

YEAR ENDED 31 DECEMBER 2023

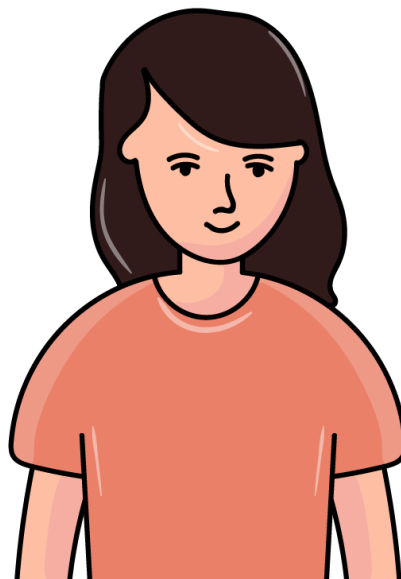
Annual Report and Financial Statements The Bell Educational Trust Limited

Company Number 1048465 Charity Number 311585

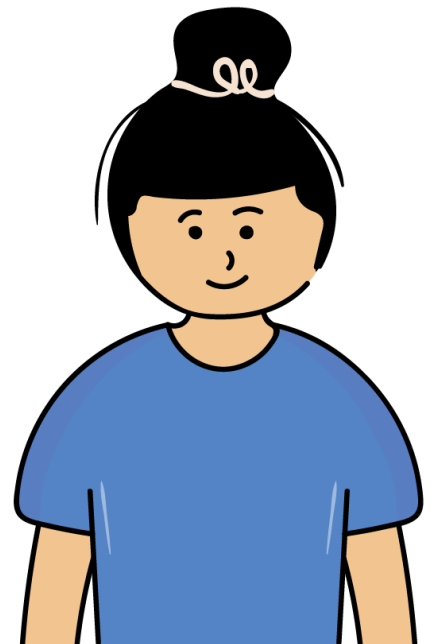
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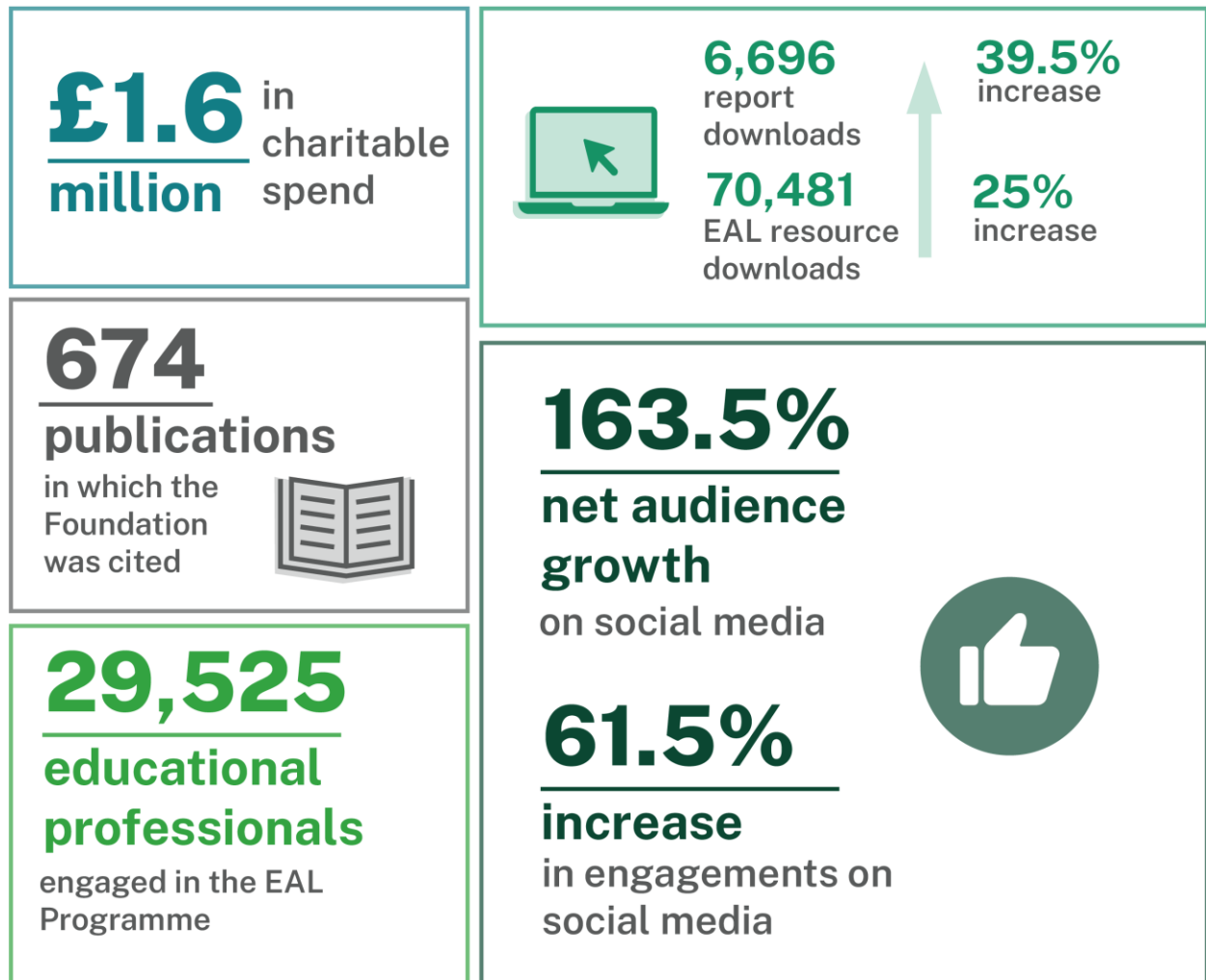
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Introduction

The Bell Foundation (“the Foundation”) is the operational name for The Bell Educational Trust Limited. The Foundation is a charity which aims to overcome disadvantage through language education by working with partners on innovation, research, training, and practical interventions. This is the annual report and consolidated financial statements for the year ended 31 December 2023 for the Foundation and its wholly-owned trading subsidiary, Bell Educational Services Ltd.

Highlights of 2023



To speak many languages...you feel free, with anything it comes, and also to help other peoples, and to helping yourself to understand.

Speaking another language is helping yourself to live in this world...freely.



ESL speaker interviewed through Kent Refugee Action Network

Who we worked with in 2023

The Foundation is grateful for the time given and contributions made by the following organisations, to increase the reach and impact of the Foundation's work:





The Foundation also worked with:

- Belleville Primary School.
- Buckinghamshire County Council.
- Chartered College of Teaching.
- Harris Federation.
- Inside Government.
- Northumberland County Council.
- STEM Learning.
- Universities' Council for the Education of Teachers.
- University of Leeds, School of Education.

And the following international schools as part of Language for Results International:

- Beijing City International School.
- Dulwich College Suzhou.
- Fettes College Guangzhou.
- International School of Geneva.
- La Cote International School.
- Orbital Education.

Message from the Chair

I am pleased to present the Trustees' Annual Report for 2023, outlining the key successes and impact of The Bell Foundation's work. 2023 was a year of exceptional growth and impact for the Foundation in terms of both the reach, and the achievements of our work.

The need for and importance of effective language support has arguably never been greater. More than 1.7 million pupils in England now speak English as an Additional Language (EAL¹), a number that has tripled since 2000. With communities across the UK continuing to welcome refugees, from countries including Ukraine and Afghanistan, the growing need for our work is reflected across schools, adult and further education, and the criminal justice system.

In response, the Foundation has continued to advocate strongly for the rights of speakers of English as a Second or Additional Language (ESL²), expanding its work to influence system change based on evidence, whilst building capacity and supporting best practice through delivering training and resources, and in generating and promoting our evidence.

A priority for many schools remains the delivery of effective support for refugee new arrivals - an area in which many schools report feeling unprepared. The Foundation responded swiftly to this need in 2023 producing recommendations for school leaders and translated information for parents, alongside high-quality training.

Following the launch of a new scaling model, the Foundation also saw rapid growth in the demand for and reach of Language for Results³. The training delivered by our scaling partners, all of whom are based in areas of high need, has more than doubled since 2022, meaning that more teachers, and ultimately, more pupils are receiving the support they need.

Building on the successes of recent years, the Foundation has expanded its work to influence system change in order to break down language barriers, achieving notable traction with major stakeholders on issues like recommending changes to the English for Speakers of Other Languages (ESOL⁴) curriculum and qualifications, and raising awareness of the need for effective language support. We have also achieved tangible change, for example to the exam access arrangements, bringing meaningful impact for EAL pupils. The Foundation continues to work closely with its partners, to conduct research and gather insights on key areas of policy, and to collectively call for system change.

Central to this is our commitment to capturing and amplifying the voices of ESL speakers, ensuring that the need for language support is conveyed by ESL speakers themselves, through their stories and experiences. This will continue to be a priority in 2024 and we look forward to launching several key pieces of work developed alongside ESL speakers who are participating in our partner projects.

The Foundation upholds high standards of governance and reviews its performance annually against the Charity Governance Code. I would like to take this opportunity to thank John Gandy and Geoff Spink who ended their terms of office with the Board in 2023 for their service to the charity. I would also like to welcome our new Trustees, Nicholas Tesseyman, Laura Reed, and Camila Reed, who bring a wealth of experience and expertise to the Board. I look forward to working alongside them, and the wider team, as we seek to achieve our vision of changing lives and overcoming exclusion through language education.

Radha Chakraborty, Chair of Trustees

¹ **EAL:** This refers to pupils in compulsory education who speak English as an Additional Language.

² **ESL:** This refers to individuals who have had exposure to a language or languages other than English from birth and have developed or are developing ability in English later in life.

³ **Language for Results** is the Foundation's training programme for education professionals.

⁴ **ESOL:** The name given to qualifications or provision for people who study English as a second or additional language beyond compulsory education.

Message from the Director

For many in the education and criminal justice sectors, 2023 was a year characterised by growing demand for support and services, alongside shrinking budgets and resources - a trend that has been reflected all-too-often in the support available to speakers of ESL.

In 2023, the Foundation continued to work alongside teachers, prison governors, employers and other partners to tackle language barriers. Across our three programmes, we expanded our work to build the capacity of practitioners, and advocate for the right of ESL speakers, increasing both the reach and impact of this work.

Through our longstanding work aimed at schools and teachers, we have seen a substantial increase in the number of practitioners engaging with our training, resources, and guidance. Downloads of our EAL resources have increased by 25 per cent on last year, and website registrations to access our resources have increased by nearly 20 per cent. As a result, through the successful scale up of our Language for Results Programme more EAL pupils than ever are being supported by practitioners who have the knowledge, skills, and tools to do so effectively, enabling learners to achieve their educational potential.

Alongside driving changes in practice, we are working to achieve change in policy, ensuring that the rights of ESL speakers are recognised and upheld. Following completion of the ESOL pilot programme in 2022, we have focused our attention on several key areas of policy and practice. We have worked closely with sector stakeholders in 2023 on projects exploring how ESOL can best meet the needs of learners and be most effectively delivered. We will be publishing this work, alongside a number of recommendations, in 2024.

Utilising the strong body of evidence that we published in 2022, our work through the Criminal Justice Programme has also gained notable traction with policymakers. In particular, our work to amend the Victims and Prisoners Bill has given unprecedented attention to the issue of language support for victims, being discussed in the Houses of Parliament.

The Foundation's commitment to equity, diversity, and inclusion (EDI) continues to be embedded throughout our work. In 2023, we were pleased to welcome two new partners, High Trees Community Development Trust and Suffolk Law Centre, which alongside our existing grantee projects, aim to strike at the heart of the many overlapping sources of disadvantage that some ESL speakers face. EDI will continue to be a priority in 2024 and a key part of this will be the launch of a new lived experience network, ensuring that the voices and experiences of ESL speakers continue to be central to our work.

Diana Sutton, Director of the Foundation

Trustees' Annual Report

The Trustees of The Bell Educational Trust Limited (“the Foundation”), who are directors of the company for the purposes of the Companies Act, submit their annual report and the audited consolidated financial statements for the year ended 31 December 2023 for the Foundation and its subsidiaries, namely its wholly-owned trading subsidiary, Bell Educational Services Ltd and its wholly-owned subsidiary, Bell Switzerland SA (“the Group”).

The Trustees have adopted the provisions of the Charities Act 2011, the Companies Act 2006, the Articles of Association, and 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 (FRS102) (second edition, effective 1 January 2019) in preparing the annual report and financial statements of the Group.

Strategic Report

The Trustees present their Strategic Report for 2023 for the Foundation and its language school trading subsidiaries.

Our vision

Creating opportunity, changing lives, and overcoming disadvantage through language education.

Our mission

To achieve our vision, we work with partners on innovation, research, training, and practical interventions. By generating and applying evidence, we aim to change practice, policy, and systems for children, adults, and communities in the UK disadvantaged through language.

Values

We:

- Are independent and impartial with no political affiliations.
- Are authoritative and rigorous in our approach, and present clear and balanced evidence.
- Work in partnership with others.
- Champion practical solutions to problems.
- Believe in diversity, valuing difference and tolerance.

Our aims: achieving our mission

The Bell Educational Trust Limited was originally founded in 1972 by Frank Bell with the belief that intercultural understanding could be promoted through language education.

The objects are to promote and provide for the advancement of education for the public benefit by any means that the Trustees consider appropriate and in particular (but without limitation) by the:

- Carrying out and the dissemination of research into the teaching and learning of languages and the use of language in education more generally.
- Training and professional development of language teachers.
- Provision of grants to organisations and individuals to further language education.

