

BFSS

BRITISH & FOREIGN SCHOOL SOCIETY
Educational Opportunity for All



ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2023

Charity registration number: 314286

ANNUAL REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2023

British & Foreign School Society

ESTABLISHED 1808 - INCORPORATED BY ROYAL CHARTER 1906

THE TWO HUNDRED AND SEVENTEENTH REPORT

British & Foreign School Society

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The Rt Hon Mr David Lammy MP (until May 2023)

The Rt Hon the Baroness Morris of Yardley (from May 2023)

VICE-PRESIDENT

Emeritus Professor John Furlong OBE

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David Crowther (from May 2023)

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Registered Charity No. 314286

The BFSS Council present their report along with the financial statements of the British & Foreign School Society (BFSS) and the other charitable trusts for which BFSS is responsible, for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in the Notes to the Financial Statements and comply with the BFSS Charter and applicable law.

Contents

Message from our Chair	5
1. Our values and heritage	6
2. Highlights of the year	7
3. Shared learning	7
4. Our grant giving	8
5. Our impact	14
6. Our strategy	17
7. Structure, governance and management	18
8. Financial review	20
9. Independent Auditor's Report to the Trustees of The British & Foreign School Society	24
Statement of financial activities	28
Balance sheet	30
Cash flow statement	31
Notes to the financial statements	32
Members of the Grants Committee	48
Members of the Finance and Investments Committee	48
Delegates of BFSS Restricted Funds	48
Trustees of the BFSS Trust	48
Trustees of the Old British School	48
Representatives serving on outside bodies	48
Professional Advisors	49

Message from our Chair

As I approach the end of my first year as Chair, it gives me a lot of pleasure to introduce this Annual Report, which reflects a productive year, in ever-more challenging circumstances.

Before outlining some of the key achievements, I would like to record my deep appreciation for all that my predecessor, Peter Miller, did for the BFSS. In his ten years in office he set us on a very firm footing for our next phases of development. I know I am not alone in wishing to thank him and wish him well.

I am also delighted that, at the same time as I took over as Chair, we welcomed Estelle Morris as our President. Few figures in education carry such respect for their commitment, capability and integrity, and we are fortunate to have her interest and involvement. She took over from Rt Hon David Lammy, who stepped back after 10 years of superb support to the BFSS. We are deeply indebted to him.

I should say something about the most public change to the BFSS, our name. Back in 2022, there was agreement that the BFSS name no longer reflected our values or the work we do. Following extensive consultation with Members and Grant Partners, Council decided in 2023 that **Educational Opportunity Foundation** was the name that best described what we are and do. As we have a Royal Charter, the process of changing the name has required Charity Commission and Privy Council assent, and we were delighted when this was given in February 2024.

It is vital to us that we honour our heritage and the legacy of Joseph Lancaster, the visionary who sought to bring educational opportunity to all in the early C19th and whose influence continues to inform our work. For that reason, we have chosen a strapline, **'Improving life chances worldwide since 1808'**. Lancaster's zeal and innovative practices influenced education in England and numerous countries worldwide. Without him, and the commitment of the people who followed him and established BFSS, we would not be able to support life-changing educational projects around the world today.

Last year was marked by a harsh external environment; global instability and economic shocks combined to increase the demand for our support and undermine the resources we work with.

In the face of these increasing pressures and risks, we are proud of our £1 million Displacement Education Fund, which has been used to support some outstanding projects. It has provided learning about what might be most helpful in volatile contexts and we will use that to inform our future work.

Our portfolio was hit by the financial shock in Autumn 2022, although there was some limited recovery towards the end of 2023. Our funds are still in good health, as you will see in this report, and we have a plan for rebuilding our assets over the next few years.

I would like to conclude with thanks to the people who have achieved so much over the year. Firstly, I want to express profound admiration and thanks to our Grant Partners, who share our commitment to empowering young people through inclusive education and who live that commitment in the work they do, some of which we are able to support through grants. Our annual Grant Partners' Workshop provides us as funders with an opportunity to learn more about the practical implementation of some wonderful projects and meet some of the people involved. All at BFSS were inspired and uplifted by the occasion. We also recognise our responsibility to help Grant Partners engage with, and learn from, one another so that they too can gain fresh ideas and be reinvigorated in their work.

I would finally like to thank my colleague Trustees and our excellent professional team for all they have done during the year. I cannot speak highly enough about the ways in which our small executive team manage the responsibilities and activities of our organisation, nor the commitment and support shown by our Trustees. Together, Trustees and the executive have taken strategic decisions about our future work, including our ongoing commitment to addressing disadvantage and our desire to work closely with Grant Partners for longer-term impact. We aim to support learning between Grant Partners and, by delivering on the legacy of Joseph Lancaster, improve the life chances of disadvantaged young people through education.



Jane Creasy
Chair of BFSS

1. Our values and heritage

The BFSS heritage defines our values and activities today. We believe in the right of children and young people to access high quality education as a driver for personal development, wellbeing, and equality of opportunity.

The BFSS was formed in 1808 by Christian social reformers to carry on the work of Joseph Lancaster, a pioneer of school and teacher education. Joseph Lancaster was a Quaker who became concerned that young people from low-income communities in the UK were denied the opportunity of education in the late 18th century. As a result, he became involved in founding charitable schools based on his monitorial system, through which the basic teaching of younger children was undertaken by older ones, called monitors. Given the cost of teachers, his system removed a key barrier to providing mass education.

Joseph Lancaster travelled the world establishing monitorial schools, whilst BFSS continued to run and set-up schools in the UK until the Education Reform Act was passed in 1870, which for the first time made education a fundamental right for every child. As schools gradually became a government responsibility, BFSS continued improving the quality of

education by establishing charitable teacher training colleges. In the 1970s, teacher education sector reform resulted in these local colleges either closing or merging with other educational institutions. By the mid-1980s, all BFSS teacher training colleges and schools had closed and BFSS then continued to pursue its mission through educational grant giving. With such a long history, BFSS has necessarily adapted over the years, but our heritage continues to direct our priorities as we remain committed to promoting inclusive and effective learning, teacher training, and the sharing of good practice through our grant giving programme in the UK and around the world.

Conserving our physical heritage continues to be important to us, too. Brunel University London maintains our extensive archives and makes sure they are accessible for research. The British Schools Museum in Hitchin is a key partner for BFSS as we recognise its importance in ensuring Joseph Lancaster's work is visibly accessible for current and future generations to appreciate. The museum houses an 1837 monitorial schoolroom, the only one of its kind left in the world, as well as three other historic classrooms, the Headmaster's house and a collection of 47,000 objects.



