

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 2025

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	(2,6,7)
J Boyd	(4)
C L Bradbury	(3)
F Grey	(1)
T N Hall (Appointed 25 February 2025)	(2,7)
E A Impey	(2)
O R Jonathan	(2,5,7)
S R Lehec	(1)
R B Lewis	(2,7)
I M A Myers	(1)
E J Rees	(1)
J M Stanley (Appointed 30 September 2025)	(1,3)
J M Hanson (Resigned 6 December 2024)	(2,7)

Membership of Governing Body Committees and Specific Responsibilities

(1) Education and Pastoral	(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 R D L Lushington (1,2,3,4,5)

Head of Bedales Preparatory School, Dunhurst C Kirkham (1,2,3)

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

Other Current Members of Governing Body Committees

N Blanchard	(2)
B W A Cairns	(1)
K M Fulford	(2,3)
A K Kerr	(1)
R T Reynolds	(2)
A Simmons (DSL)	(3)
P A Thackrey	(1,3)
G F B 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
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 2025

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 2025.

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 articles are reviewed annually and remain appropriate. 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

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 2025

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.

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 August 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 17 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 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, provides funds to the School to help in the provision of bursaries to enable students to come to the school who would otherwise not be able to. During the year, the Bedales Grants Trust Fund granted £228,973 to Bedales School.

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. It does so by granting funds to the School to help with the funding of 100% bursaries, but also by granting funds to assist in major capital improvements. During the year, the John Badley Foundation provided a total grant of £622,387 to Bedales School.

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 2025

- 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 O R Jonathan, and the Education and Pastoral Committee is chaired by F Grey. In addition to these committees: C L Bradbury has special responsibility for Safeguarding and will be handing over to J Stanley; J Boyd is the Governor Representative on the Staff Liaison Group; O R Jonathan has responsibility for Strategic Risk; and C Arney oversees Nominations of potential new governors. There is a Remuneration Committee, which meets when there is a need beyond that covered by the Finance & General Purposes Committee.

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; The External Relations Director; the Head of Bedales Prep; and the Director of HR. 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 an 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 2025

PRIORITIES FOR THE YEAR

Strategic Goals 2023 - 2033

Our priorities are based around the four key strands of the 10-year strategy: learning; living; community; and environment.

Learning

Bedales offers a bold and innovative learning journey that nurtures intellectual curiosity, personal agency and creative thinking.

In 2024/25, Learning priorities focused on curriculum coherence, digital innovation, sustainability, pedagogy, and enriched learning environments. Key initiatives have included developing new Bedales Assessed Courses in the Sciences and Modern Languages as part of further innovation in the Senior curriculum. There has also been a focus on the Whole School learning journey, investigating digital portfolios, integrating AI guidance, and embedding sustainability learning. A Bedales pedagogical approach is being defined through staff collaboration and student feedback. Creative indoor and outdoor spaces are being developed to enhance experiential learning. Libraries and archives have evolved into a unified information service. Leadership and staff development have been strengthened through coaching, self-evaluation, and alignment with the ISI framework, ensuring a joined-up educational experience from Nursery to Sixth Form.

The 2025 ISI Inspection report recognised the importance of the outdoor work programme in which students' Knowledge and skills are broadened considerably. Students were seen to develop vocational skills such as animal husbandry, ironmongery and carpentry. They steward the School's farm and manage the produce that the outdoor curriculum creates. The outdoor work programme was recognised to contribute substantially to student's preparation for life after school and has a highly beneficial impact on them.

Living

Bedales is a nurturing and inclusive home where students live with joy, purpose and connection. In 2024/25 through the Living strand, the School prioritised wellbeing, physical activity, and community service. A refreshed Whole School wellbeing curriculum monitors student wellbeing and provides inclusive support spaces. Staff wellbeing was supported through new initiatives, targeted training, and access to student wellbeing resources. Sport is seeing as important part of student wellbeing and the provision for has been enhanced through facility upgrades which have boosted engagement. There has been a focus on 'Bedales Service' becoming a weekly a whole-school commitment, giving students the opportunity for additional experiences outside of the classroom.

Community

Driven by a mission to broaden access and deepen impact, Bedales is a values-led community that connects and inspires. The 2024/25 Community strand work focused on diversity, partnerships, fundraising, and changes to the marketing approach. Recruitment and admissions practices have been enhanced to foster a more diverse community, with increased data tracking and inclusive strategies. Fundraising efforts focussed on supporting expanded bursary provision and improved sports and music facilities. The school has also developed a proposal for a Bedales Centre for Innovative Education for discussion with potential funders. Marketing adopted a values-based approach, developing a new website to amplify Bedales' ethos to increase engagement and admissions interest across the School.