Within these objects, the Foundation’s purpose is to change lives and overcome disadvantage through language education, and thereby to continue the vision of its founder.

To fulfil this purpose, the Foundation has two overarching objectives focused on improving outcomes for speakers of English as a Second or Additional Language. Firstly, to build sustainable capacity and expertise in the system for speakers of ESL, and secondly, to influence policymakers and stakeholders through thought leadership, and to support evidence-based system change.

The Foundation works to achieve these objectives through:

- Influencing and thought leadership;
- Training, resources, and guidance;
- Partnerships.

These are delivered across the Foundation's three programmes of activity, the:

1. EAL Programme – working to improve the educational outcomes of disadvantaged children in the UK who use English as an Additional Language.
2. Criminal Justice Programme – working to remove the systemic language barriers to justice and rehabilitation for individuals who speak English as a Second or Additional Language.
3. ESOL Programme – working to improve the education and employment outcomes for people aged 16 and above who speak English as a Second or Additional Language.

Equity, diversity, and inclusion

The Foundation's commitment to equity, diversity, and inclusion is embedded throughout the organisation's work. The Foundation recognises that this requires continuous listening, remaining informed, and actively seeking opportunities to lead by example on EDI, and its work is guided by, and aligned with, the Association of Charitable Foundations' "Pillars of good practice".

Throughout 2023, the Foundation continued to promote accessibility through its resources and training. Work progressed in 2023 on the development of a tool for children with special educational needs and disabilities (SEND) who speak EAL, which was launched in February 2024.

Through the programmes' thought leadership objectives, work is being undertaken to achieve system-wide change with a view to driving accessibility and inclusivity for ESL speakers in education and the criminal justice system.

The Foundation also provides grant funding to organisations for projects and programmes that seek to tackle the system inequalities that some ESL speakers face, and in 2023, this continued both with existing projects and with the development of new partnerships.

An EDI page on the Foundation's website provides information on the diversity of the communities with whom the Foundation works, and the impact that this work is having. Working with 360Giving⁵, the page also includes information on the Foundation's grant making, ensuring full transparency by publishing open, standardised grants data.

The Foundation's tender processes for the selection of contractors and suppliers include reviews of both environmental, social, and governance (ESG) and EDI policies to check that an organisation's values align with those of the Foundation.

Actions to drive the Foundation's EDI commitment are also included in employees' objectives and appraisals. The Foundation is committed to ensuring all staff are empowered to contribute fully to the organisation's work and strives to ensure equity and fairness throughout the organisation. We support equality of opportunity and promote an inclusive culture.

⁵ 360Giving is a charity that helps organisations to openly publish grants data.

Achievements in 2023

The following summarises the Foundation's work in thought leadership and influencing, training, resources and guidance, and partnerships, across three programmes: the EAL Programme, the Criminal Justice Programme and the ESOL Programme.

Thought leadership and influencing

In 2023, the Foundation embarked on a major shift to a greater focus on thought leadership and influencing, with the aim of achieving fairer and more inclusive policy and practice for ESL speakers. Building on the tangible successes of the past decade, the Foundation launched a new influencing strategy to guide its work in seeking evidence-based system change.

In the education and criminal justice sectors, 2023 was a year of considerable challenges and uncertainty, with ever increasing resource constraints, soaring demand for support and services, and the continued impact of the pandemic on areas such as pupil attainment and attendance. The Foundation was agile in responding to the key issues, helping to ensure policy is made that protects and promotes the rights of ESL speakers, through consultation responses, participation in high-level groups and meetings, and the publication of timely public statements and blogs.

The Foundation also worked proactively to influence and engage key stakeholders across political parties, in Government departments, and sector stakeholder bodies. As a result, several tangible successes were achieved, raising awareness of the issues and contributing to meaningful change for ESL speakers. Examples of this work include sharing evidence and briefings with the major political parties resulting in a number of invitations for further discussion, and working with Members of Parliament and Members of the House of Lords to seek amendments to the Victims and Prisoners Bill to ensure that the rights of second language speakers are protected and promoted in the legislation.

Central to the Foundation's work is a commitment to amplifying the voices of ESL speakers. In 2023, the Foundation worked with a number of project participants to capture and communicate their views and experiences, demonstrating the importance of system change through their stories. In 2024, the Foundation will launch a lived experience network with ESL speakers who have a range of lived experience and who, through this network, will provide input to inform the Foundation's work.



Policy change outcomes

EAL Programme

- As a result of the Foundation's work, EAL pupils, including unaccompanied asylum seeking children, placed with English-speaking foster families are now eligible for access arrangements for statutory exams. This is due to an exception being made to the rule stating that students living in households where English is spoken are not eligible. More EAL pupils are, therefore, receiving their entitlements, enabling them to achieve their full potential.

Criminal Justice Programme

- The work of the Foundation is referenced in His Majesty's Prison and Probation Service (HMPPS) Modern Slavery Guidance, calling the resources "important" and "useful", and the HMPPS guidance for foreign and British nationals in adult prisons covering remand and sentenced prisoners. More staff and volunteers, therefore, have access to best practice, enhancing their capacity to support ESL speakers effectively.

Programme thought leadership and influencing highlights

EAL Programme

Following the submission of written evidence in June, the Foundation's Director gave oral evidence to Parliament's Education Select Committee on persistent absence, shining a light on the additional barriers to attendance faced by some EAL pupils and challenging common misconceptions. This also led to an invitation for some young refugees with lived experience from Kent Refugee Action Network, a grant funded partner in the Foundation's ESOL Programme, to give evidence to the Committee.

In total, written evidence was submitted to eight consultations, including on Early Years Foundation Stage provision and generative artificial intelligence; the Government response to the latter specifically referred to EAL pupils. The Foundation also worked directly with key stakeholders to ensure the needs and rights of EAL learners were considered and acted upon; for example, working with the Standards and Testing Agency to review their national assessment materials, raising awareness of accessibility for EAL learners, and regularly contributing to Ofqual's Access Consultation Forum⁶.

ESOL Programme

Following completion of the pilot ESOL Programme, and its full launch in 2023, the Foundation has expanded its ESOL work, with greater emphasis on achieving policy change. With attention now focused on selected key policy priorities, the Foundation achieved positive engagement with policymakers. For example, productive meetings were held with the Department for Levelling Up, Housing and Communities, the Department for Education (DfE), and the Home Office. The Foundation was also invited to join the Ofqual ESOL working group, following the submission of written evidence to its qualifications review. The Welsh Assembly Government has also approached the Foundation for advice following a review of ESOL policy in Wales. These meetings have enabled the Foundation to emphasise the importance of effective language education and to call for key policy changes.

Working in partnership is a core approach for the Foundation, using the sectors' collective voices, expertise, and networks to press for change. In 2023, this included the launch of a consultation on

⁶ A forum that discusses, shares information about, and promotes good practice on the accessibility of regulated qualifications and assessments: www.gov.uk/government/publications/access-consultation-forum-terms-of-reference/access-consultation-forum-terms-of-reference.

the Foundation's recommendations for the DfE and Ofqual reviews of the ESOL curriculum and qualifications. The consultation received 131 responses from a wide range of experts and organisations, providing valuable findings on the changes required to ensure ESOL meets the needs of learners.

The Foundation also worked in partnership with the Association of Colleges on a report exploring the delivery of ESOL in five Mayoral Combined Authorities, building relationships at the regional level in doing so. Following completion of sector roundtables, the report and recommendations will be published in 2024, enhancing understanding of how to effectively deliver ESOL and meet the needs of learners.

Earlier in the year, the Foundation joined more than 100 organisations in signing a letter to the Home Office on the use of English-only questionnaires to process asylum seeker claims. The Foundation also sent a private letter, to which it received a response in June.

Criminal Justice Programme

"All three programmes are underpinned by a research evidence base which gives the Foundation the authority to speak about the issues it champions".

Cloud Chamber evaluation report 2023

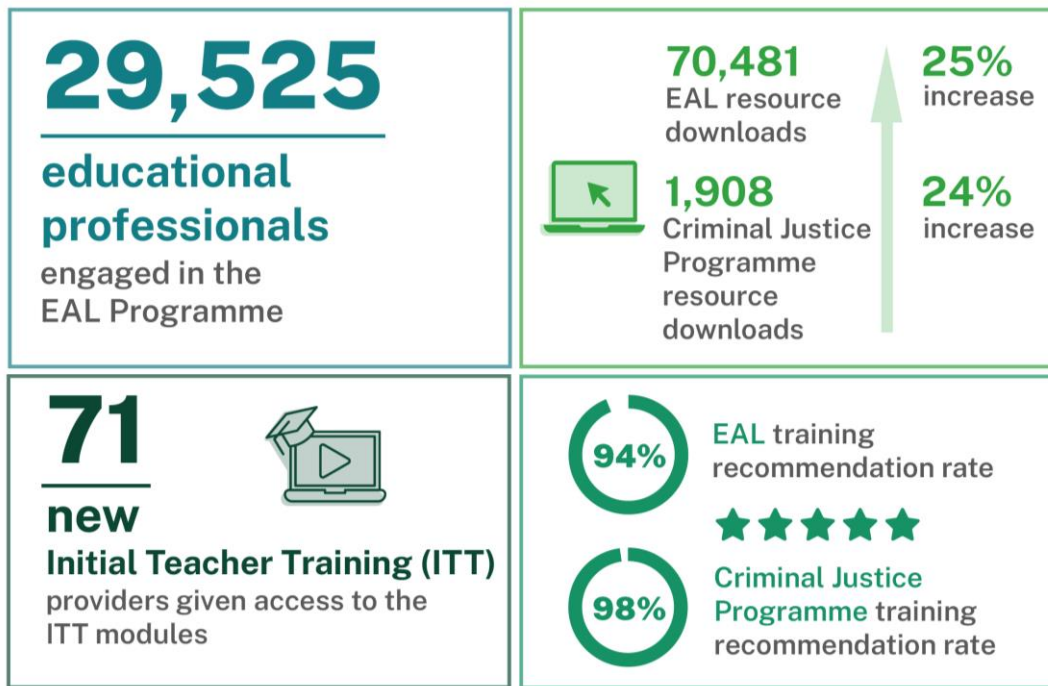
Utilising the academic research evidence published in 2022, the Foundation advocated for the rights of ESL speakers in the criminal justice system, drawing the attention of policymakers to these issues.

The Foundation's work to amend the Victims and Prisoners Bill resulted in the Foundation's recommendation regarding awareness of the Victims' Code being included in the Government's response to the pre-scrutiny report and amendments being raised at Committee stage when the draft legislation was discussed in the House of Commons. The Foundation received an assurance from the Ministry of Justice that the legislation would improve language support for victims including a commitment to drive up compliance with the Code. Following proactive engagement, a member of the House of Lords also spoke on the issue of language barriers at the second reading of the Bill. Work to achieve amendments to the Bill will continue in 2024.

The Foundation was also invited to contribute to the draft metrics that will monitor compliance with the Code, which, if accepted, will see language data collected for the first time on victims at every point of contact. In addition, the Foundation was given the opportunity to contribute to the guidance being developed by the Ministry of Justice's Female Offender Minority Ethnic Working Group, ensuring the needs of ESL speakers are considered.

Building capacity with training, resources, and guidance

In 2023, the Foundation continued to provide high quality support to schools, delivering training, resources, and guidance on some of the most pressing issues for the sector, and reaching more practitioners, and ultimately learners, in the areas of highest need.



Programme training, resources, and guidance highlights

EAL Programme

Supporting schools to welcome refugees

In 2023, schools across the UK continued to welcome pupils from refugee and asylum-seeking backgrounds. Data shows that more than one in five pupils now speak EAL. Nevertheless, schools report feeling unprepared and unsupported to work with these learners effectively. A focus for the Foundation has been to build the capacity of schools in providing support to pupils from refugee and asylum-seeking backgrounds, ensuring pupils are able to fully access educational opportunities.

This included the launch of a series of recommendations for school leaders on how to embed sustainable provision in schools for children who are refugees, developed with input from Refugee Council, Refugee Education UK (REUK), Refugee Youth Service and Schools of Sanctuary.

"Attended @BellFoundation webinar yesterday on 'Building Sustainable Provision in Schools for Children Who Are Refugees' - full of really useful information and guidance – it is a must watch!"

Feedback on X (formerly Twitter)

The Foundation also contributed a guest module to an online teacher education course, "Supporting Refugee Children". Developed by REUK, it is being trialled with 19 universities as part of their PGCE programme, reaching teachers at the very start of their career. Two webinars were also delivered on supporting refugee children, included one co-delivered with the Welcoming Committee for Hong Kongers.

To support schools in communicating with newly arrived families, guidance documents for parents "About the Scottish Education System" were published by the Foundation, with support from the Scottish Association For Teaching English As An Additional Language (SATEAL). The guidance is available in 12 languages.

Building capacity in the areas of highest need

Language for Results has continued to grow exponentially through an expanding network of scaling partners, meaning that more EAL pupils are being taught by practitioners with the understanding and skills to provide effective support, enabling them to fully access the curriculum.

The Foundation now has training agreements with 22 scaling partners, with a network of 57 Bell Foundation Licensed Practitioners (BFLPs) trained to run Language for Results, up from 10 scaling partners and 32 BFLPs in 2022. The number of educational professionals reached through training run by partners has more than doubled since 2022, with no diminution in quality. The training reaches practitioners at all levels of seniority and career stage, and in the geographical areas where support is needed most, with each scaling partner located in an area of high need for EAL support.