Photo courtesy of Simon Maddison for British Schools Museum: Joseph Lancaster's great, great, great, great grandsons (left to right) Ricardo, Francisco and Rodrigo Lopez-Portillo y Lancaster-Jones



Archivist Tace Fox in the BFSS Archive at Brunel University London. Photo by BFSS

2. Highlights of the year

This was another exciting year for BFSS in terms of awarding £1,115,991 in new grants, which although less than in 2022 is still our second highest year ever for new awards.

Strategically we made some significant steps forward by selecting a new name and gaining approval from the Privy Council to adopt that new name, Educational Opportunity Foundation.

We also publicly confirmed our commitment towards preventing further climate damage by signing up to the Funders Commitment on Climate Change. This commitment gives us a framework to track our progress against as we work towards making all BFSS activities more environmentally sustainable, whilst we also joined a network of other funders to explore ideas with and learn from.

3. Shared learning

We continued our drive towards shared learning among Grants Partners and Members by hosting two in-person events. Charities shared a range of inspiring projects to overcome barriers to learning at our Annual Conference in June and in the autumn the Grant Partners' Workshop focused on the theme of 'How to successfully work with decision-makers'. Both featured opportunities to network and discuss successful work with charities operating in the UK and around the world.

The online BFSS Forum is also gaining traction with a 30% increase in the number of participants during the year. There have been particular peaks in use after events, when Members can find key resources and contact details for other attendees. Helpful shared learning posted by Members and Grant Partners included tips on tools to assess organisations' carbon footprint.



4. Our grant giving

In 2023, new grants were awarded to 25 projects with a total value of £1,115,991 (2022: 29, £1,571,015) through our core grant giving activity from unrestricted income. We also continued to make payments on grants awarded in previous years as detailed in the Financial Review and Note 2 of the Financial Statements. We have separate priorities for UK and International projects and continue to adopt a grant funding approach that favours small-to-medium not-for-profit organisations, with an annual income of less than £2.5 million.

4.1 UK grant giving

Supporting high-quality projects in the UK is central to our heritage and future; it is our aim for around 30% of our grants to support UK based projects. In 2023 we continued to fund projects which improve educational outcomes and life chances for care experienced young people or young carers under the age of 25, by offering grants of up to £90,000 over three years. As part of the Displacement Education Fund, our UK grant giving in 2023 also included projects which worked with displaced young people within the UK.

Aims of our UK grants for 2023

Improved educational outcomes — enabling care experienced young people and young carers to attend and engage in mainstream school life, improving their access to out of school support and increasing the number of education professionals able to understand their needs.

Improved life chances — enabling care experienced young people and young carers (aged 16-24) to access further education, employment or training opportunities and improving support for them to remain engaged with these opportunities.

Improved access to educational opportunity — enabling displaced young people to learn in their own language, to access post-trauma support and receive support to access further education or training for employment.

We also conducted a review of our UK grant giving strategy. This was the first of a new series of reviews which aims to provide in-depth analysis of a specific fund or theme of grants to help us to learn and consider if and how we could reshape future grant giving to support more young people to thrive.

The review analysed 26 grants for UK projects aimed at either young carers or care experienced young people. Specific approaches produced a strong impact, including projects which focused on: one to one support; the provision of non-formal learning environments; tutoring that collaborates closely with schools; bringing service providers together; prioritising young people in the design and delivery of projects; and training education professionals in trauma-informed approaches.

Working directly with schools was found to be an excellent vehicle for success for many young people. Organisations that build genuine partnerships with schools to ensure the young person's individual needs are being met are seeing strong results. However, there were consistent challenges with this approach, including difficulties in high staff turnover and ensuring that schools genuinely want and need a specific intervention. Projects working with schools require significant investment in dedicated staff and administration to be successful.

The review also highlighted the importance of wellbeing and mental health. Projects which focused on wellbeing and confidence can lead to direct improvements in attainment and attendance at school. Although quantitative evidence for this was lean, significant amounts of feedback from staff and parents showed that projects which focus on mental health and build confidence, bring increased resilience in the classroom and improved school attendance. To reflect on this learning, we will be revising our UK grant giving criteria from 2024.

Photo courtesy of Children on the Edge: lessons in a refugee settlement in Uganda





Photo courtesy of Child Rescue Nepal: teachers on a training day



Photo courtesy of Children on the Edge: playtime for Rohingya refugee children in Bangladesh

4.2 International grant giving

To ensure that we deliver our mission internationally we fund projects that improve access to and the quality of education, or improve the sustainability of educational provision, for young people under the age of 25, by offering grants of up to £60,000 over three years. We ensure that our grant giving delivers long-term improvement through the involvement of local communities, the capability and availability of teaching staff and fit-for-purpose infrastructure. Wherever possible, we fund projects that also deliver benefits to the wider community and which will be sustainable after our grant ends.