BEDALES SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2025

Environment

Bedales leads by example in creating an inspiring, sustainable school that encourages environmental responsibility. With a clear desire to achieve net zero by 2045, the School is investing in clean energy, greener transport and responsible procurement. In 2024/25, buildings have been upgraded with new windows, roofs, and insulation, while solar panels were installed to boost renewable energy use. A new waste provider enabled full recycling and composting, with student engagement through presentations and improved disposal systems. The School expanded its electric vehicle fleet, installed charging points, and adopted rechargeable equipment to reduce emissions. Sustainability was embedded in trip planning and the curriculum, with students actively involved in growing, cooking, and learning about food and environmental impact, fostering a culture of ecological responsibility.

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.

BEDALES SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT

The narrative under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Governors to present a strategic report. Further information is provided to supplement this requirement.

ACHIEVEMENTS AND PERFORMANCE

Total student numbers continued to be strong: Bedales Senior 476, Bedales Prep 209 and Bedales Pre-prep 84 (total students across the Whole School 769). The School's discipline over costs has been strong and the governors are very conscious of the need to contain fee increases to no more than is necessary. The School's finances are in a robust position as a result and this will help with managing the continuing uncertain challenges of the current economic and political climate and in particular since the imposition of VAT on school fees.

Following the release of A Level results, Bedales students celebrated after securing offers from some of the most prestigious educational and artistic institutions globally.

32% of grades achieved by Bedales students were A*- A, with 18% of students achieving the equivalent of at least three A grades, nine of whom had previously attended Bedales Prep school.

In 2025, Bedales students progressed to some of the most demanding courses at universities featured in the top 100 of the QS World University Rankings, including:

- University of Oxford – History of Art; Biochemistry; Biology
- King's College, London – Neuroscience; Liberal Arts; Culture, Media & Creative Studies
- University of Edinburgh – Cognitive Science; Religious Studies & English Literature; Interdisciplinary Futures
- University of Manchester – Architecture; Drama & Film Studies; Aerospace Engineering
- University of British Columbia, Vancouver, Canada – Biology
- University of Bristol – Physics; Neuroscience; Liberal Arts; Law; Modern Languages
- University of Western Australia - Business and Commerce
- University of Southampton – Mathematics with Statistics; Marine Biology with Oceanography
- Durham University – Accounting; History; Physics & Astronomy; Geography

Members of the 2024 cohort who applied though this year's cycle also took up places at QS Top 100 universities including:

- University College, London – English; Comparative Literature
- University of Edinburgh – Social Anthropology & Politics; History of Art & English Literature
- University of Southampton – Chemistry
- Durham University – Modern Languages & Cultures; Business & Management

BEDALES SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2025

Bedales' strong reputation in the performing arts continues this year, with three students gaining prestigious offers to study Music at Leeds Conservatoire and another to study Music at Goldsmiths. Bedales students also took up places to study: Acting at the prestigious Royal Welsh College of Music & Drama; a Foundation Course in Acting at RADA; Theatre & Production Technology at the Liverpool Institute for Performing Arts; and Dance courses at Trinity Laban Conservatoire of Music and Dance and the University of East London.

A number of students opted to continue their art and design education, pursuing Art Foundation courses at Kingston University and the University of the Arts, London. Other Bedales students joined undergraduate art and design courses including:

- University of the Arts, London – Fashion Design Technology; Fashion Styling & Production; Costume for Theatre & Screen
- University for the Creative Arts – Illustration
- Glasgow School of Art - Fashion Design
- Kingston University - Product & Furniture Design
- KLC School of Design - Interior Design

International study continues to be popular with Bedales students. Further to the courses highlighted above, other offers included places at Ithaca College, New York to study Biology and Universidad de Navarra, Spain to read Chemistry.

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"), which was founded in 1927, Bedales established the John Badley Foundation ("JBF") in 2010. One of the two aims of the JBF is to further support to the School with its bursary programme and in particular to support the provision of 100% bursaries. The School's bursary programme aims 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. Those supported under the school's full bursary programme have included refugees fleeing wars, as well as students from the UK.

