generated from operations	2024 £	2023 £
Surplus for the year	461,096	851,484
Adjustments for:		
Interest receivable	(75,018)	(23,366)
Interest payable	357,714	275,804
Loss on disposal of tangible fixed assets	1,988	-
Depreciation and impairment of tangible fixed assets	1,739,990	1,662,543
Difference between pension charge and cash contributions	163,000	1,215,000
Movements in working capital:		
(Increase) in stocks	(234)	(4,908)
(Increase) in debtors	(270,982)	(719,952)
Increase in creditors	4,963,780	182,443
	<hr/>	<hr/>
Cash generated from operations	7,341,334	3,439,048
	<hr/> <hr/>	<hr/> <hr/>

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

22 Analysis of net assets between funds

	Unrestricted funds 2024 £	Pension reserve 2024 £	Restricted funds 2024 £	Total Unrestricted funds 2024 £	Total Unrestricted funds 2023 £	Pension reserve 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 August 2024 are represented by:								
Tangible assets	34,232,956	-	-	34,232,956	32,538,689	-	-	32,538,689
Net current liabilities	(560,887)	-	36,032	(524,855)	(1,025,547)	-	38,285	(987,262)
Long term liabilities	(7,503,011)	-	-	(7,503,011)	(5,966,433)	-	-	(5,966,433)
	<u>26,169,058</u>	<u>-</u>	<u>36,032</u>	<u>26,205,090</u>	<u>25,546,709</u>	<u>-</u>	<u>38,285</u>	<u>25,584,994</u>

23 Designated funds

The income funds of the charity include the following unrestricted funds which have no restrictions:

	Movement in funds				Movement in funds				
	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Revaluations, gains and losses £	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Revaluations, gains and losses £	Balance at 31 August 2024 £
General	24,527,210	22,385,775	(21,366,276)	-	25,546,709	23,463,785	(22,841,436)	-	26,169,058
Pension reserve	-	-	(168,000)	168,000	-	-	(159,000)	159,000	-
	<u>24,527,210</u>	<u>22,385,775</u>	<u>(21,534,276)</u>	<u>168,000</u>	<u>25,546,709</u>	<u>23,463,785</u>	<u>(23,000,436)</u>	<u>159,000</u>	<u>26,169,058</u>

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

24 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 September 2022	Resources expended	Balance at 1 September 2023	Movement in funds		Balance at 31 August 2024
	£	£	£	Incoming resources £	Resources expended £	£
Kadian Observatory Fund	11,984	(15)	11,969	-	(200)	11,769
Digital Library Fund	26,316	-	26,316	120	(2,173)	24,263
	<u>38,300</u>	<u>(15)</u>	<u>38,285</u>	<u>120</u>	<u>(2,373)</u>	<u>36,032</u>

The specific purposes for which the funds are to be applied are as follows:

The Kadian Observatory Fund has been set up for the maintenance of the new observatory, to provide for an annual Kadian Harding Science and Technology prize and to provide a guest speaker for the annual astronomy lecture.

The Digital Library Fund has been set up to digitize old Bedales archives.

25 Contingent assets

The sale of a small parcel of land was completed for a consideration of £305,000 in December 1998. In addition, the School will receive 75% of the development value should development permission be granted to the purchaser. It is not practicable to make an estimate of the 75% of future development value.

26 Related party transactions

Transactions with connected charities

The Bedales Grant Trust Fund, charity number 1036179, was set up to provide grants to pupils at Bedales in need of financial aid to pay their tuition fees. In making such grants or loans preference shall be given to a parents or parents who was or were a pupil at Bedales School. During the period the Fund contributed £236,807 (2023: £254,442) to the school.

The John Badley Foundation, charity number 1138332, was set up to advance the education of pupils at the School. In the period, the School received donations from the Trust of £301,436 (2023: £301,628) towards the awarding of bursaries.

Transactions with Governors and key management

One Governor (2023: one Governor) and two members of key management (2023: two members of key management), of which details of the relevant roles can be found in note 10, have children at the School that paid normal fees and received no bursaries or scholarships.

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

27 Analysis of changes in net funds/(debt)

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	3,608,826	3,378,393	6,987,219
Loans falling due within one year	(240,000)	-	(240,000)
Loans falling due after more than one year	(4,380,000)	240,000	(4,140,000)
	<u>(1,011,174)</u>	<u>3,618,393</u>	<u>2,607,219</u>

28 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.