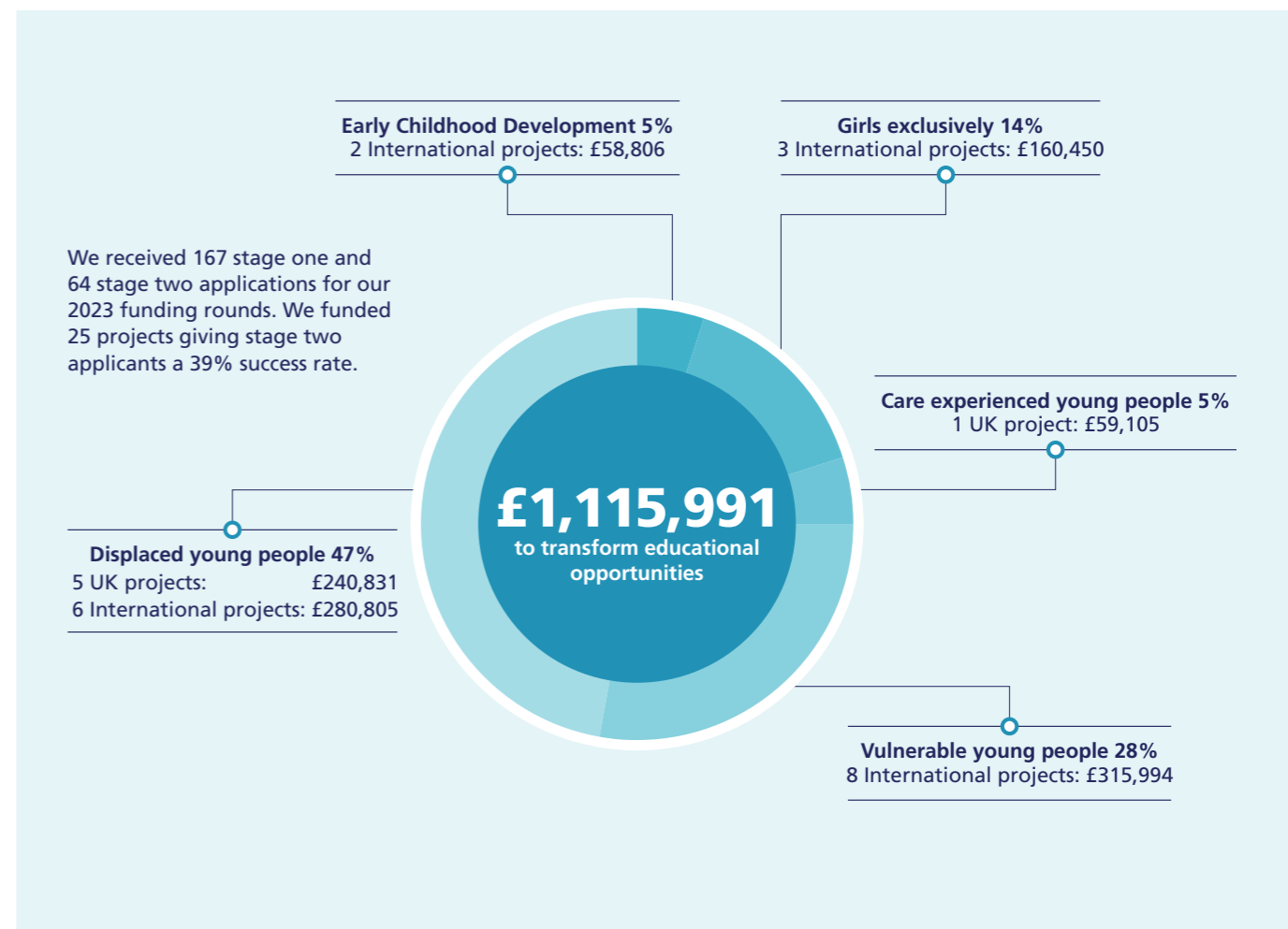
Aims of our International grants for 2023

Improved access to education — including increasing the number of educational opportunities, especially for girls and displaced young people, (including construction of classrooms or latrines), increasing the number of qualified teachers trained in inclusive, non-discriminatory practices and improving community attitudes to educating children who are often excluded or overlooked.

Improved quality of education — including enhancing the quality of teaching and learning, improving access to extra-curricular support, increasing child friendly resources, and increasing access to aspirational vocational training opportunities including STEM and IT.

Improved sustainability of education projects — including encouraging educational projects with integrated community management or ownership, self-generating income and minimising their environmental impact.

Who our new grants in 2023 supported



4.3 Displacement Education Fund

In 2022 we launched a new one-off £1million Displacement Education Fund to support the education of young people impacted by conflict, with grants available for both international and UK based projects. Whilst prompted by the conflict in Ukraine, the fund was designed to be available for all young people who have had to flee conflict regardless of their location.

The fund met a clear funding need in the sector. In total, we received 96 applications, and funded 21 very high quality applications to a value of £978,625. Of these, 9 grants (£370,788) were awarded for UK projects and 12 grants (£607,837) for international projects.

Most projects are still ongoing so the impact of the fund has not yet been assessed. However, continuing instability in the Middle East has caused challenges for projects operating in this region and these are being monitored carefully. Projects are needing to adapt their approach, including in some instances the geographic region they are operating in. Our commitment and willingness to be a flexible and trusting funder is proving highly valuable to our Grant Partners working in fragile settings. Although the distribution of the Displacement Education Fund was completed in 2023, its legacy continues. As a result of the clear need for funding in this area, we have incorporated Displaced Young People as one of our priority areas for our ongoing international grant giving.

Where our new grants went in 2023

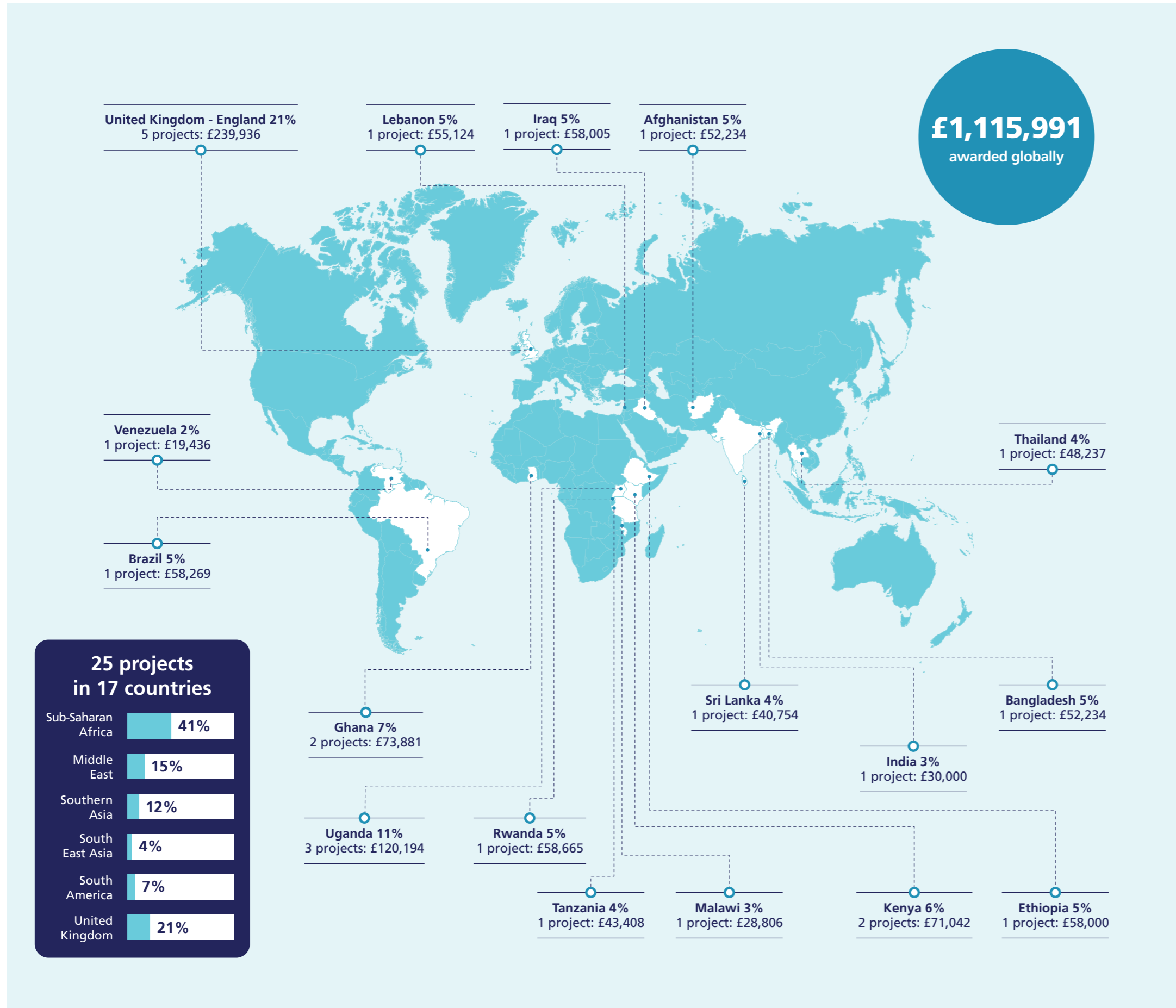


Photo courtesy of Ashdon Primary School: new mindfulness room created with British School Charity grant