The delivery of online courses, run by the Foundation, also continued successfully, with most courses achieving full capacity. More than 14,000 practitioners were reached through the free webinar series, providing attendees with the skills they need to work effectively in multilingual classrooms.

"Some excellent tips on strategies on adaptive teaching and on how to adapt resources. These were all realistic and achievable...an excellent session with a clear focus on techniques and resources that will help our EAL learners".

Attendee of EAL Adaptive Teaching training

In addition, the Foundation delivered training sessions alongside a range of partners to reach new and wider audiences, including with the National Association of School-Based Teacher Trainers (NASBTT), Harris Learning Federation, Inside Government, Teach First, SecEd, the National Association for Language Development in the Curriculum (NALDIC), and the University of East Anglia.

The development of an accreditation kitemark for UK schools was also a priority in 2023, with the aim of further embedding best practice, and supporting improved outcomes for EAL learners. The trial of the kitemark will take place in the first half of 2024.

Language for Results International, which aims to promote excellence in EAL teaching in international schools, launched more widely in 2023 achieving greater reach. Training and webinar participants grew and Accreditation by Language for Results International exceeded targets for the first year of delivery in 2023, with applications from schools in China, Qatar, Switzerland, and Singapore.

Supporting effective EAL provision with evidence-based resources

"In all three programmes, the Foundation works successfully to raise the skills of people who work with or support people with ESL, giving individuals and teams the confidence and capacity to change their practice for the better".

Cloud Chamber evaluation report

The Foundation continues to build capacity through the delivery of high-quality, evidence-based teaching resources, and in 2023, used new approaches and partnerships to share these on a wider scale, reaching even more people.

A free, self-study Early Career Teacher (ECT) and EAL series was launched for ECTs and their mentors, for use during the statutory, two-year induction process. This is the Foundation's first Massive Online Open Course (MOOC) offering the potential to significantly expand its reach nationally and internationally.

Following feedback from users, the Foundation revised the popular Classroom Support Strategies and launched new versions in September. Designed to work alongside the Foundation's EAL Assessment Framework, the strategies provide teachers with the tools they need to plan and embed effective support for EAL pupils, enabling learners to fully access the curriculum.

New guidance was also published on guiding EAL learners as they move from Year 6 to Year 7, providing ideas and strategies for schools to enable a smooth transition for multilingual pupils at this critical moment in all learners' schooling.

Work was also undertaken on the production of guidance for schools in the early identification and support of EAL learners who have a special educational need or disability. This guidance, which was reviewed and endorsed by the National Association for Special Educational Needs, will be launched in early 2024.

To reach as many practitioners as possible and build their capacity to provide effective classroom support, in 2023 the Foundation secured a new partnership with Teachit, a resource site widely used by teachers. Alongside the existing relationship with STEM Learning, this partnership offers the potential to share the resources on a much wider scale and reach practitioners previously unaware of the Foundation.

Criminal Justice Programme

In 2023, the Foundation expanded its reach into the criminal justice sector, supporting system change from the bottom up and helping to break down language barriers.

Language awareness training for the sector was rolled out, with courses run both as open online training and directly in individual settings including for Unlocked Graduates (active prison officers who are completing a graduate scheme) and in HM Prison Bronzefield. In total, the training reached 115 participants in 2023.

"I really liked the video comparison...it demonstrated the message really well and made me see how easy adaptations can make such a huge impact".

"The tasks allowed me to put my knowledge into practice".

"Train every single officer in the UK!"

Attendees - course for prison and probation staff

The ESOL screening tool was trialled by ten prisons, contributing to a more standardised approach to assessing the need for ESOL lessons among newly arrived prisoners, and was consistently found to be easy to use for non-ESOL specialist staff. The prisons have provided useful feedback on the tool to ensure its efficacy ahead of its relaunch in January 2024.

To support the continued expansion of the Foundation's reach, an agreement has been secured with Coracle Inside that will enable ESL speakers in prison to access the Foundation's resources via Coracle's secure devices, supporting them to improve their language skills. The first of the Foundation's resources are due to go live in early 2024.

In 2023, the Foundation also promoted best practice more widely by reviewing and providing extensive feedback on the training materials developed by the Samaritans for volunteer listeners in prison, focusing on their accessibility for listeners who use ESL.

Partnerships

A key focus for the Foundation is working in partnership to develop and share evidence of what works, to capture and amplify the experiences of ESL speakers, and to drive system change.

The Foundation's partner network meetings, which bring together the Foundation's grantees to discuss key issues, share learning and explore areas for collaboration, took on a new, more interactive format in 2023, including in-person events. Through these meetings, the Foundation supports cooperation between the partner organisations, helping to build tangible connections and areas of joint working. Two partners, for example, have initiated discussions on the development of an ESOL module about housing rights.

The Foundation maintains a flexible and open approach to grant giving, partnering with both small and larger organisations who have expertise in working with children, young people, adults, and communities who use ESL. The Foundation can be approached via its website and is open to partnership opportunities with organisations who share its strategic objectives.

Programme partnership highlights

ESOL Programme

In 2023, the Foundation's ESOL partnerships continued to deliver important language support to refugees and people seeking asylum, generating evidence of effective practice, and sharing this learning more widely.

The Foundation also launched a new partnership workstream, "ESOL in the workplace", focused on how to make ESOL more accessible for those in employment. As part of this, the Foundation welcomed a new partner, High Trees Community Development Trust, who will work with other community providers, the local authority, and employers to deliver and evaluate ESOL in the workplace. This project will provide evidence on how ESOL can be delivered effectively in this setting and the impact for employees, employers, and the wider community.

East of England Local Government Association's Strategic Migration Partnership (EELGA SMP) – Having funded the evaluation of EELGA SMP's Wellbeing and Work for Refugee Integration project, this partnership continued in 2023 with the roll-out of the lessons learned across the East of England. This was achieved through the dissemination of a refugee integration framework, facilitating best practice in the delivery of support and services for refugee communities.

"[A participant] who fled her home country due to conflict and persecution ... As a mother, she bears much of the responsibility for childcare including ensuring that her children access the healthcare they need. Through the [project], [the participant] enrolled in a course focused on 'How to Use the NHS' where she gained essential knowledge and skills on accessing healthcare including primary care. Through role-play exercises, she developed the confidence and ability to book appointments. Consequently, [the participant] now efficiently manages her own medical appointments as well as those of her children, this includes ensuring that they stay up to date with their vaccinations. Through the [project], both her and her children's access to healthcare services has been significantly improved".

Case study from the project (delivered by Kings Arms Project, in partnership with EELGA SMP, with funding from EU Asylum Migration Integration Fund, and The Bell Foundation).

Kent Refugee Action Network (KRAN) - The Foundation is working in partnership with KRAN. to evaluate and develop the content, curriculum, and delivery of resources and classes as part of their Learning for Life education programme for newly arrived refugee and asylum seeking young people. The project aims to help participants progress towards their education and employment aspirations by offering teaching tailored to their needs.

"To speak many languages...you feel free, with anything it comes, and also to help other peoples, and to helping yourself to understand".

ESL speaker interviewed through KRAN

Refugee Action - With funding from the Foundation, the Pathways to Work project facilitates the journey of participants into employment and supports them to improve their employability. This includes enabling them to improve their working English, to navigate the jobs market, and to overcome pre-employment barriers. Between October 2022 and September 2023, 53 people were supported in group sessions and 31 people on a one-to-one basis. In surveys completed between March and September, 73 per cent of clients reported an increased readiness to work and 65 per cent reported an improved understanding of communicating in English.

"E has just completed the most recent course. We have supported him with his ENIC* comparison and discussed his routes into a career as a maths teacher in the UK. He informed us that he feels 60% closer to his goal of becoming a maths teacher and that he has developed his confidence a lot whilst on the programme. He has also started two different volunteering jobs since starting the programme, strengthened his CV and created a cover letter. He found the session on applying to higher education extremely useful as he was unaware of UCAS and the funding options available to him. E also feels his English skills have developed since completing the course as he has learnt more about idioms/phrasal verbs used in the UK and has more overall confidence to apply them to the workplace. Previously when he was working in the UK, he used to keep himself to himself but now he feels he has the confidence to communicate and mix more with others". **Case study from Pathways to Work**

*The UK National Information Centre for the recognition and evaluation of international qualifications and skills.

Refugee Education UK (REUK) - The Foundation is working in partnership with REUK to empower young people to improve their English language skills through engagement with REUK's Educational Mentoring Programme, supporting improved ESOL outcomes for participants and adding to the evidence base on effective practice. A framework has also been developed and rolled out to assess the impact of the programme, and 35 mentors were trained in using the framework. In 2023, REUK also undertook research, commissioned by the Foundation, on the outcomes for EAL pupils who arrive late into the school system, due to be published in early 2024.

Criminal Justice Programme

The Criminal Justice Programme welcomed Suffolk Law Centre as a new partner in 2023, which is delivering a project in collaboration with the Ipswich and Suffolk Council for Racial Equality, building on existing work to widen access to legal support for ESL speakers.

Hibiscus Initiatives - This three-year project, which ends in 2024, uses cultural mediation to improve understanding and communication between survivors of trafficking and modern slavery who use ESL, and statutory and non-statutory agencies. This includes the development and delivery of training for practitioners, including aspiring practitioners with lived experience, to increase awareness and use of these techniques. In 2023, Hibiscus published a cultural mediation toolkit to enable best practice. To support wider system change, they also began research on the use of cultural mediation in Europe, with a view to developing recommendations for the UK. The findings from this research will be published in 2024.

“There is a lack of understanding of how powerful and useful cultural mediation is for us to access the right support and feel empowered.”

“The training gave us the opportunity to discuss and understand what has happened to us and to learn how to support people who are going through similar situations... We now feel confident in providing support and giving the right directions and advice for people to build their own hope and strength”.

Blog on the Foundation’s website written by migrant women who are part of the cultural mediation project

Law Centres Network, Harrow Law Centre and Greater Manchester Law Centre (GMLC) -

With funding from the Foundation, the Law Centres projects are empowering victims of crime who speak ESL to access justice, using case work, outreach and policy work. They are also seeking to effect longer term system change, for example, with submissions to Government consultations and undertaking research through a freedom of information request to understand the language support given to victims by all police authorities in England and Wales, due for publication in 2024.

Following a High Court challenge raised by GMLC over the failure of the Government to uplift the destitution level payment of Asylum Support, an estimated additional £4 million was secured for over 60,000 asylum seekers in the 2022/23 financial year. This case began with a victim of domestic violence with limited proficiency in English and demonstrates the interconnectedness of language need with other essential needs such as housing.

Example from Greater Manchester Law Centre

Prison Advice and Care Trust (Pact) – As part of a three-year partnership launched in late 2022, the Building Bridges project works with people in prison who speak ESL to understand the barriers they face to engaging with Pact’s relationship, parenting, social and emotional education courses. The aim of the project is to enhance the accessibility of the courses, increasing the number of ESL speakers who attend and benefit from them. Beginning with an initial research phase, including surveys and one-to-one engagement with 38 ESL speakers in prisons, work began in 2023 to test and roll out Pact’s new learning interventions. This includes translated materials, which, used alongside the English language originals, have been found to also be beneficial for participants in developing their language skills.

Why me? – This partnership, which ended in September 2023, aimed to widen access to restorative justice (RJ) for victims of crime who use ESL, by increasing the capacity of ESL professionals and community representatives to make RJ referrals and improving the understanding of RJ professionals about the needs of ESL speakers. In 2023, this included the publication of good practice guidance for practitioners.

Future plans

Priorities for 2024

- Work in partnership to influence policymakers at different levels, local, regional and national, to improve systems and policies and ensure that ESL speakers receive the support they are entitled to.
- Increase the reach and impact of Language for Results through digital training, and scaling partners.
- Continue to enhance the capacity and expertise of staff and volunteers working with speakers of English as a Second or Additional Language by providing evidence-based training, resources, and guidance.
- Build on the evidence base around the needs of and outcomes for speakers of ESL, including pupils who arrive late into the English speaking education system.
- Continue to expand the reach and impact of the Criminal Justice Programme through the delivery of training and resources, and working with partners to further build capacity in the sector.
- Review the Foundation's ten year strategy and develop a new strategy.

Financial review and results for the year

Assets owned by the Foundation are managed to fund its charitable work, both in the short term and to ensure long-term sustainability of the Foundation's mission. The net assets of the Foundation, encompassing property in Cambridge, funds invested with two Investment Managers, and capital invested in its wholly-owned subsidiary, Bell Educational Services Ltd, amount to £44,318,000 in value at the end of 2023 (2022: £42,323,000). The Foundation's Investment Policy, a review of the performance of these assets through 2023 and future plans are summarised in the following sections.

Significant events that have proved challenging in the management of these assets this year include the ongoing impact of the Covid-19 global pandemic, which severely affected the wholly-owned UK trading subsidiary. The cost-of-living crisis and the continued impact of high inflation has remained a challenge in 2023 for asset values to meet return expectations, despite some recovery of portfolio balances from difficult market conditions and valuations in the prior year. Details of how these events are impacting individual assets and how these challenges are being met are included in the commentary below.

Charitable expenditure

The Foundation's charitable expenditure in 2023 totalled £1,569,000. This was marginally reduced from the charitable expenditure of £1,620,000 in 2022. The charitable spend reflects lower grant commitments made in the year (£117,000 in 2023 compared to £387,000 in 2022), as a consequence of extending timescales for progressing new grant areas, and increased staff costs reflecting the scale up of the Foundation's work.