Fee Support 2024-25

Each year the School allocates a proportion of its gross fee income for bursary support. The BGTF and JBF provide grants to the School to help in this mission. 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 2024-25:

- Bursary Support £1.58m
- Bursary support as % of gross fee income 6.16%
- Exhibition and scholarship support £0.16m
- Total fee support as % of gross fee income 6.81%
- Number of students benefitting from fee support was 93, of which 28 had support of over 75%

BEDALES SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2025

	Total Bursaries
100%	18
75-99%	10
50-74%	27
25-49%	23
Below 25%	15

The School community has been well placed to continue supporting families from Ukraine in 2024/25 with five students spread across Bedales Prep and Senior. Supporting others is at the heart of the Bedales curriculum. Global Perspectives (GP) is taught as a distinct subject across the whole School, from Pre-prep to Senior, culminating in one of Bedales' most popular Bedales Assessed Courses (BACs) and Global Perspectives Sixth Form course. The focus of GP 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 dedicated a day of fundraising to support the John Badley Foundation

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
- Host meetings of East Hampshire Primary School Heads
- Free use of school minibuses for local primary schools and charities to access activities
- Edward Thomas Fellowship Group - hosting annual meetings
- Petersfield Youth Theatre – Summer camps, workshops and Assembly Hall for production
- Steep Village – hosting of annual Flower Show
- Hampshire County Cricket – use of the Memorial Pitch for matches and training

BEDALES SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2025

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.

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 streamlined in 2024 and the revolving credit facility cancelled; the lower repayments and elimination of non-utilisation fees have continued to ensure greater sums available for reinvestment each year.

The net income for the year amounted to £24,742,037 (2024: £23,463,905). Additions to fixed assets during the year are outlined in note 13 of the accounts. These amounted to £1,961,158 (2024: £3,436,415) and consisted mainly of refurbishing the sports hall, replacing the roofs on the global studies building and much of the prep school, replacing the windows of prep music rooms, the day common room and the ICT/Finance building. New EV charging was installed and the main water pumps were replaced. The tennis courts were resurfaced and repainted and a new warm up court was installed.

A total of £1,556,713 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.

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 2025, the total funds of the School were £26,981,083 (2024: £26,205,090). Of these £31,869 (2024: £36,032) are restricted funds. Of the remaining reserves, £34,234,034 (2024: £34,232,954) 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 2025, the School has a funding surplus of £2,075,000 (2024: 357,000) 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 21 for more information). The Governors believe that this notional funding calculation, which can vary between surplus and deficit according to the 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.

BEDALES SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2025

Fundraising

In 2024/25 the focus for fundraising activities has been to raise funds for the John Badley Foundation so that it can provide the School with support for both bursaries and capital projects at the School and to continue to grow its endowment fund. The School's Director of Development works with colleagues, volunteer parents and alumni to create and manage the fundraising programme, which overall in 2024/25 raised £412,670 for full bursary and other support to the School, via the JBF. An additional £5,937 was donated to the Bedales Grants Trust Fund, and £4,900 was donated to Bedales School during the year.

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 and its connected charities, including 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 impact of the imposition of VAT on school fees and removal of charitable business rate relief for independent schools from 1 April 2025 has had significant impact on the School and its parents. In addition, there are further concerns about changes that might be introduced in the Autumn Statement by the Chancellor.

Whilst Bedales is co-educational, provides for boarding and day students, is in a good location, attracts international students and continues to provide a distinctive and different education, it is far from being protected from the political and economic challenges.

The Government's policy to increase employers' national insurance has affected the staff employed by the School and, who rely on it for their family income. The Employment Rights Bill presents a further potential concern to the School as an employer of many people.

There are however further headwinds. Economic growth has remained slow, which is also adding pressure on parents who rely on income from their businesses. Inflation has remained higher than targets. The wider global political environment continues to be unsettled and more so than it was one year ago. Business and consumer confidence is low. 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 with further possible mitigation taken as appropriate and where possible.

BEDALES SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2025

Competitive Market

The market in which the School operates is highly competitive and developments in education are monitored to ensure that students always receive an excellent, holistic, and varied educational experience in the School. Bedales sets out to be different, preserving this difference is vital to its continuing success. The ten-year strategy seeks to reinforce this difference. The 2025 ISI Inspection recognised this difference and stated that “the outdoor work curriculum contributes substantially to pupils preparation for life after school and has highly beneficial impact on pupils. This is a significant strength to the school.” Maintenance of strong student numbers in all three schools is imperative and a strong and target focussed External Relations team markets the School effectively. Further work in this area will continue to be needed as the size of the market becomes smaller. The student numbers in 2024/25 were the highest the school has seen and had the government not levied new taxes, the School would likely have grown to become larger still.