4.4 Subsidiary trusts

In addition to the grants awarded from our unrestricted income BFSS is responsible for a number of smaller subsidiary trusts which provide restricted funds for educational activities in specific locations and for particular purposes. In 2023, £31,966 was awarded through 11 grants (2022:10, £36,000) from restricted income. Our approach is to work with partners with the experience and local knowledge to make sure grant giving is effective and meets the individual requirements of each fund. We are currently working with the following:

- The British School Charity in Saffron Walden has an active locally-based committee. The charity supports individuals in need of financial help to succeed in their education and local community organisations working with young people.
- To support the work of the Berridge Trust we work with The Food Centre which provides training to food technology teachers.
- The South Church Educational Fund contributes to an after-school club run by the Auckland Youth and Community Centre.
- The Old British School Charity is restricted to the Bratton and the surrounding area in Wiltshire. The Community Foundation for Wiltshire distributes the funds to individuals with Special Educational Needs and Disabilities in their pursuit of learning. This work is also supported by the Alfred Bourne Trust which is designed to support individuals with their learning.
- The Sarah Walker and Spafford Memorial Fund is usually distributed via our core grant giving for projects which have an element of educational travel.
- No grants were awarded from the BFSS Trust again in 2023, as we are currently reviewing how its income can be distributed for maximum impact.

5. Our impact

The projects we fund improve educational opportunity for young people in some of the most marginalised or low-income communities, transforming their life chances, as these reports show.

Improving life chances after Covid

Learning for Life ran a project in Bangladesh which has not only helped pupils catch-up and negate the devastating impact of Covid school closures, but also has increased support for girls' schooling.

After lockdowns were lifted, the charity found that in the Nikli district there were more than 5,000 children out of school, and often hard-pressed families preferred them to work. With a BFSS grant of £30,500, Learning for Life ran a community-wide school re-enrolment campaign, along with out of school catch-up classes and online learning sessions. Training for teachers and leaders on quality education, online learning and safeguarding was also provided. A key focus was life skills and re-enrolment of girls.



Photo courtesy of Learning for Life: life changing lessons for young women

Impact

The two-year project made remarkable strides in education, safeguarding vulnerable children, bridging the digital divide, and empowering adolescent girls. Learning for Life convinced families of the value of education so parents and guardians came to believe it was in their best interests for pupils to re-enrol. 98% of target children returned to school after lockdowns, and all 5,378 of these pupils passed their annual examinations. Introducing online education for more than 300 students helped ensure they could continue their studies even when classrooms were shut due to monsoon flooding.

A standout achievement is that educational and awareness initiatives effectively stopped child marriages in the area, allowing students to continue their studies. In addition, regular sessions focusing on life skills, family laws, government measures related to women's

protection, and menstrual hygiene have empowered adolescent girls, enabling them to advocate for themselves and their futures. The project helped minimise the disparities in boys' and girls' enrolment.

Together these achievements represent a shift in attitudes which will have a crucial impact on shaping the education and future development of the region's children.

'I never thought I would be going to school, enjoying school life and friends around me.'

Touhida Akter, pupil.

Extending support through tutoring

The Volunteer Tutor's Organisation (VTO) provides additional educational support to young people who need it most, primarily in Glasgow. BFSS gave them £85,404 for a three-year project, *Learning Beyond Covid-19*, to improve the education of care experienced and kinship care young people throughout Scotland.

The project aimed to design, test and refine a range of interventions in two pilot areas, building on their experience of supporting young people and extensive work done in partnership with Glasgow's Care Experienced Team. In the first 30 months of this project, VTO has supported nearly 250 young people living outside of Glasgow with one-to-one tutor support and Learning Hubs, running four Learning Hubs in Perth & Kinross and Edinburgh, with a fifth due to launch in 2024.



Photo courtesy of Volunteer Tutor's Organisation: older pupils offer one-to-one support for learning

Impact

VTO aimed for at least 70% of young people to show improvement in literacy, numeracy, confidence and engagement with education. They have surpassed these targets: after two years 80% of the tutored young people show measured improvements in reading, and 75% show measured improvements in maths and numeracy. In addition, they have made great strides in building strong relationships with local stakeholders in education services, schools and social work.

'I am finding school hard just now. I enjoy learning with my tutor - I feel I learn more with her than in school. I don't feel as anxious, and she makes it fun.' **Pupil**

'R's engagement with the VTO tutor was the first kind of learning she had done in some time as she does not attend school. I know she is looking forward to starting with a new tutor. I believe it has helped with her desire to learn. She is now also working with our school outreach teachers twice a week in the local library which is going very well.'

Teacher

Training teachers for inclusive education

Young people with deafblindness are often excluded from education in Peru partly because many teachers don't feel equipped to teach them. BFSS gave Sense International £39,903 over two years to develop and deliver a teacher training programme and improve learning resources in order to improve access and the quality of education for young people across eight regions of Peru.

In two years, 499 teachers completed the courses, drawn from mainstream schools and special education centres. Sense International built six sensory rooms, which help students with deafblindness and other sensory impairments learn to process sight and sound, as well as developing their motor skills. 103 teachers received special training in sensory stimulation techniques, to help them get the most from the new rooms with their students.



Photo courtesy of Sense International: support in the classroom

Impact

Already in special education centres, the sensory rooms have benefited 354 children with deafblindness and multiple disabilities, who now have better access to a quality education.

And the wider impact is substantial: the Universal Design for Learning approach, which Sense International promote, helps teachers meet the individual needs of all their students, if they have a disability or not. Some teachers have cascaded knowledge to colleagues as well. So the charity estimate 2,997 children with disabilities will indirectly benefit from their teachers being trained, in the special education schools alone.