The Foundation recognises that cost of living challenges continue to be significant for many of its partners and has taken action to support its grantee partners in two ways: included in the grant commitments in 2023 were one off unrestricted cost of living awards totalling £21,000 which were made to existing grant partners; and financial budgets for new grants were and will continue to be specifically reviewed by the Foundation for inflationary impact to costs, to ensure grantee partners include appropriate levels of spend for their work.

Investment Policy

The Foundation's Asset, Investment and Reserve Strategy sets out the following objectives:

- To provide funds to support the Foundation's programme of activities.
- To ensure the investments do not run counter to the values and aims of the Foundation and to consider their wider societal and environmental impact.
- To preserve and enhance the value of the Foundation's assets.
- To achieve the above within agreed levels of risk.

The Foundation's asset portfolio consists of three key elements:

- A portfolio of financial investments.
- The investment in Bell Educational Services Ltd, a wholly-owned trading subsidiary.
- The Cambridge campus, encompassing land and buildings, which is leased to the trading subsidiary.

The Foundation also holds cash balances, of which a portion is held in support of the Foundation's five-year plans (see Reserves Policy, below).

Environmental, Social and Governance (ESG) Policy

The Trustees' intention is to take a proactive approach to the Foundation's assets, specifically considering their wider societal and environmental impact and ensuring the investments do not run counter to the Foundation's values or aims whilst also achieving the targeted return. The managers of the Foundation's investment portfolios are required to adhere to the Foundation's ESG Policy which:

- Requires investing in a way that is sustainable and responsible by incorporating ESG issues into the investment analysis and decision-making processes. This will include, but is not limited to, the following:
 - Includes investments that support the transition to net zero carbon and a carbon positive future.
 - Excludes specific sectors: tobacco, adult entertainment, alcohol, gambling, high interest rate lending, and armaments.
 - Excludes companies that fail to implement basic labour rights or that engage in bribery, corruption, money laundering, or tax evasion.
- Requires investment managers to be active owners and incorporate ESG issues into their ownership policies and practices.
- Requires investment managers to seek appropriate disclosure on ESG issues by the entities in which they invest.
- Requires investment managers to report to the Foundation on their ESG engagement and voting decisions.

Investment portfolios

The Foundation has funds invested with two investment managers. The investment mandate set out to these investment managers is to generate a total return of CPI (Consumer Prices Index) plus four per cent. There is an additional stated annual cash income drawdown requirement of three per cent. However, it is recognised that the investment manager strategies, whilst meeting the total return requirement, may result in a portfolio with a reduced return of dividend income which would ordinarily support the income requirement. Where this is the case then the total return requirement takes priority, and an alternative arrangement will be set up to provide a structure to drawdown funds (as required) in support of the Foundation's work at times when it is not optimal to sell investment holdings directly.

A review of 2023 and priorities for 2024

In May 2023, the Foundation completed the onboarding process and appropriate transfer of assets from Investec to Sarasin & Partners LLP. The transfer to a new investment manager was the result of a review conducted in 2022 by Trustees of the existing investment managers' investment strategy, results, and approach to ESG to ensure the portfolios aligned to the Foundation's ESG policy. A subsequent evaluation of proposals from alternative firms culminated in a decision on 30 November 2022 by Trustees that Barclays Wealth continue the management of one of the Foundation's investment portfolios and that Investec be asked to step down and for Sarasin & Partners LLP to be appointed to manage the other investment portfolio.

Expanding from the work completed on the Foundation's ESG policy and careful selection of Investment Manager's to ensure its delivery, Trustees held initial discussions and heard presentations from other foundation peers on social investment and how the Foundation might consider this form of investment as not only expanding the range of assets held but using these to further its charitable work. Work on the potential for social investment to enhance the Foundation's work continues into 2024.

Despite the ongoing challenges of high inflation, investment portfolio values improved over the last 12 months closing on 31 December 2023 with a value of £25,789,000. This was a £2,227,000 improvement on the prior year closing balances of £23,562,000. The total return requirement of CPI plus four per cent required an eight point two per cent return in 2023. The 10.9 per cent achieved exceeded this target. However, this achievement was after 2022, a year when inflation was at 10.5 per cent and global stock markets were turbulent resulting in falls to the Foundation's investment portfolio values by £3,382,000 over the year to 31 December 2022. The funds are held for the long term, and whilst the falls in 2022 have not been entirely recovered, there is confidence that over time values will fully recover and the total return in the long term remains advantageous.

In the short to medium term, the Foundation has sufficient cash resources to support its five-year planned activity of the Foundation and therefore does not have an immediate requirement to liquidate any of the investment holdings at a time that may otherwise not realise optimal value of the asset.

Priorities for the investment portfolios in 2024 will be:

- Continue to hold both investment managers to account over their engagement on ESG matters, ensuring their observance of the Foundation's ESG Policy and values.
- Continue to investigate alternative, and appropriate, social and impact investment options for the Foundation to widen its charitable work and impact.
- Careful management of cash resources as inflation continues to require challenging return levels.

Investment in Bell Educational Services Ltd

The investment of £2,000,000 in Bell Educational Services Ltd was created in 2012 when the Foundation transferred its language school assets into a wholly-owned trading subsidiary with the aim of generating an income stream for the charity. Bell Educational Services Ltd also wholly-owns a subsidiary, a language school based in Switzerland, Bell Switzerland SA.

In addition to income remitted to the Foundation from royalties payable under a Trade Mark Licence for the use of the Bell name and trademarks, which are owned by the Foundation, the Foundation's return expectations on its investment in Bell Educational Services Ltd is for a cash return through Gift Aid.

Gift Aid is the expected return during normal trading times. The global pandemic resulted in a severe impact to the trading of Bell Educational Services Ltd, with the school experiencing periods of temporary closure and the limited ability (if at all) for international students to travel through the

period from 2020 into the early months of 2022. This consequential impact of the pandemic to the school's financial position was severe. In October 2020, having taken careful consideration of forecasts, sought external independent legal and professional advice, and recognising that protecting the Foundation's asset was in the best interests of the Foundation, Trustees set up financial support for Bell Educational Services Ltd in the form of a secured loan, on commercial terms. Ongoing monthly monitoring of results, which has included two further reviews by independent legal and professional business advisors, and the positive direction of quarterly forecasts continues to support the loan finance decision.

This support has safeguarded this asset of the Foundation enabling the trading subsidiary to start to recover income in line with forecasts, and in time will enable the trading subsidiary to remit returns via Gift Aid in line with the Investment Policy for the capital invested. Trustees continue to consider this provision of a loan to be in the best interests of the Foundation.

The loan, in the form of a Revolving Credit Facility, is set on commercial terms that include a commercial rate of interest set at a margin of 3.25 per cent over the Bank of England base rate, five financial covenants, and formal monitoring arrangements. The maximum drawing on the loan varies over time. At its highest point in 2023, up to £1.9m was available, the actual requirement in 2023 peaked at £1.45m. At the time of signing this report, the highest point on the facility has reduced to £1.8m and the facility ends on 31 July 2025. The loan is fully secured with a fixed and floating charge over the assets of Bell Educational Services Ltd which includes the shares of the Swiss subsidiary, Bell Switzerland SA.

The subsidiary of Bell Educational Services Ltd, Bell Switzerland SA, was less affected by the pandemic, having no reliance on students travelling from abroad.

A review of 2023 and priorities for 2024

Bell Educational Services Ltd reported a further year of significantly improved turnover, with £10,288,000 achieved which compares to £6,082,000 in 2022 and £1,661,000 in 2021. Though not yet fully back to pre-pandemic levels of business, this trend to recovery is as forecast. This improved picture has enabled the business to report an operating loss of £273,000 which is a significant improvement on the 2022 operating loss of £868,000. After interest and dividends, the business reports a statutory profit before tax of £120,000 for 2023 (2022: loss before tax of £525,000).

Trustees reviewed the updated three-year strategy for the trading subsidiary in December 2023. The assessment of the strategy included the review and approval of the budget for 2024 which continues the recovery with operating profits expected to be fully returned to pre-pandemic levels in 2024. Income and net results for the business have and will continue to be closely monitored against the loan facility's financial covenants and forecasts.

The results of the trading subsidiary affect its net asset position which, after reporting losses since 2020, has led to a negative position (a net liability), though this is slightly recovered thanks to the profit reported in 2023: the net liability as at 31 December 2023 is £228,000 (2022: net liability £348,000). Forecast profits from and including 2024 result in an expectation that a positive net asset position will be reported by 2025 and that distributable reserves will recover in 2027 with remittance of Gift Aid possible thereafter.

In July 2023 the Bell Educational Services Ltd Chief Executive, Catrin Diamantino, resigned to take up a new opportunity overseas. The Finance Director, Judith Haste, took up post as Interim Chief Executive until a new appointment to the role was made at which point she then left the company due to planned retirement in January 2024. Roy O'Shaughnessy was appointed as the new Interim Chief Executive, joining the business on 29 January 2024.

In terms of changes in the loan to the trading subsidiary, a combination of drawdowns and prepayments on the loan facility with the Foundation during 2023 resulted in a balance on the loan, at 31 December 2023, of £1,000,000 (31 December 2022: £1,300,000). After further prepayments and drawdowns since the reporting year end, at the date of signing these accounts the balance has increased to £1,800,000. This balance is forecast to be repaid in full at the end of July 2024 following which there is no funding requirement forecast until December 2024.

During Trustees' consideration of the 2024 budget for Bell Educational Services Ltd (which included forecasts beyond 2024), it was noted that there would likely be a requirement that an extension of the facility would be needed for a further 12 months to enable funding in four months over this extended period. Updated forecasts presented to Trustees in 2024 bore out these earlier indications and, considering an extension to continue to be in the best interests of the charity, Trustees agreed on 7 May 2024 to extend the facility by a further 12 months to 31 July 2025 and to increase the limit on the facility to £1,800,000 for a short period of two months in June and July 2024, after which date the limit falls to a maximum of £800,000. Amendment documentation for the extension and increase was completed on 15 May 2024. Bell Switzerland SA reported increased turnover at £3,912,000 (2022: £3,468,000) resulting in a net profit of £336,000 (2022: £347,000) and net assets of £630,000 (2022: £634,000). Bell Switzerland SA remits dividends annually to Bell Educational Services Ltd. Dividends remitted in 2023 were £362,000 (2022: £378,000).

Priorities for 2024 will be:

- Closely monitoring the results of the trading subsidiary against forecasts and in accordance with the terms of the loan agreement.
- Overseeing and approving, under Trustees' reserved powers, any changes in executive leadership on the trading subsidiary's Board.
- Monitoring the implementation of the current strategic business plans for the subsidiary which set out medium-term objectives to strengthen, grow, diversify, and increase the resilience of the business to geopolitical, economic, and pandemic risks.

Cambridge campus

The Foundation owns the Cambridge campus from which Bell Educational Services Ltd operates its Cambridge school. The Trustees have a long-term lease with the trading subsidiary, with five-yearly rent reviews, which sets the rent at the higher of market rate or an inflation-based increase. This is as set out in the Foundation's Investment Policy which requires a market rental return for the property. The current rental results in a return of seven per cent per annum on the value of the asset.

A review of 2023 and priorities for 2024

There was no change to lease rental in 2023. In 2024, a valuation of the campus for accounting purposes will be conducted.

Reserves Policy

There are no restrictions over the Foundation's assets and consequently all funds are classified as unrestricted.

The Foundation differentiates the unrestricted funds as an Income Fund, a Designated Fund, and a Capital Fund. The Income Fund enables Trustees to see the progress of the Foundation in utilising its income for the purposes of the Foundation. The Designated Fund supports the five-year financial plans of the Foundation where these plans result in a net loss, and the Capital Fund represents the long-term investment of the Foundation.

Trustees have agreed that on a temporary or permanent basis, amounts may be transferred from the Capital Fund to the Income Fund, or Designated Fund (as appropriate) to ensure the delivery

of the Foundation's programmes. Thus, the management of the Capital Fund and Designated Fund is intended to both support the Foundation's strategic plans and to ensure the long-term sustainability of the organisation.

The Designated Fund is represented by a portion of the Foundation's uninvested cash balances and the Capital Fund represents the carrying value of assets held for investment purposes.

The Reserves Policy, which is contained within the Foundation's Asset, Investment, and Reserves Strategy, is reviewed annually, along with a review of the level of unrestricted income reserves and the Foundation's future plans, to ensure sufficient cash resources to finance the Foundation's rolling five-year plans with an allowance for reasonable contingencies.

The Reserves Policy is therefore informed by:

- Forecast levels of income in future years, taking into account the reliability of each source of income.
- Forecasts of planned expenditure in future years.
- Analysis of future needs, opportunities, contingencies, or risks, the financial effects of which are not likely to be able to be met out of income if and when they arise.
- Assessment, on best evidence reasonably available, of the likelihood of each of those needs arising.

The Foundation's five-year plans from and including 2024 include total expenditure of £11,437,000 which, after income generated from the Foundation's assets, results in a net expenditure of £2,546,000.

The Designated Fund was set at £3,400,000 at the end of 2022 in support of the five-year plans from the start of 2023. The amount of £300,000 was transferred to the Income Fund at the end of 2023 as planned and in support of the net loss in 2023 of £291,000. The remaining Designated Fund balance of £3,100,000 is £554,000 above the five-year planned requirement, and thus provides an allowance for contingencies in line with the Reserves Policy. This is a significant buffer and it is considered prudent to keep the fund at this level given the scaling of the Foundation's work and the continued recovery of income from the trading subsidiary. The fund balance will be kept under review as the Foundation revisits its five-year plans during the next budget and strategy process. After the transfer to the Income Fund in 2023, the free reserves⁷ of the Foundation are negative £42,000, however, the Designated Fund remains sufficient to fund this balance and the five-year planned net loss. There are no excess funds.