Safe Environment

The School strives to ensure that all staff and students 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 students safe. Active monitoring of student 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. These were all examined in the 2025 ISI inspection and found to be compliant.

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, who with the Head of Estates and Facilities, reports monthly to the Bursar. 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. The 2025 ISI inspection confirmed compliance in all areas including Leadership and Management.

Legal & Financial

The School operates in a litigious environment and appoints appropriate professional legal advisors and purchases insurance using specialist brokers, such that it can address requirements and meet potential challenges. Specialist Employment law advice is sought as appropriate and is linked to employment indemnity insurance. Azets as the School's auditors provided excellent support during the year and have been instrumental in ensuring that the complexities of recently imposed VAT accounting are overcome and regulatory requirements achieved.

BEDALES SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2025

Risk Controls

The School plans strategically; having regard for risk. The Whole School Senior Team provide the Governing Body with regular reports which include details of principal strategic objectives in line with the ten-year plan 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:

- Annual assessment of strategic risk by the Board of Governors;
- 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 children and the vulnerable;
- Comprehensive crisis management procedures involving Governors right from the outset; and
- External 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 the staff of the School 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 the School provides for the students when at Bedales translates directly to the experiences that the School can offer its staff as they too spend time in our community. Above all, the School believes in the 'Work of Each for the Weal of All'. This applies to staff and students as they are educated through 'Head, Hand and Heart'.

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. As a large organisation, the School, publishes its Gender Pay Gap report each year.

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 the School's body of elected representatives and provides a route for consultation and for employee voice 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.

The Staff are made aware of the financial performance of the School and are able to talk to the Bursar about its 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.

BEDALES SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2025

The School encourages a questioning staff body that has the opportunity to contribute to strategic thinking about the future and provides as many routes as possible for this. The Staff can participate in surveys and their feedback is welcomed. 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. This is now calculated each year using the relevant conversion factors.

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

The School's emissions baseline data is as follows:

	Baseline Year (18/19) tCO₂e	2024/25 tCO₂e
Scope 1	1,425	1,219
Scope 2	490	0
TOTAL	1,915	1,219
Intensity Ratio (Scope 1 and 2 emissions per student or member of staff)	1.71	1.05

Meeting our Sustainability Objectives

The above figures do not include offsetting from the School's estate, which cannot currently be considered in the measurements, in line with government guidance. This work has involved students who are very much part of the sustainability goals, not just in terms of net zero but also in preserving and enhancing the biodiversity of the estate.

The School purchases all electricity from certified 100% renewable sources. It continues to seek to both reduce electricity consumption, and increase generation opportunities through Solar PVs and other possible technologies. The size of the Solar PV installation has double during the year. Scope 1 emissions are those that the School wishes to reduce as a priority and is making good progress by using less and moving away from oil where it can; the intensity ratio has been reduced by 0.02 over that in 2023/24. It will take time, significant financial resources and available technology to reach the 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 the buildings.

BEDALES SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2025

An important priority is to improve the thermal efficiency of our buildings to enable other forms of heating in the longer term. This primarily means replacing windows and roofs and installing further insulation. Many improvements have been made during the year and further planned in 2025/26 and beyond. The School seeks to reduce energy consumption wherever it can and work to change remaining lighting to LEDs will continue. All building refurbishments will be to the latest building regulation standards for sustainability as a minimum.

The long-term aim is to reach carbon net zero including Scope 3 emissions by 2045, but the first sustainability target will be to achieve net zero under scopes 1 and 2. The School was confident of achieving this goal with commitment from all those who are part of our community. However, the School's goal relied on Government investment in new technology, but as this investment has slowed the School's goals have had to change. Further, the key requirement for financial resource to reinvest in sustainability has been significantly challenged by the imposition of VAT; the likelihood of the School reaching its stated sustainability aim may, in consequence be reduced.

Statement of Governing body responsibilities

The Governors, who are also the directors of Bedales School for the purpose of company law and the 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.



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S A Nokes (Chair)

Dated: 15th December 2025

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 2025 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 2025 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.