As well as benefitting students and teachers today, this work helped demonstrate to the Peruvian Ministry of Education how children with deafblindness can and should be included in education. This has meant a module on deafblindness is now included in the Ministry's special education teacher training; and the Ministry funded 20 sensory rooms at schools in Lima in the past year, with plans for more across the country.

'I think the most important part was to understand the functional assessment. We did group work and prepared an assessment for Nicol, a student with multiple disabilities including low vision. She is already nine. Next year, when Nicol returns to school, she will have a proper individual education plan. During the course, we also learnt new strategies to work with parents, teaching them how to support progress made in school.' **Jessica, special education teacher, Tumbes**

6. Our strategy

Our charitable objects are: "To advance education for the benefit of the public in particular by providing educational opportunity for children and young people in the UK and overseas." We adhere to these objects and achieve public benefit through our grant giving activities to support the education of young people from low-income and marginalised communities worldwide. The Council has referred to the Charity Commission's guidance on public benefit when developing its vision, mission, values and objectives. We review these each year, and make sure they inform our decisions.

6.1 Our vision

Educational opportunity for all.

6.2 Our mission

We seek to achieve our vision by providing funding and support to UK-based charities for educational projects in the UK and throughout the world reflecting our history and heritage.

6.3 Our values

We believe in the right of children and young people to access high quality education as a driver for personal development, wellbeing, and equality of opportunity. Building on the heritage of our founder Joseph Lancaster, we value effective teaching and learning, and the sharing of good practice. We are committed to inclusivity, integrity, and to valuing and respecting others in everything we do.



Photo courtesy of Learning for Life: lessons for young women in Bangladesh

6.4 Our objectives

Our current strategy for 2023 to 2027 is based on 5 objectives:

1. To award grants aimed at enabling young people to improve their own educational outcomes and life chances in the UK and Internationally.
2. To support our Grant Partners and Members to build their own capacity and knowledge.
3. To support broader social aims which have an impact on inclusive education and stay true to our heritage.
4. To continually improve our adherence to good practice in all aspects of our grant giving and governance.
5. To effectively use our resources.

6.5 Future plans

In 2024 we will continue to implement of our 5-year strategic plan and key priorities for the year will include:

Objective 1:

- Complete the review of our UK grant giving, which aims to maximise impact.

Objective 2:

- Encourage further knowledge sharing via the online BFSS Forum and our annual Grant Partners Workshop.

Objective 3:

- Implement the change of our name from BFSS to Educational Opportunity Foundation.

- Support the wider social sector by sharing our grant giving data on 360Giving so it is publicly available for UK funding data analysis projects.

Objective 4:

- Widen the diversity of skills and experience within the BFSS Council.
- Appoint and induct a new Treasurer and Vice-Chair.

Objective 5:

- Further develop our long-term financial plans and investment strategy to protect BFSS capital whilst honouring our commitment to protecting the environment.

7. Structure, governance and management

7.1 Membership

BFSS Membership is open to individuals passionate about furthering the education and life chances of marginalised young people. It brings together a community committed to supporting the BFSS to deliver its vision of educational opportunity for all. The statutory role of Members is to elect the President, Vice-President and the Councillors who act as Trustees of the charity. During 2023 and early 2024, 19 new Members joined bringing the total number of Members to 170 by 1 February 2024 when our Trustee election process for 2024 started. During 2023 an Annual General Meeting was held virtually on 12 May 2023, and a Special General Meeting was held virtually on 7 November 2023. The latter was to enable Members to vote in person or via proxy on a proposed resolution to change the BFSS name to Educational Opportunity Foundation, which was approved.



Shared learning at BFSS Conference 2023. Photo by BFSS

7.2 Governance and structure

The BFSS President and Vice-President are elected for a term of three years. At the 2023 Annual General Meeting the Rt Hon David Lammy MP stood down as the President and the Rt Hon the Baroness Morris of Yardley was elected as his successor. Professor John Furlong continues as Vice-President; his current term ends in 2024 when he can stand for re-election.

BFSS is governed by a Council of Trustees drawn from and elected by Members. The Council reduced to nine members during the year after two Trustees stood down mid-term, but the aim is to increase it to 12 during the 2024 and 2025 elections. The minimum number is six. Every year a skills audit is undertaken to prioritise skills being sought in the forthcoming Trustee election process. Whilst any Member with relevant skills or experience can apply to be a Trustee, we also openly advertise the Trustee vacancies to widen the skills and diversity of both the Membership and Council.

BFSS has an induction procedure for new Trustees. They are provided with relevant information on their role and responsibilities and are briefed by the Chair and Director. All Trustees are kept informed of the impact of BFSS through reports on funded projects. The Council regularly reviews the work of individual Trustees and its sub-committees.

The Director's remuneration is set by a process which includes a review of performance against objectives by the Remuneration Committee which then makes a recommendation for approval to the Council.

In 2023 Council Meetings were held in March, June and November, with the annual strategy meeting in December. There are two subsidiary committees, the Grants Committee and the Finance and Investments Committee, both of which meet at least twice a year and report to the Council.

The BFSS has a risk register, scheme of delegation and a series of policies and terms of reference, which are subject to a regular review schedule to ensure they are up to date and fit for purpose.



Photo courtesy of Child Rescue Nepal: teachers on a training day

7.3 Robust and effective grant-giving

As described in section 4, BFSS makes grants in accordance with its Charter and within the financial limits set by Council each year. Our core grant giving activity from unrestricted funds offers response mode (bottom up) funding via an open call for project proposals from not-for-profit organisations registered in the UK. The criteria for grant giving and success rates of previous applicants are available on the BFSS website. We operate an online grant application system, for our core grants this involves a two-stage application process to minimise the time applicants spend preparing their initial proposals.

The Grants Manager conducts an initial assessment of all stage one grant applications and invites the project proposals which meet the criteria and are of the highest quality to submit a stage two application. Following a detailed review of stage two applications in consultation with the Chair of the Grants Committee, applications which are considered suitable are selected for review by the Grants Committee with an individual Trustee taking the lead on each application.

The Grants Committee collectively makes decisions according to the criteria set out in the BFSS Grant Giving and Management policy. In 2023, 39% of the stage two applications received were funded.

We have a structured process to ensure rigorous evaluation of the impact of our grants, and hold Grant Partners accountable for delivering the outputs and outcomes to which they have committed. Every grant application is required to specify three or four main outcomes, and every project must have a well-defined plan for monitoring and evaluation. The reporting schedule is linked to the release of funds. This allows BFSS to monitor the progress of the grants and work with partners where necessary if issues arise, to ensure satisfactory progress towards outcomes. The grant monitoring process was reviewed during 2023 to reduce the burden on Grant Partners whilst still ensuring robust monitoring is undertaken. Subsequently, Grant Partners are now required to submit a brief progress report annually for grants up to £15,000 per year and six-monthly for larger grants, in addition to the end of project report. However, trusted Grant Partners who have successfully completed a BFSS funded project within the past three years, are only required to submit annual reports for grants.