The transfer to the Income Fund at 31 December 2023 was £396,000 less than budgets had indicated due to differences in charitable spend as noted on page 18. Net losses continue to be included in the Foundation's five-year plans recognising the challenges to income from the trading subsidiary and the relatively high return targets for investment income as inflation continues to fall from recent highs.

The impact of the pandemic on the trading subsidiary will continue to affect the ability for the company to remit Gift Aid until its distributable reserves are fully repaired, which current forecasts indicate is likely to be towards the end of 2026. Gift Aid is not currently included in the Foundation's five-year financial plans as the forecast timing of repaired distributable reserves balances are not sufficiently clear, reflecting a prudent approach to forecasting.

The value of the Foundation's net assets is forecast to increase modestly over the next five years, not quite by a margin to keep pace with forecast inflation levels, but sufficiently so to ensure sustained funding of the Foundation's charitable work into the long term. Trustees continually

⁷ Free reserves are represented by the unrestricted funds of the Foundation but exclude fixed assets and the Designated and Capital Funds.

review the financial position of the Foundation including any impact significant external events might be having on the assets.

Trading subsidiaries' reserves

The combined unrestricted income (distributable) reserves of both the trading subsidiary Bell Educational Services Ltd and its subsidiary, Bell Switzerland SA, were a slightly improved negative position of £1,784,000 compared to 2022 when the reserves were negative £1,893,000. As noted above, this fall in reserves is the direct result of the impact of the pandemic and the resulting three years of losses through 2020 to 2022. The loan facility set up by the Foundation supports the ongoing trading of the business and the improvement in the reserves position is expected to continue through the medium term as profits return.

Going concern

In order to assess the appropriateness of the basis for the Group's going concern assumption, the Trustees have considered the Group's financial position, liquidity, unrestricted reserves, and forecasts into the mid-term. Trustees have also considered the key risks to which the Group is exposed, the recovery of the trading subsidiary from the pandemic, and the impact of inflation and cost of living rises. Taking account of the current level of the Group's net current assets (which at 31 December 2023 were £5,067,000), the Foundation's investment portfolios (which at 31 December 2023 were valued at £25,789,000), and the ease with which these could be liquidated, and having considered the updated budgets and forecasts of the Foundation and its trading subsidiaries, the Trustees consider the Group a going concern.

Risk management

The Board of Trustees is responsible for the overall identification and mitigation of risks. Day-to-day examination of the risks for the Foundation is conducted by the senior management team and for the trading subsidiaries by the respective Boards of Directors supported by their executive management teams. These processes are overseen by the Audit and Risk Committee, reviewed by the Board of Trustees, and in the subsidiaries by the subsidiaries' Boards.

The Foundation's risk management process is designed to support effective management of risk and thus ensure the continued ability of the Foundation to achieve its aims and objectives. The process identifies all risks the Foundation faces, assesses the likelihood and impact of each risk, and ascribes an appropriate risk tolerance according to the operational area of the Foundation the risk relates to. Mitigations, controls, and actions are then identified for each risk.

Mitigating controls and actions are reported through a control framework which is reviewed by the senior management team at each monthly meeting. The risk register is reviewed, in full, quarterly by the senior management team and at each Audit and Risk Committee meeting. Major strategic risks for both the Foundation and the trading subsidiary are then reported through a Board Assurance Framework to all Trustees at each Board meeting. Additional reviews are carried out as required if and when events occur that affect or add to the risks identified.

A formal review of the risk management process is undertaken annually by all committees and the Board.

The major strategic risks and mitigations identified by the Foundation and its trading subsidiaries as at the end of 2023 are as follows:

Risk	Mitigation
<p>Assets: Trading Subsidiaries Adverse geopolitical, economic or pandemic events and circumstances impacting the activities of the trading subsidiary, and the cyclical trends in the English language market in which the trading subsidiaries operate.</p>	<ul style="list-style-type: none"> • Trading subsidiaries' proactive responses to business conditions. A flexible sales approach and ability to redeploy resource according to circumstances. • Ongoing close monitoring of market developments as the industry continues to recover from the impact of the pandemic. • Financial support in the form of a loan in place with close monitoring by Trustees of activity compared to budgets and forecasts. • Reforming strategic plans to develop and diversify the business ultimately to mitigate the impact of cyclical business streams and international travel issues.
<p>Reputation Damage to the Foundation's brand and reputation due to the activities of others.</p>	<ul style="list-style-type: none"> • Formal agreements with partners for use of intellectual property, clear statements of copyright ownership and use. • Regular monitoring of press and social media and clear crisis communication plans in place. • Policy work is evidence-based, drawn from research and facts.
<p>Controls and assurance: Safeguarding The need for the trading subsidiaries to manage the wellbeing and safety of students to the highest standards.</p>	<ul style="list-style-type: none"> • External safeguarding reviews and inspections undertaken regularly. • Safeguarding systems in place to ensure concerns are escalated. • Appropriate level of DBS (Disclosure and Barring Service) checks for all staff and Trustees at recruitment and regularly thereafter.
<p>Controls and assurance: Financial Income from two sources: the trading subsidiary and investments is influenced by economic factors and that income is insufficient to fund planned charitable programmes.</p>	<ul style="list-style-type: none"> • Trustees' policy of utilising capital to ensure delivery of agreed charitable programmes. • Foundation holds significant reserves that would enable work to be funded in event of major economic downturn. • Five-year financial planning included in annual budget process.

Controls and assurance: Governance

Loss of key staff and inability to recruit.

- Business continuity plans in place.
 - Foundation critical knowledge is documented.
-

Structure, governance, and management**Legal structure and governance**

The Bell Educational Trust Limited is a charitable company limited by guarantee, number 1048465 established on 5 April 1972, and is also a charity registered with the Charity Commission, number 311585. The Bell Educational Trust Limited operates under the name The Bell Foundation.

The Bell Educational Trust Limited is governed by Articles of Association, most recently amended and adopted on 9 September 2011.

The Board of Trustees (“the Board”) is legally responsible for the governance, policy, and decision-making at the highest level. The number of Trustees must not be less than four or more than sixteen. Under the Articles of Association, Trustees are appointed by the Board. The Board meets a minimum of four times a year.

Trustees are appointed for a period of three years and, provided they remain qualified, will be eligible for reappointment but cannot serve for more than three consecutive terms. Each Trustee typically serves on at least one Committee.

The Board, through the Asset Management Committee, has responsibility for ensuring the strategic oversight and review of the Foundation’s assets on a quarterly basis, including its property, assets under management, and trading subsidiaries.

Recruitment, induction, and training of Trustees

The Board, through its Governance Committee, has actively considered the skills base of the existing Board, conducted a skills audit, reviewed Trustee training needs, and conducted a review of compliance with the Charity Code of Governance. There is a full Trustee induction process in place and a set of annually reviewed policies and procedures. Trustees are also advised of, and encouraged to attend, seminars run by various professional bodies, on topics that may be of interest.

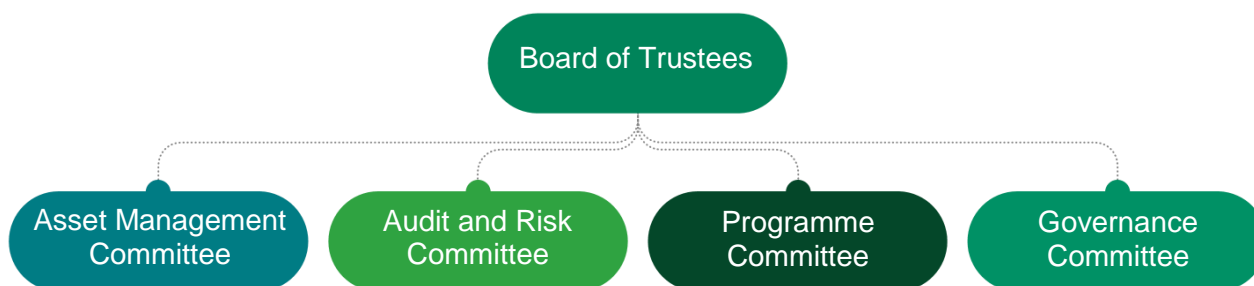
Public benefit

The Trustees are confident that the Foundation meets the public benefit requirements and confirm that they have taken into account the guidance contained in the Charity Commission’s general guidance on public benefit where applicable. The narrative given earlier in this report details the activities undertaken in the year and the public benefit provided.

Related party transactions

There were no related party transactions in 2023.

Board of Trustees and Committees



The Trustees who held office during the year and up to the date of approval of this report were:

	Board meetings attended (Five meetings held in 2023)
Reshard S M Auladin	4
Radha Chakraborty (Chair)	4
Toni E Fazaeli (Vice Chair)	5
John Gandy (Resigned 28 July 2023)	2
David Hughes	5
Elizabeth J King	5
Daria Kuznetsova	5
Camila Reed (Appointed 1 September 2023)	3
Laura Reed (Appointed 1 July 2023)	3
Peter Roscrow	5
Alexander J Scott-Barrett	3
Geoff Spink (Resigned 28 July 2023)	2
Nicholas Tesseyman (Appointed 1 July 2023)	3

The Board delegates the exercise of certain powers in connection with the management and administration of the charity as set out below:

Audit and Risk Committee

	Meetings attended (Three meetings held in 2023)
Reshard S M Auladin	2
Peter Roscrow	3
Alexander J Scott-Barrett (Chair)	3
Geoff Spink (Up to 28 July 2023)	1
Nicholas Tesseyman (From 1 July 2023)	1

The Audit and Risk Committee provides oversight for the Board over risk management, mitigation, and assurance on related controls. It also provides oversight for financial statement integrity with reviews of the auditor's planning, reports and the Foundation's annual report and accounts. In 2023 the committee conducted a review of the Foundation's compliance with the Charity Commission's guidance on Internal Financial Controls for Charities. This review will continue to be conducted annually by the committee.

Asset Management Committee

	Meetings attended (Four meetings held in 2023)
John Gandy (Up to 28 July 2023)	2
Daria Kuznetsova	4
Sarah Philips (Co-optee, from 1 August 2023)	1
Peter Roscrow (Chair)	4
Alexander J Scott-Barrett	4
Nicholas Tesseyman (From 1 July 2023)	1

The Asset Management Committee monitors the performance of the Foundation's assets against the Asset, Investment and Reserves Policy. During 2023 the Committee provided support to the Board's decisions on the amendments of the loan with the trading subsidiary and provided oversight as the change of investment manager was completed, both as commented on in detail within the financial review above.

Governance Committee

	Meetings attended (Four meetings held in 2023)
Reshard S M Auladin (Chair)	4
Radha Chakraborty	2
Toni E Fazaeli	4
Elizabeth J King	4

Ensuring strong governance of the Foundation, included within the Governance Committee's work is the review of the Code of Governance, Code of Conduct Policy, Conflict of Interest Policy, and other annual policy reviews. The Committee undertakes the annual Trustee skills audit, and reviews and recommends the Foundation's senior management pay and remuneration, and the pay of the Executive and Non-Executive Directors in the trading subsidiary. During 2023 the Committee oversaw the changes to the executive team for the wholly-owned trading subsidiary, Bell Educational Services Ltd. The changes are commented on in detail within the trading subsidiary's section of the financial review above.

Programme Committee

	Meetings attended (Three meetings held in 2023)
Toni E Fazaeli	3
David Hughes	2
Elizabeth J King (Chair)	3
Daria Kuznetsova	3
Laura Reed (From 1 July 2023)	1

The Programme Committee provides challenge and support to the staff on the strategic planning and implementation of the Foundation's programmatic activity.

Trustees' indemnities

The charity Trustees' liability policy includes protection for the Trustees and officers, past and present, in their personal capacity in circumstances where they cannot claim indemnity from the charity, following legal action against them in their role for wrongful acts made within the period of insurance. This policy is reviewed annually.

Employees

There is a continued commitment to employee engagement and involvement throughout the organisation. Employees in the charity, and in the trading subsidiaries, are kept informed of performance and strategy through regular meetings with the respective senior management teams throughout the year.

All employees have access to an Employee Assistance Programme providing support from a range of services, and the Foundation has trained Mental Health First Aiders and Mental Health First Aid Champions throughout the organisation to support colleagues.

The Foundation is committed to being a fully inclusive organisation, ensuring all staff are empowered to contribute fully to the organisation's work, it supports equality of opportunity and promotes an inclusive culture.

Statement of Trustees' responsibilities and corporate governance

The Trustees (who are also directors of The Bell Educational Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS102 "The Financial Reporting Accounting Standard" applicable in the UK and Ireland. Under company law Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP (FRS102).
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group 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 charitable company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that so far as each Trustee is aware:

- There is no relevant audit information of which the charitable Group's auditor is unaware.