Azets Audit Services Limited

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

18 December 2025
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Chartered Accountants
Statutory Auditor

Azets Audit Services Limited
Ashcombe Court

United Kingdom
GU7 1LQ

BEDALES SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

		Unrestricted funds	Pension reserve	Restricted funds	Total Unrestricted funds	Pension reserve	Restricted funds	Total
	Notes	2025 £	2025 £	2025 £	2025 £	2024 £	2024 £	2024 £
<u>Income and endowments from:</u>								
Donations and legacies	3	12,087	-	-	12,087	-	-	-
Income from charitable activities	4	24,116,639	-	-	24,116,639	22,955,681	120	22,955,801
Other income	5	623,311	-	-	623,311	508,104	-	508,104
Total income		24,752,037	-	-	24,752,037	23,463,785	120	23,463,905
<u>Expenditure on:</u>								
Expenditure on charitable activities	6	23,522,489	182,000	4,163	23,708,652	22,474,310	159,000	22,635,683
Other Expenditure	11	449,392	-	-	449,392	367,126	-	367,126
Total resources expended		23,971,881	182,000	4,163	24,158,044	22,841,436	159,000	23,002,809
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		780,156	(182,000)	(4,163)	593,993	622,349	(159,000)	461,096

BEDALES SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2025

	Unrestricted funds	Pension reserve	Restricted funds	Total Unrestricted funds	Pension reserve	Restricted funds	Total
	2025 £	2025 £	2025 £	2025 £	2024 £	2024 £	2024 £
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources	780,156	(182,000)	(4,163)	593,993	622,349	(159,000)	461,096
Other recognised gains and losses							
Actuarial gain on defined benefit pension schemes	-	182,000	-	182,000	-	159,000	159,000
Net movement in funds	780,156	-	(4,163)	775,993	622,349	(2,253)	620,096
Fund balances at 1 September 2024	26,169,058	-	36,032	26,205,090	25,546,709	38,285	25,584,994
Fund balances at 31 August 2025	<u>26,949,214</u>	<u>-</u>	<u>31,869</u>	<u>26,981,083</u>	<u>26,169,058</u>	<u>36,032</u>	<u>26,205,090</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 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	13	34,234,034		34,232,954	
Investments	14		2		2
			<u>34,234,036</u>		<u>34,232,956</u>
Current assets					
Stocks	16	22,274		23,545	
Debtors	17	2,036,230		6,386,322	
Cash at bank and in hand		3,366,847		6,987,219	
		<u>5,425,351</u>		<u>13,397,086</u>	
Creditors: amounts falling due within one year	19	<u>(7,322,691)</u>		<u>(13,921,941)</u>	
Net current liabilities			<u>(1,897,340)</u>		<u>(524,855)</u>
Total assets less current liabilities			<u>32,336,696</u>		<u>33,708,101</u>
Creditors: amounts falling due after more than one year	20		<u>(5,355,613)</u>		<u>(7,503,011)</u>
Net assets excluding pension deficit/surplus			<u>26,981,083</u>		<u>26,205,090</u>
Defined benefit pension liability	21		<u>-</u>		<u>-</u>
Net assets including pension deficit/surplus			<u>26,981,083</u>		<u>26,205,090</u>
Income funds					
Restricted funds	27		31,869		36,032
<u>Unrestricted funds</u>					
General	25	<u>26,949,214</u>		<u>26,169,058</u>	
			<u>26,949,214</u>		<u>26,169,058</u>
			<u>26,981,083</u>		<u>26,205,090</u>

The financial statements were approved by the Governors, and authorised for issue, on 15th December 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 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	23		(1,247,611)		7,341,334
Investing activities					
Purchase of tangible fixed assets		(1,961,158)		(3,436,415)	
Proceeds on disposal of tangible fixed assets		47,049		-	
Interest receivable		115,862		75,018	
Interest payable		(334,514)		(357,714)	
Net cash used in investing activities			(2,132,761)		(3,719,111)
Financing activities					
Repayment of bank loans		(240,000)		(240,000)	
Net cash used in financing activities			(240,000)		(240,000)
Net (decrease)/increase in cash and cash equivalents			(3,620,372)		3,382,223
Cash and cash equivalents at beginning of year			6,987,219		3,608,826
Cash and cash equivalents at end of year			3,366,847		6,987,219

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

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 2025

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 useful economic 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 2025

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 2025

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 2025

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 useful economic lives to the fixed assets of the School. Management consider the useful economic life of an 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.