Each progress report is reviewed by the Director or Grants Manager before further funding is released. When a project is not delivering to plan, a triage system is in place to determine whether the Director or Grants Manager, Chair of the Grants Committee or the Grants Committee should make a decision on the future of the grant.

BFSS places great emphasis on ensuring that improved educational outcomes for our beneficiaries are clearly identified. Construction projects are required to provide an additional report one year after the formal completion of the construction project, to give time for impacts to emerge.

The subsidiary trusts that BFSS is responsible for providing small grants to individuals and to organisations. Given the size of these grants (usually less than £5,000) the application process is deliberately kept very simple with a one-stage application form which is reviewed by the Director, or by a local committee in the case of the British School Charity. These trusts are detailed in Note 12 to the Financial Statements.

8. Financial review

8.1 Reserves policy

The entire General Reserve (£24,163,088) at 31 December 2023, (2022: £23,045,234) is an unrestricted fund which would be available to meet unexpected costs of the charity. The Trustees do not therefore feel it appropriate to specify a minimum level for free reserves.

In addition to the General Reserve, at 31 December 2023 BFSS held a revaluation reserve of £175,000 (2022: £175,000) derived from the fair value of the George Dent Nursery.

During the year approval was obtained from the Charity Commission to transfer the expendable endowment fund balances from Wilmslow British School Endowment Fund, Darlington College Building Fund and West Street Old British School, totalling £545,523 to the general reserve for general purposes. In addition, approval was obtained from the Charity Commission to transfer the permanent endowment fund balance of £169,783 of the BFSS Trust to Restricted Funds, to enable the distribution of larger and more effective grant giving. At 31 December 2023 there were endowment funds of £565,750 (2022: £1,269,288) and restricted funds of £552,151 (2022: £381,219). At 31 December 2023, the total funds of the BFSS stood at £25,455,989 (2022: £24,870,741).

8.2 Risk Management Policy

BFSS maintains an active risk register which encompasses all areas of our activities. This risk register is reviewed, together with risk mitigation decisions and actions, on an ongoing basis by the BFSS Council. Other principal risks identified by Trustees were those associated with ensuring robust succession planning, ensuring policies are up to date and compliant with relevant regulations, particularly with regard to safeguarding, and ensuring that our investment policy continues to maximise income to support the delivery of our objects in a time of increasing demand for our grant giving.

8.3 Pension Policy

BFSS continues to operate a pension scheme for its employees, providing an employer's contribution of 8% of qualifying earnings.



Photo courtesy of Children on the Edge: playtime for Rohingya refugee children in Bangladesh

8.4 Financial results

The net movement in funds in the year was a surplus of £585,248, compared to a deficit of £4,696,251 in 2022. This was a positive result, bearing in mind increased grant giving in the year. It was achieved as a result of a significant improvement in the performance of the investment portfolio following a very poor year in 2022.

Payments made during 2023 to the new grants and grants awarded in previous years amounted to £1,314,963 (2022: £1,046,568). (The majority of the grants awarded from the unrestricted fund are for multi-year projects and are therefore paid over multiple years.) This represents a 26% increase on the previous year, as a result of an additional

£978,615 of new grants having been awarded through the Displacement Education Fund during 2022 and 2023. Subsequently the net expenditure of £994,101 (2022: £657,290) is a 51% increase on the previous year mainly reflecting the increase in grant payments. Investment income reduced for a second year running, by £43,461 or 8% (2022: £94,212 or 15%). There was a net gain on investments of £1,579,349 in the year compared to a net loss of £4,053,961 in the previous year. The BFSS Investment Policy states that the Trustees will normally draw between £1 million and £1.25 million each year, there is therefore an expectation that the grant giving programme will be partly funded by investment income and partly by capital gains on those investments.



Photo courtesy of Lyra in Africa: digital learning led by women

Photo courtesy of Learning for Life: learning on tablets enhances skills



8.5 Income

BFSS's main source of income is its investment portfolio, which is managed by Rathbones since 2023, after Investec Wealth & Investment Limited and Rathbones merged. Its investment policy is for the portfolio, consisting principally of equities and fixed interest stocks, to be managed on a total return basis to produce a regular income stream while maintaining its capital base in real terms. BFSS has used the total return basis since 2007 at which point the permanent endowment values were established. The two permanent endowments held at the year end have an unapplied total return of £68,315. During 2023 the performance target for the portfolio was reduced from a real return (after taking account of headline CPI or zero, whichever is greater, and investment management fees) of at least 4.0% to 3.5% on a rolling three-year basis. This reflects the changing global financial trends. The BFSS Investment Policy does not permit investment directly in companies that have more than 10% of their business relating to either; the production or sale of tobacco products, the promotion of gambling in any form, the production or sale of weapons or armaments, or the production, distribution and retail of pornographic media. In addition, investment is prohibited in companies with evidence of human rights abuses in the supply chain, both direct and indirect, including the use of child labour. Rathbones are also required to review its direct investment holdings to determine the degree of Environmental, Social and Governance (ESG) risks. The investment manager provides regular reports showing the ESG risk rating for its investments and the objective is to see this score reduce each year.

At the end of December 2023, the value of the investment portfolio was £25,072,270 (2022: £24,654,134), which represented an actual total return after fees for the year of 8.7%, which equates to a return of 5.4% after taking into account CPI of 3.3%. The total cumulative return of the Fund for the three years was -3.7% net of investment management fees and after taking into account CPI of 6.4%.

During the year £1,600,000 (2022: £1,080,000) was withdrawn to support our grant giving activities and running costs. This amounted to approximately 6.4% of the value of the portfolio on 31 December 2023. Total income amounted to £620,437, in comparison to £679,665 in the previous year, of which £491,589 (2022: £535,050) was from investments.

BFSS receives income from its investments and does not engage in public fundraising activities. As a result, we do not employ or monitor a fundraiser or a fundraising agent. No complaints were received with regards to fundraising, and BFSS is not subject to an undertaking to be bound by any voluntary scheme for regulating fundraising, or any voluntary standard of fundraising.

8.6 Property

The George Dent Nursery School in Darlington continues to be held by BFSS as an investment property and is leased to Darlington Local Education Authority. The property is valued at ten times rental value and as the annual rent receivable is currently £17,500, the value of the investment property is £175,000 (2022: £175,000).