- The Trustees have taken all steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the charitable Group's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Trustees of The Bell Educational Trust Limited on 26 June 2024 and signed on its behalf by



Radha Chakraborty, Chair of Trustees

Independent Auditor's Report and Financial Statements

Independent Auditor's report to the members of The Bell Educational Trust Limited

Opinion

We have audited the financial statements of The Bell Educational Trust Limited (the "parent charitable company") and its subsidiaries (the "Group") for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Cash Flow Statement, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2023, and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees' remuneration specified by law are not made: or
- We have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also directors of the charitable company for the purposes 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company, or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities, and skills to identify or recognise non-compliance with applicable laws and regulations.
- We identified the laws and regulations applicable to the Group through discussions with Trustees and other management, and from our knowledge and experience of the sector.
- We obtained an understanding of the legal and regulatory framework applicable to the Group and how the Group is complying with that framework.
- We obtained an understanding of the Group's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance.
- We identified which laws and regulations were significant in the context of the Group. The Laws and regulations we considered in this context were Companies Act 2006, Charities Act 2011 and taxation legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.
- In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group's ability to operate or to avoid material penalty; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policy were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reviewing minutes of meetings of those charged with governance; and
- Enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Hewett (Senior Statutory Auditor)

for and on behalf of

PETERS ELWORTHY & MOORE

Chartered Accountants and Statutory Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

Date: 26 June 2024

Consolidated Statement of Financial Activities, 31 December 2023

Including the income and expenditure account

	Note	Restricted funds 2023 £'000	Unrestricted funds 2023 £'000	Total funds 2023 £'000	Restricted funds 2022 £'000	Unrestricted funds 2022 £'000	Total funds 2022 £'000
Income from:							
Donations		-	-	-	-	-	-
Charitable activities	4	-	87	87	-	61	61
Language schools' trading activities	3	-	14,200	14,200	-	9,550	9,550
Other income	3	-	-	-	-	-	-
Investments	10	-	744	744	-	472	472
Total income		-	15,031	15,031	-	10,083	10,083
Expenditure on raising funds:							
Language schools' trading activities	6a	-	13,367	13,367	-	9,337	9,337
Investment management fees	9a	-	138	138	-	122	122
Total expenditure on raising funds		-	13,505	13,505	-	9,459	9,459
Charitable expenditure:							
EAL Programme	6b	-	895	895	-	816	816
Criminal Justice Programme		-	329	329	-	554	554
ESOL Programme		-	345	345	-	250	250
Total charitable expenditure		-	1,569	1,569	-	1,620	1,620
Total expenditure		-	15,074	15,074	-	11,079	11,079
Net (expenditure)/income before tax		-	(43)	(43)	-	(996)	(996)
Tax	7	-	(54)	(54)	-	159	159
Net (expenditure)/income before gains/(losses) on investments		-	(97)	(97)	-	(837)	(837)
Net gains/(losses) on investments	9c	-	2,286	2,286	-	(3,258)	(3,258)
Net income/(expenditure) before other recognised gains/(losses)		-	2,189	2,189	-	(4,095)	(4,095)
Other recognised gains/(losses): Effect of movement in exchange rates		-	23	23	-	53	53
Net movement in funds		-	2,212	2,212	-	(4,042)	(4,042)
Reconciliation of funds:							
Total funds brought forward	15	-	39,809	39,809	-	43,851	43,851
Total funds carried forward	15	-	42,021	42,021	-	39,809	39,809

There were no recognised gains or losses other than those included above. All income and expenditure derived from continuing activities. The notes on pages 38 to 59 form part of these financial statements.

The Bell Educational Trust Limited, Company Number 1048465

Consolidated and Charity Balance Sheets 31 December 2023

	Note	Group		Charity	
		31 December		31 December	
		2023	2022	2023	2022
		£'000	£'000	£'000	£'000
Fixed Assets					
Intangible assets	8a	78	85	52	80
Tangible assets	8b	11,180	11,125	10,434	10,583
Investments	9a,9b	25,789	23,562	27,789	25,562
Total fixed assets		37,047	34,772	38,275	36,225
Current assets					
Debtors	11	1,466	1,751	1,052	1,634
Cash at bank and in hand	18	8,880	8,977	5,620	5,546
Total current assets		10,346	10,728	6,672	7,180
Creditors: amounts falling due within one year	12	(5,279)	(5,615)	(536)	(1,006)
Net current assets		5,067	5,113	6,136	6,174
Total assets less current liabilities		42,114	39,885	44,411	42,399
Creditors: amounts falling due after more than one year	13	(93)	(76)	(93)	(76)
Provisions for liabilities	14	-	-	-	-
Net assets		42,021	39,809	44,318	42,323
The funds of the charity					
Unrestricted funds	15	42,021	39,809	44,318	42,323
Restricted funds	15	-	-	-	-
Total funds		42,021	39,809	44,318	42,323

The financial statements on pages 35 to 59 were approved by the Board of Trustees and authorised for issue on 26 June 2024.



Radha Chakraborty

The notes on pages 38 to 59 form part of these financial statements.

Consolidated Statement of Cash Flows for the year ended 31 December 2023

	Note	2023 £'000	2022 £'000
Cash flows from operating activities:			
Net cash provided by operating activities	17	<u>(445)</u>	<u>(169)</u>
Cash flows from investing activities:			
Investment income		742	472
Purchase of tangible fixed assets		(360)	(153)
Purchases of intangible fixed assets		<u>(34)</u>	<u>-</u>
Net cash provided by investing activities		<u>348</u>	<u>319</u>
Change in cash and cash equivalents in the year		(97)	150
Cash and cash equivalents at 1 January		<u>8,977</u>	<u>8,827</u>
Cash and cash equivalents at 31 December	18	<u>8,880</u>	<u>8,977</u>

The notes on pages 38 to 59 form part of these financial statements.

Notes forming part of the Financial Statements

1. Accounting policies

General information

The Bell Educational Trust Limited (“the charity”) is a charity working in the UK in partnership with other organisations working with children, young people, adults, and communities with English as a Second or Additional Language. The charity is incorporated and domiciled in the UK. Its registered office is 1 Red Cross Lane, Cambridge CB2 0QU.

Statement of compliance

These 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 (FRS102) 2nd edition (effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), and the Companies Act 2006.

The Bell Educational Trust Limited meets the definition of a public benefit entity under FRS102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Summary of significant accounting policies

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. The company has adopted FRS102 and Accounting and Reporting by Charities: Statement of Recommended Practice.

The preparation of financial statements in conformity with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company’s accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant that require disclosure in these financial statements, except as set out below:

Preparation of the financial statements on a going concern basis

There are no material uncertainties affecting the Group’s ability to operate and therefore these financial statements have been prepared on a going concern basis. In assessing the going concern status, the Trustees have considered the financial position of the trading subsidiary, Bell Educational Services Ltd, whose trading was severely impacted by the consequences of the pandemic. The trading subsidiary is now reporting income recovery with forecasts extending that trend to a recovered pre-pandemic level of activity in 2024. Financial support in the form of a Revolving Credit Facility as set out in notes 11 and 22 continues to be provided. Based on the Trustees’ review of the latest available plans, budgets, and cashflow projections for the Foundation and the Group, together with the underlying net asset position of the Foundation, the Trustees are satisfied that it is reasonable to prepare the Foundation and Group financial statements on a going concern basis.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the charity and all its subsidiary undertakings on a line-by-line basis. Accounting policies are applied consistently throughout the Group.

No separate Statement of Financial Activities (SOFA) or income and expenditure account is presented for the charity itself, as permitted by Section 408(3) of the Companies Act 2006.

Foreign currencies

The Group's functional currency and presentation currency is the pound sterling.

Foreign currency transactions of individual companies are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. Any differences are taken to net income in the statement of financial activities.

The results of overseas operations are translated at the average rates of exchange during the year, and the balance sheet translated into sterling at the rate of exchange ruling on the balance sheet date. Exchange differences that arise from translation of the opening net assets and results of foreign subsidiary undertakings are recorded as other recognised gains and losses in the Statement of Financial Activities as the effect of movement in exchange rates.

Revenue recognition

All income is included in the Statement of Financial Activities when the Group has entitlement to the income, any performance conditions attached to the item of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from grants, whether "capital" grants or "revenue" grants, is recognised when the charity has entitlement to the grant, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

Fees from the sale of services to third-party customers in the education sector are stated net of any applicable discounts and value added tax. Fees are recognised when the services are provided, with any fees invoiced in advance included within deferred income until the service is provided. Fees are recognised as income over the period of course delivery.

Income received in advance of the provision of the specified service is deferred until the criteria for income recognition are met.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and the right to receive payments has been established.

Funds

Unrestricted funds which have not been designated for other purposes are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds are amounts that have been set aside at the discretion of the Trustees for a specific, but not legally binding, purpose.

Restricted funds are those funds that have a specific purpose within the charity's wider objectives set by the provider of the funds.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of the commercial language schools' operations and their associated support costs.
- Expenditure on charitable activities includes the costs of service delivery and grants made to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, and governance costs that support the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated is set out in note 6.

Operating leases

Rentals payable under operating leases are charged through the net income/expenditure part of the Statement of Financial Activities on a straight-line basis over the terms of the leases.

Taxation

Current tax, including UK Corporation Tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax has not been booked in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase price if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Intangible fixed assets and amortisation

Software is stated at cost less accumulated amortisation. Cost includes the original purchase price and costs directly attributable to bringing the asset to its working condition for its intended use.

Amortisation is provided to write off the asset on a straight-line basis at an annual rate of 20 per cent on cost.

Course development relates to the cost of developing courses for international schools and is stated at cost less accumulated amortisation. Costs are those which are directly attributable to developing the courses to a point at which the training they provide can be delivered. Amortisation is provided to write off the asset on a straight-line basis at an annual rate of 20 per cent on cost.

Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives on a straight-line basis. It is calculated at the following rates:

Fixtures, fittings, and equipment	Annual rate
• Furniture and equipment	20.0%
• Computer equipment	33.3%

Operational property fixed assets are included at open market value. These revaluations result in the revaluation reserve, and movements are reflected in the other comprehensive income within the Statement of Financial Activities. Operational properties are depreciated over their estimated economic life on a straight-line basis as follows:

Property	Annual rate
• Freehold land	0%
• Freehold buildings	2% on cost

Investment assets

Investment property is recognised at its fair value at the balance sheet date using a professional valuation.

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing mid-market bid value.

The Statement of Financial Activities includes the net unrealised gains and losses arising on revaluation and realised gains and losses arising from disposals in the year as part of the Group's net income. Realised gains and losses are calculated as the difference between the sales proceeds and the opening carrying value or the purchase value if acquired in the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and the opening carrying value or purchase value if acquired during the year.

The Group does not enter into or acquire complex financial instruments.

The main form of financial risk faced by the Group is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equity and fixed interest investments.

Shareholdings in the subsidiary companies are stated at cost less any provision for impairment.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of trade discounts due.

Cash at bank and in hand

Cash includes cash in hand and deposits held at call with banks.

Creditors

Creditors and provisions are recognised where the Group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Employee benefits

The Group provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Under the defined contribution pension plans, the Group pays fixed contributions to a separate entity. Once the contributions have been paid, the Group has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plans are held separately from the Group in independently administered funds.

2. Financial performance of the charity

The consolidated Statement of Financial Activities includes the results of the charity's wholly-owned subsidiary, Bell Educational Services Ltd, and its wholly-owned subsidiary Bell Switzerland SA, that both operate language schools and are thus referenced in the notes below as "Language Schools". The summary financial performance of the charity alone is:

	Note	2023 £'000	2022 £'000
Income		1,652	1,370
Expenditure		(1,943)	(1,975)
Tax		-	-
		<u>(291)</u>	<u>(605)</u>
Net investment gains/(losses)	9c	<u>2,286</u>	<u>(3,258)</u>
Net income/(expenditure)		1,995	(3,863)
Total funds brought forward		42,323	46,186
		44,318	42,323
Represented by:			
- Unrestricted income fund		10	1
- Unrestricted designated fund		3,100	3,400
- Unrestricted capital fund		41,208	38,922
Total		44,318	42,323

3. Income from language schools

Activities for generating funds: language schools

A geographic analysis of fees receivable for educational services is set out below:

	Restricted 2023 £'000	Unrestricted 2023 £'000	Total 2023 £'000	Total 2022 £'000
United Kingdom	-	10,134	10,134	5,927
Europe	-	3,912	3,912	3,468
Far East	-	154	154	155
Total	-	14,200	14,200	9,550

Fees receivable in the UK relate to educational services delivered in the UK to students, primarily from overseas, who in 2023 represented 85 (2022: 90) different nationalities from around the world. All income in the prior year was unrestricted.

4. Income from charitable activities

	Restricted 2023 £'000	Unrestricted 2023 £'000	Total 2023 £'000	Total 2022 £'000
Fees for charitable activities	-	87	87	61
Grants	-	-	-	-
Total	-	87	87	61

All income from charitable activities arose within the United Kingdom. All income in the prior year was unrestricted.

5. Staff and Trustee costs

	<u>Group</u>		<u>Charity</u>	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Staff costs consist of:				
- Wages and salaries	5,948	5,016	923	813
- Social security costs	673	563	93	85
- Other pension costs	130	116	45	40
Total	6,751	5,695	1,061	938

The Group operates a defined contribution stakeholder pension scheme on behalf of its employees. The other pension costs disclosed above represent contributions payable by the Group to the scheme for the year. Contributions amounting to £1,681 (2022: £3,311) were outstanding at the year end and are included in creditors.

The monthly average number of employees, excluding Trustees, during the year was:

	2023 No.	2022 No.
Commercial language schools' operations		
- Tutorial and academic support	92	83
- Office, management, and ancillary	73	48
Charitable activities	24	21
Total	189	152

The number of employees within the charity and the Group with benefits (excluding pension contributions) of more than £60,000 in the year are analysed as follows:

	Group		Charity	
	2023 No.	2022 No.	2023 No.	2022 No.
£60,000 – £69,999	5	2	-	-
£70,000 – £79,999	3	4	1	1
£80,000 – £89,999	-	1	-	-
£90,000 – £99,999	2	1	1	1
£100,000 – £109,999	-	1	-	-
£110,000 – £119,000	1	1	-	-
£120,000 – £129,000	2	-	-	-
£160,000 – £169,000	-	1	-	-

Pension contributions of £6,419 (2022: £8,037) were paid on behalf of the highest-paid employee in the Group. Pension contributions of £27,286 (2022: £33,345) were paid, in total, on behalf of all employees in the Group earning more than £60,000 per annum.