3 Donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Donations and gifts	12,087	-	12,087	-

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

4 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Gross fees	25,653,963	-	25,653,963	24,410,938
Extra lessons income	1,365,446	-	1,365,446	1,240,158
Registration fees	47,010	-	47,010	61,600
The John Badley Foundation bursaries	110,791	-	110,791	301,436
Bedales Grant Trust Fund bursaries	78,473	-	78,473	236,807
Less: Total scholarships, bursaries, other remissions and costs	(3,139,044)	-	(3,139,044)	(3,295,138)
	<u>24,116,639</u>	<u>-</u>	<u>24,116,639</u>	<u>22,955,801</u>
Analysis by fund				
Unrestricted funds	24,116,639	-	24,116,639	22,955,681
Restricted funds	-	-	-	120
	<u>-</u>	<u>-</u>	<u>-</u>	<u>120</u>

5 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Net gain on disposal of tangible fixed assets	9,495	-
Other income	22,385	571
Interest receivable	115,862	75,018
Rental income	475,569	432,515
	<u>623,311</u>	<u>508,104</u>

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

6 Expenditure on charitable activities

	Unrestricted funds 2025 £	Pension reserve 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Pension reserve 2024 £	Restricted funds 2024 £	Total 2024 £
Teaching costs	16,416,325	-	-	16,416,325	15,865,956	-	-	15,865,956
Depreciation, amortisation and other similar costs	1,922,525	-	-	1,922,525	1,739,990	-	-	1,739,990
Premises	3,332,752	-	-	3,332,752	3,378,991	-	-	3,378,991
Support costs	1,789,736	182,000	4,163	1,975,899	1,414,630	159,000	2,373	1,576,003
Welfare	61,151	-	-	61,151	74,743	-	-	74,743
	<u>23,522,489</u>	<u>182,000</u>	<u>4,163</u>	<u>23,708,652</u>	<u>22,474,310</u>	<u>159,000</u>	<u>2,373</u>	<u>22,635,683</u>

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

7 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	93,878	244,381	327,378	112,820	93,553
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Premises costs	Other support costs	Total 2025		
	£	£	£		
School operating costs	589,569	328,157	1,789,736		
	<u> </u>	<u> </u>	<u> </u>		

8 Net movement in funds

2025 **2024**
£ £

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	21,800	20,950
Depreciation of owned tangible fixed assets	1,922,525	1,739,990
(Profit)/loss on disposal of tangible fixed assets	(9,495)	1,988
Pension scheme actuarial losses/(gains)	539,000	163,000
Other pension scheme movements	41,000	61,000
Pension contributions to defined benefit pension schemes	223,000	220,000
	<u> </u>	<u> </u>

9 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 £369 (2024: £922) in relation to 3 Governors (2024: 3) were reimbursed to the Governors during the period. No other payments were made to any Governors.

10 Employees

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

	2025 Number	2024 Number
Teaching	168	160
Support	220	241
	<u> </u>	<u> </u>
Total	388	401
	<u> </u>	<u> </u>

The staff full time equivalents in the year were 290 (2024: 303).

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

10 Employees (Continued)

Employment costs	2025 £	2024 £
Wages and salaries	12,775,976	12,599,598
Social security costs	1,388,698	1,241,608
Other pension costs	2,251,651	2,024,750
	<u>16,416,325</u>	<u>15,865,956</u>

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

	2025 Number	2024 Number
£60,001 - £70,000	24	20
£70,001 - £80,000	9	5
£80,001 - £90,000	2	1
£90,001 - £100,000	1	-
£100,001 - £110,000	-	2
£130,001 - £140,000	-	1
£140,001 - £150,000	1	1
£150,001 - £160,000	1	-
	<u>33</u>	<u>30</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's pension contributions and employer's national insurance contributions were £784,733 (2024: £730,260).

11 Other Expenditure

	Unrestricted funds 2025	Unrestricted funds 2024
Net loss on disposal of tangible fixed assets	-	1,988
Bank loan interest	276,263	311,996
Bank charges	11,701	28,877
Net bad debt provision (write-back)/charge	103,177	(21,453)
Financing costs	58,251	45,718
	<u>449,392</u>	<u>367,126</u>

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 AUGUST 2025*

12 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.

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

13 Tangible fixed assets

	Freehold Land	Buildings	Assets under construction	Fixtures and fittings	IT Equipment	Motor vehicles	Equipment	Total
	£	£	£	£	£	£	£	£
Cost								
At 1 September 2024	15,489	54,859,157	34,977	207,100	2,682,302	522,470	1,007,868	59,329,363
Additions	-	1,586,626	16,978	-	175,869	25,995	155,690	1,961,158
Disposals	-	-	(32,349)	(107,207)	(274,394)	(34,696)	-	(448,646)
At 31 August 2025	15,489	56,445,783	19,606	99,893	2,583,777	513,769	1,163,558	60,841,875
Depreciation and impairment								
At 1 September 2024	-	21,569,079	-	206,728	2,114,217	427,459	778,925	25,096,408
Depreciation charged in the year	-	1,527,148	-	42	281,632	36,937	76,766	1,922,525
Eliminated in respect of disposals	-	-	-	(107,207)	(274,394)	(29,491)	-	(411,092)
At 31 August 2025	-	23,096,227	-	99,563	2,121,455	434,905	855,691	26,607,841
Carrying amount								
At 31 August 2025	15,489	33,349,556	19,606	330	462,322	78,864	307,867	34,234,034
At 31 August 2024	15,489	33,290,078	34,977	372	568,085	95,011	228,942	34,232,954