8.7 General expenditure other than grants

The expenditure on support and governance costs during the year was £209,865 (2022: £196,912 and amounted to 13.0% (2022: 14.7%) of total expenditure including grants. The increased cost was predominantly due to a temporary increase in staffing to support the Displacement Education Fund, together with the increased cost of hosting in-person events for shared learning among Members and Grant Partners. However, the percentage spend on running costs was lower than in the previous year due to the increased grant spend. Five part-time staff, equivalent to 2.4 full-time staff were employed for the first 8 months of the year before reducing to four part-time staff, equivalent to 2.2 full time staff.

8.8 Responsibilities of the Council in relation to the financial statements

The BFSS Council is responsible for preparing the Trustees' annual report and financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the applicable Charities SORP.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations, and the provisions of the Charter. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

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

Jane Creasy
Chair of BFSS

Dated: 27 March 2024

9. Independent Auditor's Report to the Trustees of The British & Foreign School Society

9.1 Opinion

We have audited the financial statements of The British & Foreign School Society (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet 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 charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Charities Act 2011.

9.2 Basis for opinion

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

9.3 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

9.4 Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

9.5 Matters on which we are required to report by exception

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

- The information given in the financial statements is inconsistent in any material respect with the Trustees' report.
- Sufficient accounting records have not been kept.
- The financial statements are not in agreement with the accounting records.
- We have not received all the information and explanations we require for our audit.



9.6 Responsibilities of Trustees

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

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

9.7 Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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



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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, 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:

- Agreement of the financial statement disclosures to underlying supporting documentation to assess compliance with those laws and regulations having an impact on the financial statements and disclosure requirements. In particular, Accounting and Reporting by Charities: Statement of Recommended Practice.
- Enquiries and confirmation of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims.
- Review of minutes of Board meetings throughout the period.
- Incorporating unpredictability into the nature, timing and/or extent of testing.
- In relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

<http://www.frc.org.uk/auditorsresponsibilities>.

This description forms part of our auditor's report.

9.9 Use of our report

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

Begbies

Chartered Accountants
Statutory Auditors
9 Bonhill Street
London EC2A 4DJ

May 2024

Begbies is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME						
Donations and legacies		725	74,500	-	75,225	125,351
Investment income						
Rents receivable	5a	17,500	-	-	17,500	16,000
Investment income	7b	472,272	8,746	10,571	491,589	535,050
Interest receivable		34,785	676	662	36,123	3,264
Permanent endowment transfer to income	11,12	2,639	31,117	(33,756)	-	-
Total income		527,921	115,039	(22,523)	620,437	679,665
EXPENDITURE						
Expenditure on raising funds						
Investment managers fees	7a	83,349	774	3,377	87,500	90,925
Property expenditure		2,210	-	-	2,210	2,550
Expenditure on charitable activities						
Grants and costs	3	1,398,779	126,049	-	1,524,828	1,243,480
Total expenditure		1,484,338	126,823	3,377	1,614,538	1,336,955
Net expenditure and net movement in funds before net gains/(losses) on investments		(956,417)	(11,784)	(25,900)	(994,101)	(657,290)
Gross transfers between funds						
Expendable endowment transfer between funds	11,12	10,630	9,709	(20,339)	-	-
Permanent endowment transfer on resolution		545,523	169,783	(715,306)	-	-
Sarah Walker Spafford transfer for unspent income		2,500	(2,500)	-	-	-
Management charges to restricted funds	11	7,432	(7,432)	-	-	-
Net income/(expenditure) before other recognised gains and losses		(390,332)	157,776	(761,545)	(994,101)	(657,290)
Other recognised gains and losses						
Revaluation surplus re investment property	5	-	-	-	-	15,000
Net gains/(losses) on investments	7a	1,508,186	13,156	58,007	1,579,349	(4,053,961)
Net movement in funds		1,117,854	170,932	(703,538)	585,248	(4,696,251)
Reconciliation of funds						
Total funds brought forward		23,220,234	381,219	1,269,288	24,870,741	29,566,992
Total funds carried forward		24,338,088	552,151	565,750	25,455,989	24,870,741

The notes numbered 1 to 14 form part of these financial statements.
All amounts relate to continuing activities.

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £
INCOME					
Donations and legacies		378	124,973	-	125,351
Investment income					
Rents receivable	5a	16,000	-	-	16,000
Investment income	7b	513,058	9,295	12,697	535,050
Interest receivable		3,145	50	69	3,264
Permanent endowment transfer to income	11,12	3,525	21,835	(25,360)	-
Total income		526,106	156,153	(12,594)	679,665
EXPENDITURE					
Expenditure on raising funds					
Investment managers fees	7a	85,486	758	4,681	90,925
Property expenditure		2,550	-	-	2,550
Expenditure on charitable activities					
Grants and costs	3	1,164,808	78,672	-	1,243,480
Total expenditure		1,252,844	79,430	4,681	1,336,955
Net income/(expenditure) and net movement in funds before net losses on investments		(716,738)	76,723	(17,275)	(657,290)
Gross transfers between funds					
Expendable endowment transfer between funds	11,12	9,930	4,799	(14,729)	-
Sarah Walker Spafford transfer for unspent income		2,500	(2,500)	-	-
BFSS Trust transfer to permanent endowments		-	(202,667)	202,667	-
Management charges to restricted funds		7,175	(7,175)	-	-
Net income/(expenditure) before other recognised gains and losses		(697,133)	(130,820)	170,663	(657,290)
Other recognised gains and losses					
Revaluation surplus re investment property		15,000	-	-	15,000
Net losses on investments	7a	(3,811,482)	(33,770)	(208,709)	(4,053,961)
Net movement in funds		(4,493,615)	(164,590)	(38,046)	(4,696,251)
Reconciliation of funds					
Total funds brought forward		27,713,849	545,809	1,307,334	29,566,992
Total funds carried forward		23,220,234	381,219	1,269,288	24,870,741

The notes numbered 1 to 14 form part of these financial statements.
All amounts relate to continuing activities.

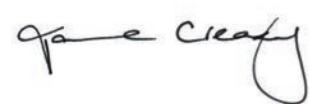
BALANCE SHEET

AT 31 DECEMBER 2023

	Note	2023		2022	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	5		2,445		2,649
Investment properties	5		175,000		175,000
Investment assets	6,7		25,072,270		24,654,134
			25,249,715		24,831,783
CURRENT ASSETS					
Debtors and prepayments	8	16,257		3,223	
Cash at bank and in hand		254,068		132,060	
		270,325		135,283	
LIABILITIES					
Creditors: amounts falling due within one year	9	(64,051)		(96,325)	
NET CURRENT ASSETS			206,274		38,958
NET ASSETS			25,455,989		24,870,741
REPRESENTED BY:					
CAPITAL ACCOUNT					
Unrestricted funds					
General reserve			24,163,088		23,045,234
Revaluation reserve			175,000		175,000
			24,338,088		23,220,234
Restricted funds	11	552,151		381,219	
Endowment funds	12	565,750		1,269,288	
TOTAL CHARITY FUNDS			25,455,989		24,870,741

The notes numbered 1 to 14 form part of these financial statements.