The key management personnel of the parent charity comprised the Foundation Director, Chief Financial Officer, Head of Training and Resources, Head of Communications and, the Head of Policy and Programmes. The total employment benefits of the key management personnel of the charity for the year were £365,813 (2022: £325,077).

The key management personnel of the Group comprised the senior management team of the charity (as listed above) and the Board of four (2022: five) directors of the wholly-owned trading subsidiary, Bell Educational Services Ltd. The total employment benefits of the key management personnel of Bell Educational Services Ltd for the year were £339,969 (2022: £367,049). The employee benefits of key management personnel of the Group were therefore £705,782 (2022: £692,126).

In 2023 and 2022, the three highest-paid employees were employed in the trading subsidiary, Bell Educational Services Ltd and its subsidiary, Bell Switzerland SA. The highest-paid employee within the Group, who was employed in the trading subsidiary's subsidiary, Bell Switzerland SA, received emoluments of £128,851 (2022: the highest paid employee within the group was employed in the trading subsidiary, Bell Educational Services Ltd, and received emoluments of £162,317).

No Trustee received remuneration, pension contribution, or accrued any other form of retirement benefit during the current or previous year. Trustees' out-of-pocket expenses for travel and subsistence of £1,876 (2022: £1,862) were reimbursed during the year to nine (2022: six) Trustees.

Indemnity insurance premiums of £3,636 (2022: £3,793) were paid on behalf of Trustees and officers of the charity during the year. These premiums were paid by the charity on behalf of the Trustees and officers in order to indemnify them against personal liability from acts conducted in the performance of their duties.

No Trustee received payment for professional or other services supplied to the charity (2022: £0).

6. Analysis of resources expended

a) Activities for generating funds: language schools

	2023 £'000	2022 £'000
Direct cost of language education	7,437	5,152
Administrative expenditure	5,854	4,109
Depreciation of freehold buildings and related assets of language schools	76	76
Expenditure on raising funds	13,367	9,337

Activities in 2023 included £nil of restricted expenditure (2022: £nil).

b) Charitable activities

	Grant funding	Programme delivery	Support costs (includes governance costs)	Total	Including restricted expenditure of
	2023 £'000	2023 £'000	2023 £'000	2023 £'000	2023 £'000
EAL Programme	-	636	259	895	-
Criminal Justice Programme	70	129	130	329	-
ESOL Programme	47	169	129	345	-
Total	117	934	518	1,569	-

	Grant funding	Programme delivery	Support costs (includes governance costs)	Total	Including restricted expenditure of
	2022 £'000	2022 £'000	2022 £'000	2022 £'000	2022 £'000
EAL Programme	-	585	231	816	-
Criminal Justice Programme	345	94	115	554	-
ESOL Programme	42	93	115	250	-
Total	387	772	461	1,620	-

c) Grants

The grant commitments made during the year in furtherance of the charity's objects and for public benefit were made to institutions and were as follows:

	Grants to institutions	
	2023 £'000	2022 £'000
Criminal Justice Programme		
Harrow Law	4	39
Hibiscus Initiatives	5	100
Why me? ⁸	9	-
Greater Manchester Law Centre	3	57
Prison Advice and Care Trust	-	137
The Law Centre Network	1	11
The Institute for Criminal Policy Research (ICPR), Birkbeck College, University of London ⁹	-	1
Suffolk Law Centre	48	-
Criminal Justice Programme total grant commitments	70	345
ESOL Programme		
East of England Local Government Association's Strategic Migration Partnership	-	34
Kent Refugee Action Network	1	-
Refugee Action	4	-
Refugee Education UK	3	9
High Trees	50	-
	58	43
Grants previously awarded not utilised:		
- Institute of Education (IoE), University College London	-	(1)
- East of England Local Government Association's Strategic Migration Partnership	(11)	
ESOL Programme total grant commitments	47	42
Total grant commitments	117	387

Grant making support costs are included within the support costs detailed under 6b and are as summarised below:

Programme	Grants to institutions	Support costs	Total grant making costs	Grants to institutions	Support costs	Total grant making costs
	2023 £'000	2023 £'000	2023 £'000	2022 £'000	2022 £'000	2022 £'000
Criminal Justice	70	11	81	345	29	374
ESOL	47	11	58	42	29	71
Total	117	22	139	387	58	445

⁸ The amount in 2023 was an additional (and final) amount to the original grant commitment made in 2021.

⁹ The amount in 2022 was an additional (and final) amount to the original grant commitment made in 2018.

d) Analysis of governance and support costs

The charity initially identifies the costs of its support functions. These costs include the costs associated with governance. The total costs are then apportioned between the three charitable programmes. The table below sets out the basis for apportionment and the analysis of the support costs.

	Programme			Total 2023 £'000	Total 2022 £'000	Basis of apportionment
	EAL	Criminal Justice	ESOL			
	2023 £'000	2023 £'000	2023 £'000			
Support costs						
Salaries	97	49	49	195	140	Staff time
Governance	91	46	45	182	194	Staff time, actual costs
General office costs	71	35	35	141	127	Actual costs
Total	259	130	129	518	461	

In 2022 and 2023, governance costs included the professional advice for the Trustees in support of amendments to the loan facility for the trading subsidiary, Bell Educational Services Ltd.

e) Net incoming resources before other recognised gains and losses are stated after charging:

	2023 £'000	2022 £'000
Depreciation of tangible assets: owned	313	255
Amortisation of intangible fixed assets	41	38
Operating lease rentals:		
- Other assets	968	687
External auditor's remuneration:		
- Audit of the charity's financial statements	30	29
- Audit of the trading subsidiaries' financial statements	24	26
- Tax compliance services	4	8

7. Taxation

The company is a charity within the meaning of Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of 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.

The Group was liable to taxation as detailed below:

	Note	2023 £'000	2022 £'000
Analysis of tax charge in the year			
Current tax			
- Corporate taxes on profit for the year		54	65
- Adjustment in respect of previous periods		-	(224)
Total current tax		54	(159)
Deferred tax	14	-	-
Total taxation on profit on ordinary activities		54	(159)

The charge for the year can be reconciled to the income from commercial activities as follows:

	2023 £'000	2022 £'000
Profit from commercial activities before tax but after Gift Aid:	510	(114)
Profit/(loss) on ordinary activities at the standard rate of Corporation Tax in the UK of 23.52% (2022: 19%)	120	(22)
Effect of:		
- Expenses not deductible for tax purposes	6	4
- Fixed asset timing differences	(8)	(9)
- Group income	(85)	(72)
- Adjustment from previous periods	-	(224)
- Differences in overseas taxation rates	(38)	(13)
- Short-term timing difference	-	1
- Deferred tax asset not recognised	59	176
Total taxation on profit on ordinary activities	54	(159)

The Finance Act 2021 (FA 2021) received Royal Assent on 10 June 2021 increasing the current tax rate from 19% to 25% on 1 April 2023. For the financial year ended 31 December 2023, the weighted averaged current tax rate was 23.52%.

8. Intangible and tangible fixed assets

a) Intangible fixed assets

	Group			Charity		
	Software	Course development	Total	Software	Course development	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
1 January 2023	86	84	170	56	84	140
Additions	34	-	34	-	-	-
Disposals	(29)	-	(29)	-	-	-
31 December 2023	91	84	175	56	84	140
Amortisation						
1 January 2023	51	34	85	26	34	60
Additions	24	17	41	11	17	28
Disposals	(29)	-	(29)	-	-	-
31 December 2023	46	51	97	37	51	88
Net book value						
31 December 2022	35	50	85	30	50	80
31 December 2023	45	33	78	19	33	52

b) Tangible fixed assets

	Group			Charity	
	Freehold land and buildings £'000	Fixtures, fittings, and equipment £'000	Total £'000	Freehold land and buildings £'000	Total £'000
Cost or valuation					
1 January 2023	11,023	2,467	13,490	11,023	11,023
Additions	-	360	360	-	-
Foreign exchange changes	-	14	14	-	-
Disposals	-	-	-	-	-
31 December 2023	11,023	2,841	13,864	11,023	11,023
Accumulated depreciation					
1 January 2023	440	1,925	2,365	440	440
Provided for the year	149	164	313	149	149
Foreign exchange changes	-	6	6	-	-
Disposals	-	-	-	-	-
31 December 2023	589	2,095	2,684	589	589
Net book value					
31 December 2022	10,583	542	11,125	10,583	10,583
31 December 2023	10,434	746	11,180	10,434	10,434

Freehold buildings were revalued at 31 December 2019, on the basis of fair value by Bidwells, Cambridge, in accordance with the RICS Valuation – Global Standards 2017. At that date freehold land and buildings were revalued to £10,700,000 in total. The Trustees ordinarily seek updated valuations every five years with the next scheduled valuation of freehold buildings due at the end of 2024.

Despite the past few years' disruption associated with the pandemic and whether this might temporarily affect the ordinary operation of the market for specialist assets such as the land and educational buildings owned by the charity, Trustees do not consider that there has been a material change to underlying valuation assumptions since the revaluation conducted in 2019. Discussion with the Foundation's property advisors in 2020 and again in 2021 did not indicate that there was any reason to believe that knowledgeable, willing parties acting reasonably in an arm's length transaction, would pay materially less for this property than they would have paid on 31 December 2019. There have been no other external events since 2019 to reasonably believe this view would be different. Accordingly, Trustees have made no impairment to the asset value.

The historical cost net book value (cost less depreciation) of the freehold land and buildings is £5,405,992 (2022: £5,551,414). Depreciation is provided for on freehold buildings at valuation in accordance with FRS102.

9. Investments

a) Group and charity investments

Group	Note	Listed investments	
		2023	2022
		£'000	£'000
Market value at 1 January		23,562	26,944
Additions		15,185	4,514
Disposals		(14,971)	(5,002)
Revaluations	9c	2,211	(2,714)
Cash movements		(198)	(180)
Market value at 31 December		25,789	23,562

Charity	Note	Investment		Total investments	Total investments
		Subsidiary company	Listed		
		2023	2023	2023	2022
		£'000	£'000	£'000	£'000
Cost or market value at 1 January		2,000	23,562	25,562	28,944
Additions		-	15,185	15,185	4,514
Disposals		-	(14,971)	(14,971)	(5,002)
Revaluations	9c	-	2,211	2,211	(2,714)
Cash movements		-	(198)	(198)	(180)
Cost or market value at 31 December		2,000	25,789	27,789	25,562

Listed investments at fair value comprised:

Group	Listed investments	
	2023	2022
	£'000	£'000
Property and infrastructure	781	1,305
Equities	20,553	19,318
Fixed interest	4,028	2,314
Cash	427	625
Market value at 31 December	25,789	23,562

Investment manager fees in the year totalled £138,000 (2022: £122,000).

b) Group companies

Group company name	Country of incorporation /registration	Class of shares held	Holding	Nature of business	Year end
Bell Educational Services Ltd Company number 07169627	UK	Ordinary	100%	Language school	31 December
Bell Switzerland SA * Company number CHE 103.199.737	Switzerland	Ordinary	100%	Language school	31 December

* Owned by Bell Educational Services Ltd

The assets, liabilities, and funds at the end of the year for the subsidiary companies are as follows:

	Assets		Liabilities		Net assets/ (liabilities)	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Bell Educational Services Ltd	4,324	4,658	4,552	5,006	(228)	(348)
Bell Switzerland SA	2,130	1,977	1,499	1,343	630	634

Turnover, expenditure, and the profit/(loss) (2022: (loss)/profit) for the year for the subsidiary companies are as follows:

	Turnover		Expenditure		Profit/(loss) for the year	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Bell Educational Services Ltd	10,288	6,082	10,845	7,190	120	(302)
Bell Switzerland SA	3,912	3,468	3,526	3,059	336	347

The result for the year for Bell Educational Trust Ltd includes a dividend of £362,000 (2022: £378,000) from Bell Switzerland SA.

As noted in the earlier Financial Review and Results section, the UK trading subsidiary, Bell Educational Services Ltd, was severely impacted by the consequences of the pandemic. The trading subsidiary is now reporting income recovery with a profit (after the receipt of dividend from Bell Switzerland SA) reported in 2023 for the first time since 2020. Forecasts extend that recovery trend to a pre-pandemic level of income and profit in 2024. That said, the impact through 2020 to 2022 resulted in losses deteriorating the net asset value of the trading subsidiary, and despite the profit reported in 2023, net assets remain negative at £228,000 as at 31 December 2023 whilst the carrying value in the charity of the trading subsidiary is £2,000,000.

The deterioration of the net asset value was reasonably considered to be temporary. The provision of a short-term loan to the trading subsidiary by the charity has delivered support to the subsidiary to continue to achieve the forecast recovery. In reviewing the forecasts set out, the calculated present value of cash flows supports the carrying value of £2,000,000.