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

17 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	1,394,042	6,050,182
Amounts owed by fellow group undertakings	8,040	8,040
Other debtors	373,866	109,115
Prepayments	260,282	218,985
	<u>2,036,230</u>	<u>6,386,322</u>

18 Loans and overdrafts

	2025	2024
	£	£
Bank loans	<u>4,140,000</u>	<u>4,380,000</u>
Payable within one year	240,000	240,000
Payable after one year	<u>3,900,000</u>	<u>4,140,000</u>

The bank loans are secured on certain of the freehold premises of the School. Interest is charged at 1.74% above base rate on the loan which is repayable in 2042.

19 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Bank loans	18	240,000	240,000
Other taxation and social security		317,186	282,145
Trade creditors		504,225	286,613
Fees received in advance		2,997,188	9,084,274
Fees in advance scheme		1,444,603	1,540,281
Entrance deposits		1,282,113	1,208,520
Other creditors		239,593	1,101,332
Accruals and deferred income		297,783	178,776
		<u>7,322,691</u>	<u>13,921,941</u>

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

19 Creditors: amounts falling due within one year

(Continued)

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:

	2025	2024
	£	£
Within one year	1,444,603	1,540,281
One to two years	834,858	1,421,475
Two to five years	620,755	1,667,627
After five years	-	273,909
	<u>2,900,216</u>	<u>4,903,292</u>

20 Creditors: amounts falling due after more than one year

	Notes	2025	2024
		£	£
Bank loans	18	3,900,000	4,140,000
Fees in advance scheme		1,455,613	3,363,011
		<u>5,355,613</u>	<u>7,503,011</u>

21 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 2025

21 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 £102,321 (2024 - £118,178).

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 2025

21 Retirement benefit schemes

(Continued)

Key assumptions

	2025 %	2024 %
Discount rate	6.0	5.0
Expected rate of increase of pensions in payment	2.7	2.7
Expected rate of salary increases	3.7	3.7
Expected rate of inflation (CPI)	2.7	2.7

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2025 Years	2024 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:

	2025 £	2024 £
Current service cost	62,000	65,000
Net interest on defined benefit (asset)/liability	(21,000)	(4,000)
Total costs	41,000	61,000

Amounts taken to other comprehensive income:

	2025 £	2024 £
Actual return on scheme assets	(644,000)	(892,000)
Less: calculated interest element	548,000	548,000
Return on scheme assets excluding interest income	(96,000)	(344,000)
Actuarial changes related to obligations	(1,440,000)	150,000
Restriction of defined benefit pension surplus	2,075,000	357,000
Total costs	539,000	163,000

The actuarial valuation on which the defined benefit pension surplus/deficit is based produced a surplus of £2,075k (2024 - £357k). Under accounting standards, a surplus can only be recognised if the School has the ability to reduce contributions to the pension scheme in the future or claim 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 2025

21 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:

	2025 £	2024 £
Present value of defined benefit obligations	9,519,000	10,856,000
Fair value of plan assets	(11,594,000)	(11,213,000)
	<u>(2,075,000)</u>	<u>(357,000)</u>
Surplus in scheme	(2,075,000)	(357,000)
Restriction on scheme assets	2,075,000	357,000
	<u> </u>	<u> </u>
Total liability recognised	-	-
	<u> </u>	<u> </u>

Movements in the present value of defined benefit obligations:

	2025 £
Liabilities at 1 September 2024	10,856,000
Current service cost	62,000
Benefits paid	(508,000)
Contributions from scheme members	22,000
Actuarial gains and losses	(1,440,000)
Interest cost	527,000
	<u> </u>
At 31 August 2025	9,519,000
	<u> </u>

The defined benefit obligations arise from plans funded as follows:

	2025 £
Wholly unfunded obligations	-
Wholly or partly funded obligations	9,519,000
	<u> </u>
	9,519,000
	<u> </u>

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

21 Retirement benefit schemes (Continued)

Movements in the fair value of plan assets:

	2025 £
Fair value of assets at 1 September 2024	11,213,000
Interest income	548,000
Return on plan assets (excluding amounts included in net interest)	96,000
Benefits paid	(508,000)
Contributions by the employer to defined benefit pension schemes	223,000
Contributions by scheme members	22,000
	11,594,000
At 31 August 2025	11,594,000

The actual return on plan assets was £644,000 (2024 - £892,000).

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

	2025 £	2024 £
Equity instruments	4,290,000	4,261,000
Debt instruments	6,261,000	6,167,000
Property	1,043,000	785,000
	11,594,000	11,213,000
	11,594,000	11,213,000

22 Capital commitments

At 31 August 2025 the Charity had no capital commitments which were not provided for in the financial statements (2024: £nil)

	2025 £	2024 £
23 Cash generated from operations		
Surplus for the year	593,993	461,096
Adjustments for:		
Interest receivable	(115,862)	(75,018)
Interest payable	334,514	357,714
(Gain)/loss on disposal of tangible fixed assets	(9,495)	1,988
Depreciation and impairment of tangible fixed assets	1,922,525	1,739,990
Difference between pension charge and cash contributions	182,000	163,000
Movements in working capital:		
Decrease/(increase) in stocks	1,271	(234)
Decrease/(increase) in debtors	4,350,091	(270,982)
(Decrease)/increase in creditors	(8,506,648)	4,963,780
	(1,247,611)	7,341,334
Cash (absorbed by)/generated from operations	(1,247,611)	7,341,334

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

24 Analysis of net assets between funds

	Unrestricted funds 2025 £	Pension reserve 2025 £	Restricted funds 2025 £	Total Unrestricted funds 2025 £	Total Unrestricted funds 2024 £	Pension reserve 2024 £	Restricted funds 2024 £	Total 2024 £
Fund balances at 31 August 2025 are represented by:								
Tangible assets	34,234,036	-	-	34,234,036	34,232,956	-	-	34,232,956
Net current liabilities	(1,929,209)	-	31,869	(1,897,340)	(560,887)	-	36,032	(524,855)
Long term liabilities	(5,355,613)	-	-	(5,355,613)	(7,503,011)	-	-	(7,503,011)
	<u>26,949,214</u>	<u>-</u>	<u>31,869</u>	<u>26,981,083</u>	<u>26,169,058</u>	<u>-</u>	<u>36,032</u>	<u>26,205,090</u>

25 Unrestricted funds

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

	Movement in funds				Movement in funds				Balance at 31 August 2025 £
	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Gains and losses £	Balance at 1 September 2024 £	Incoming resources £	Resources expended £	Gains and losses £	
General	25,546,709	23,463,785	(22,841,436)	-	26,169,058	24,752,037	(23,971,881)	-	26,949,214
Pension reserve	-	-	(159,000)	159,000	-	-	(182,000)	182,000	-
	<u>25,546,709</u>	<u>23,463,785</u>	<u>(23,000,436)</u>	<u>159,000</u>	<u>26,169,058</u>	<u>24,752,037</u>	<u>(24,153,881)</u>	<u>182,000</u>	<u>26,949,214</u>

BEDALES SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

26 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.

27 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Movement in funds					
	Balance at 1 September 2023	Incoming resources	Resources expended	Balance at 1 September 2024	Resources expended	Balance at 31 August 2025
	£	£	£	£	£	£
Kadian Observatory Fund	11,969	-	(200)	11,769	(200)	11,569
Digital Library Fund	26,316	120	(2,173)	24,263	(3,963)	20,300
	<u>38,285</u>	<u>120</u>	<u>(2,373)</u>	<u>36,032</u>	<u>(4,163)</u>	<u>31,869</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.

28 Related party transactions

Transactions with connected charities

The Bedales Grant Trust Fund, charity number 1036179, was set up to provide support for the education of pupils at Bedales School. During the period, the School received donations from the fund of £228,973 (2024: 236,807) towards the provision of bursaries.

The John Badley Foundation, charity number 1138332, was set up to advance the education of pupils at the School. During the period, the School received donations from the fund of £324,507 (2024: £301,436) towards the provision of bursaries and the provision of new development projects.

Transactions with Governors and key management

No Governors (2024: one Governor) and two members of key management (2024: 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 2025

29 Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash at bank and in hand	6,987,219	(3,620,372)	3,366,847
Loans falling due within one year	(240,000)	-	(240,000)
Loans falling due after more than one year	(4,140,000)	240,000	(3,900,000)
	<u>2,607,219</u>	<u>(3,380,372)</u>	<u>(773,153)</u>