Trustees therefore consider that the carrying value in the trading subsidiary is supported by its underlying assets (which include the trading subsidiary's 100 per cent shareholding in Bell Switzerland SA) and future income expectations, and as such no impairment to the value has been made.

c) Net investment gains/(losses)

	2023 £'000	2022 £'000
Realised gains/(losses) on investments	75	(544)
Unrealised gains/(losses) on investments	2,211	(2,714)
	2,286	(3,258)

10. Investment income

	2023 £'000	2022 £'000
Interest receivable on interest-bearing deposit accounts	320	76
Dividends	424	396
	744	472

11. Debtors

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Fees receivable	429	677	10	2
Sundry debtors	286	499	-	300
Prepayments and accrued income	742	507	17	12
Corporate Tax	9	68	-	-
Amounts due from Group undertakings	-	-	1,025	1,320
	1,466	1,751	1,052	1,634

Debtors for the Group include £nil (2022: £nil) due in more than one year.

Debtors for the Charity include £1,000,000 (2022: £1,300,000) representing the loan to Bell Educational Services Ltd which is due in more than one year.

12. Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Fees received in advance (see below)	3,292	3,554	-	-
Trade creditors	711	602	12	18
Amounts owed to Group undertakings	-	-	22	227
Taxation and social security costs	121	109	26	23
Corporate Tax	-	-	-	-
Other creditors	206	199	-	-
Grants payable (see below)	164	472	164	472
Accruals and deferred income (see below)	785	679	312	266
	5,279	5,615	536	1,006

The table below shows the reconciliation between grants approved and grants paid during the year.

	Note	2023	2022
		£'000	£'000
Amounts outstanding at 1 January		548	437
Grants approved		128	388
Grants not utilised		(11)	(1)
Grants paid		(408)	(276)
Amounts outstanding at 31 December		257	548
Split as follows:			
Amounts falling due within one year		164	472
Amounts falling due after more than one year	13	93	76
		257	548

The following table shows the reconciliation of deferred income, including fees received in advance, during the year.

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Deferred income and fees received in advance at 1 January	3,619	2,374	179	143
Foreign exchange changes	46	92	-	-
Resources deferred during the year	3,198	3,418	739	714
Amounts released from previous periods	(3,543)	(2,265)	(725)	(678)
Deferred income and fees received in advance at 31 December	3,320	3,619	193	179

The charity receives lease rentals in advance of the period to which they relate; income is recognised in the month to which the rental relates. Since the trading subsidiary is the tenant, then the deferred income is eliminated on consolidation.

The trading subsidiary receives payments in advance of courses. The income is recognised in the month in which the courses take place.

13. Creditors: amounts falling due after more than one year

	Note	Group		Charity	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
Grants payable	12	93	76	93	76

14. Deferred taxation

As at 31 December 2023 the trading subsidiary, Bell Educational Services Ltd, had tax losses net of other taxable timing differences of circa £2,500,000 (2022: £2,400,000) available to potentially offset against future taxable profits. A deferred tax asset of £637,000 (2022: £609,000) has not been recognised in respect of these losses as at 31 December 2023 as it is not sufficiently certain that Bell Educational Services Ltd will generate taxable profits in the foreseeable future.

15. Statement of funds

Group	Unrestricted funds				Restricted funds	Total funds
	Income fund	Designated fund	Capital fund	Foreign exchange reserve		
	2023	2023	2023	2023	2023	2023
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January	(2,133)	3,400	38,494	48	-	39,809
Incoming resources	15,031	-	-	-	-	15,031
Resources expended	(15,128)	-	-	-	-	(15,128)
Transfers between funds	97	(300)	203	-	-	-
Investment gains Note 9c	-	-	2,286	-	-	2,286
Change in net value of investment in overseas subsidiary due to the movement in exchange rates	15	-	-	8	-	23
At 31 December	(2,118)	3,100	40,983	56	-	42,021

Charity	Unrestricted funds			Restricted funds	Total funds
	Income fund	Designated fund	Capital fund		
	2023	2023	2023	2023	2023
	£'000	£'000	£'000	£'000	£'000
At 1 January	1	3,400	38,922	-	42,323
Incoming resources	1,652	-	-	-	1,652
Resources expended	(1,943)	-	-	-	(1,943)
Transfers between funds	300	(300)	-	-	-
Investment gains/(losses) Note 9c	-	-	2,286	-	2,286
At 31 December	10	3,100	41,208	-	44,318

Group comparative year	Unrestricted funds				Restricted funds	Total funds
	Income fund	Designated fund	Capital fund	Foreign exchange reserve		
	2022	2022	2022	2022	2022	2022
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January	(1,892)	-	45,705	38	-	43,851
Incoming resources	10,083	-	-	-	-	10,083
Resources expended	(10,920)	-	-	-	-	(10,920)
Transfers between funds	553	3,400	(3,953)	-	-	-
Investment gains Note 9c	-	-	(3,258)	-	-	(3,258)
Change in net value of investment in overseas subsidiary due to the movement in exchange rates	43	-	-	10	-	53
At 31 December	(2,133)	3,400	38,494	48	-	39,809

Charity comparative year	Unrestricted funds			Restricted funds	Total funds
	Income fund	Designated fund	Capital fund		
	2022	2022	2022		
	£'000	£'000	£'000	£'000	£'000
At 1 January	6	-	46,180	-	46,186
Incoming resources	1,370	-	-	-	1,370
Resources expended	(1,975)	-	-	-	(1,975)
Transfers between funds	600	3,400	(4,000)	-	-
Investment (losses)/gains	-	-	(3,258)	-	(3,258)
	Note 9c				
At 31 December	1	3,400	38,922	-	42,323

The Unrestricted Income Fund represents the free funds of the charity that are not designated for specific purposes.

As noted on page 22, the Designated Fund ensures sufficient funding to finance the Foundation's rolling five-year plans with an allowance for reasonable contingencies.

The Capital Fund represents the cost of assets held for investment purposes and the long-term sustainability of the Foundation and includes the statutory revaluation reserve and a balance of uninvested cash.

16. Analysis of net assets between funds

Fund balances as at 31 December 2023 are represented by:

Group	Unrestricted funds				Restricted funds	Total funds
	Income fund	Designated fund	Capital fund	Foreign exchange reserve		
	2023	2023	2023	2023		
	£'000	£'000	£'000	£'000	£'000	£'000
Intangible assets	78	-	-	-	-	78
Tangible fixed assets	-	-	11,180	-	-	11,180
Investments	-	-	25,789	-	-	25,789
Net current assets	(2,103)	3,100	4,014	56	-	5,067
Creditors due after more than one year	(93)	-	-	-	-	(93)
Total net assets	(2,118)	3,100	40,983	56	-	42,021

Charity	Unrestricted funds			Restricted funds	Total funds
	Income fund	Designated fund	Capital fund		
	2023	2023	2023		
	£'000	£'000	£'000	£'000	£'000
Intangible assets	52	-	-	-	52
Tangible fixed assets	-	-	10,434	-	10,434
Investments	-	-	27,789	-	27,789
Net current assets	51	3,100	2,985	-	6,136
Creditors due after more than one year	(93)	-	-	-	(93)
Total net assets	10	3,100	41,208	-	44,318

As set out in the Reserves Policy commentary on page 22, the designated fund is represented by a portion of the Foundation's uninvested cash balances (which are recorded within net assets) and is set at a level to support the five-year financial plans of the Foundation.

Fund balances as at 31 December 2022 were represented by:

	Unrestricted funds				Restricted funds	Total funds
	Income fund	Designated fund	Capital fund	Foreign exchange reserve		
Group comparative year	2022	2022	2022	2022	2022	2022
	£'000	£'000	£'000	£'000	£'000	£'000
Intangible assets	85	-	-	-	-	85
Tangible fixed assets	-	-	11,125	-	-	11,125
Investments	-	-	23,562	-	-	23,562
Net current assets	(2,142)	3,400	3,807	48	-	5,113
Creditors due after more than one year	(76)	-	-	-	-	(76)
Total net assets	(2,133)	3,400	38,494	48	-	39,809

	Unrestricted funds			Restricted funds	Total funds
	Income fund	Designated fund	Capital fund		
Charity comparative year	2022	2022	2022	2022	2022
	£'000	£'000	£'000	£'000	£'000
Intangible assets	80	-	-	-	80
Tangible fixed assets	-	-	10,583	-	10,583
Investments	-	-	25,562	-	25,562
Net current assets	(3)	3,400	2,777	-	6,174
Creditors due after more than one year	(76)	-	-	-	(76)
Total net assets	1	3,400	38,922	-	42,323

17. Reconciliation of net income to net cash provided by operating activities

	Note	2023	2022
		£'000	£'000
Net income/(expenditure) for the year		2,212	(4,042)
Adjustments for:			
Depreciation of tangible fixed assets		313	255
Amortisation of intangible fixed assets		41	38
(Gains)/losses on investments	9c	(2,286)	3,258
Interest received		(742)	(472)
Decrease/(increase) in debtors		285	(742)
(Decrease)/increase in creditors and deferred income		(319)	1,413
Other non-cash changes		51	123
Net cash (outflow)/inflow from operating activities		(445)	(169)

18. Analysis of cash and cash equivalents

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Cash at bank and in hand	8,880	8,977	5,620	5,546
Total cash and cash equivalents	8,880	8,977	5,620	5,546

19. Analysis of changes in net debt

	At	Cash flows	Other non-	At
Group	1 January		cash changes	31 December
	2023	2023	2023	2023
	£'000	£'000	£'000	£'000
Cash at bank and in hand	8,977	(97)	-	8,880
Total	8,977	(97)	-	8,880

20. Commitments under operating leases

	Land and buildings		Other	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Within one year	1,172	1,074	20	54
In two to five years	1,457	1,597	29	97
In more than five years	-	-	37	-
Total	2,629	2,671	86	151

21. Related party disclosures

There were no related party transactions in 2023 or 2022 with Trustees.

In 2023, the following transactions took place between the charity and the Group subsidiaries:

- Lease of premises by the charity to Bell Educational Services Ltd for educational purposes £705,000 (2022: £705,000).
- Bell Educational Services Ltd has the right to use the Bell name and logos under a royalty agreement with the charity, resulting in royalties of £136,543 being paid to the charity (2022: £87,044).
- Prepayments and drawdowns made to and from the Revolving Credit Facility (loan) by Bell Educational Services Ltd resulted in a net prepayment in the year of £300,000 (2022: net drawdown £400,000).
- Reimbursement to Bell Educational Services Ltd for the group relief of tax losses, £nil (2022: £223,639).
- Interest received by the charity from Bell Educational Services Ltd in respect of the Revolving Credit Facility (loan) £44,811 (2022: £46,372).
- Provision under an agreement of premises and other support services by Bell Educational Services Ltd to the charity £96,329 (2022: £89,233).
- Recharge of costs incurred on behalf of Bell Educational Services Ltd by the charity £14,313 (2022: £12,083).

In respect of the above transactions, a net £1,003,170 was due to the charity at 31 December 2023 (2022: £1,092,580 due to the charity). The net figure includes £1,000,000 (2022: £1,300,000) which is the balance on the Revolving Credit Facility (loan).

The Revolving Credit Facility (loan) with Bell Educational Services Ltd provides debt funding up to a maximum limit of £1,500,000. The facility is fully secured on the assets of Bell Educational Services Ltd, which include the 100 per cent shareholding in Bell Switzerland SA. The facility is set on commercial terms and, as at 31 December 2023, carried an end date of 31 July 2024. As noted on page 22, during Trustees' consideration of the 2024 budget for Bell Educational Services Ltd (which included forecasts beyond 2024), it was noted that there would likely be a requirement that an extension of the facility would be needed for a further 12 months to enable funding in four months over this extended period. Updated forecasts presented to Trustees in 2024 bore out these earlier indications and, considering an extension to continue to be in the best interests of the charity, Trustees agreed on 7 May 2024 to extend the facility by a further 12 months to 31 July 2025 and to increase the limit on the facility to £1,800,000 for a short period of two months in June and July 2024, after this date the limit falls to a maximum of £800,000. Amendment documentation for the extension and increase was completed on 15 May 2024.

22. Legal status

The charity is a company limited by guarantee with no share capital. In the event of the charity being wound up, the liability of each member in respect of the guarantee is limited to £1.

23. Post balance sheet events

As noted above and within the Financial Review and Results section, the Foundation's trading subsidiary, Bell Educational Services Ltd requested a further extension to the Revolving Credit Facility (loan). After detailed review of the trading subsidiary's financial forecasts and recognising the improving trend which forecasts a full repayment by July 2025, Trustees agreed on 7 May 2024 to extend the facility as detailed above in note 21 under related party disclosures. The amendment documentation was completed on 15 May 2024.

The balance on the facility has increased slightly since the year end following a combination of prepayments and drawdowns made by Bell Educational Services Ltd against the facility. The balance on the loan facility is thus £1,800,000 at the date of signing these accounts.

Administrative information

Registered office

1 Red Cross Lane, Cambridge CB2 0QU

Charity number

311585

Company number

1048465

Independent Auditors

Peters Elworthy & Moore, Salisbury House, Station Road, Cambridge CB1 2LA

Bankers

Barclays Bank Plc, Mortlock House, Vision Park, Histon, Cambridge CB24 9DE

Nationwide Building Society, Kings Park Road, Moulton Park, Northampton NN3 6NW

Solicitors

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

Solicitors for land matters

Gowling WLG, 4 More London, Riverside, London SE1 2AU

Investment Managers

Barclays Wealth, 1 Churchill Place, Canary Wharf, London E14 5HP

Investec, 30 Gresham Street, London EC2V 7QN (up to 17 May 2023)

Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London EC4M 8BU (from 17 May 2023)

Business advisors

BDO LLP, Level 12, Thames Tower, Reading, Berkshire RG1 1LX

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