Approved by the Council and authorised for issue on _____ and signed on its behalf by _____



Jane Creasy - Chair



David Baron - Treasurer

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

	See Note Below	2023	2022	
		£	£	
CASH FLOWS FROM OPERATING ACTIVITIES				
Net cash provided by (used in) operating activities	1	(1,589,157)	(1,201,920)	
Cash flows from investing activities:				
Dividends, interest and rents from investments		545,212	554,315	
Purchase of property, plant and equipment		(941)	(2,940)	
Proceeds from sale of investments		7,895,671	11,694,990	
Purchase of investments		(6,681,864)	(11,175,094)	
Net cash provided by/(used in) investing activities		1,758,078	1,071,271	
Change in cash and cash equivalents in the reporting period		168,921	(130,649)	
Cash and cash equivalents at the beginning of the reporting period	2	314,883	445,532	
Cash and cash equivalents at the end of the reporting period		483,804	314,883	
NOTE 1: Reconciliation of net income/(expenditure) to net cash flow from operating activities				
		2023	2022	
		£	£	
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		585,248	(4,696,251)	
Adjustments for:				
Depreciation charges		1,145	2,495	
Revaluation Surplus on Investment Property		-	(15,000)	
Unrealised (gains)/losses on investments		(1,532,398)	3,186,897	
Realised (gains)/losses on investments		(48,877)	885,767	
Dividends, interest and rents from investments		(545,212)	(554,315)	
Non-cash investment income		(3,755)	(2,919)	
(Increase)/decrease in debtors		(13,034)	(704)	
Increase/(decrease) in creditors		(32,274)	(7,890)	
Net cash provided by/(used in) operating activities		(1,589,157)	(1,201,920)	
NOTE 2: Analysis of cash and cash equivalents				
		2023	2022	
		£	£	
Cash in hand		168,621	132,060	
Un-invested cash		229,736	182,823	
Cash equivalents		85,447	-	
Total cash and cash equivalents		483,804	314,883	
NOTE 3: Reconciliation of net debt				
		Cash in hand	Un-invested cash	Cash equivalents
At the beginning of the reporting period		132,060	182,823	-
Cashflows		36,561	46,913	85,447
At the end of the reporting period		168,621	229,736	85,447

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

a) Basis of preparation

The British and Foreign Society is an unincorporated charity registered in England and Wales, registered charity number 314286. The registered office is 7-14 Great Dover Street, London SE1 4YR. The objectives and activities are as noted in the Annual Report.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these financial statements. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)) and the Charities Act 2011. The accounts are prepared in £ being the functional currency of the charity and round to the nearest £.

The British & Foreign School Society meets the definition of a public benefit entity under FRS 102. The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern because BFSS has over £25m of investments which is more than sufficient to cover at least 12 months of expenditure.

The most significant area of adjustment and key assumption that affects items in the financial statement relates to estimating the fair value of the investment property (see note 1(c) below).

b) Fixed assets

Fixed assets, with the exception of investment properties, are included at cost and are depreciated on a straight line basis over their useful lives at the following rates:

- Furniture and equipment 33%
- Computer equipment 25%

c) Investment properties

Investment properties are included in the financial statements at fair value. The Council has formerly valued the one remaining freehold property, the George Dent Nursery in Darlington, on the basis of ten times the annual rental income. The historic cost of the property is £1 (2022: £1).

d) Investment assets

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 market price. The Statement of Financial Activities includes the net gains and losses arising on the revaluation and disposals throughout the year. BFSS does not acquire put options, derivatives or other complex financial instruments.

e) 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 value if acquired subsequently to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the 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.

f) Donations and similar incoming resources

Donations and similar incoming resources are included in the financial statements in the year in which they are receivable.

NOTES TO THE FINANCIAL STATEMENTS (continued)

g) Investment income

Investment income and any related income tax recoverable are included in the financial statements in the year in which they are receivable.

h) Rental income

Rental income is normally credited in the financial statements in the year to which it relates. All rental income is attributable to unrestricted funds.

i) Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is included in the statement of financial activities on an accruals basis and includes irrecoverable VAT.

j) Charitable activities

Charitable activities include grants by BFSS and the associated support costs. Grants are accounted for in the year in which the commitment is given, all relevant conditions having been fulfilled.

k) Support and governance costs

Support costs represent the cost of administering the affairs and managing and maintaining the assets of BFSS and of the other trust funds administered by BFSS.

Governance costs comprise all costs relating to the public accountability of BFSS and its compliance with regulation and good practice. These costs include the cost of Council meetings together with statutory audit fees.

l) Fund accounting

Trust funds that are the responsibility of BFSS are included in these accounts as restricted and endowment funds and details of the nature and purpose of each fund is set out in notes 11 to 12.

m) Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

n) Financial instruments

BFSS only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

o) Debtors

Debtors are amounts owed to BFSS. They are measured on the basis of their recoverable amount.

p) Cash and cash equivalents

Cash at bank is held to meet the day to day running costs of BFSS as they fall due. Cash equivalents are short term, highly liquid investments.

q) Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of the past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that BFSS anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. CHARITABLE EXPENDITURE - GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
International projects						
A Partner in Education	28,860	-	28,860	18,585	-	18,585
Able Child Africa	29,923	-	29,923	29,924	-	29,924
Advantage Africa	22,351	-	22,351	8,704	-	8,704
African Adventures Foundation	-	-	-	3,301	-	3,301
African Revival	15,207	-	15,207	12,792	-	12,792
AfriKids UK	21,863	-	21,863	12,925	-	12,925
Amala Education	-	-	-	11,025	-	11,025
Amazon Charitable Trust	20,000	-	20,000	-	-	-
Carers Worldwide	11,093	-	11,093	23,548	-	23,548
Chamos - In Aid of the Children of Venezuela	6,960	-	6,960	-	-	-
Chance for Childhood	15,000	-	15,000	30,000	-	30,000
Child Rescue Nepal	14,976	-	14,976	14,976	-	14,976
ChildHope UK	-	-	-	18,743	-	18,743
Children on the Edge	30,000	30,000	60,000	-	15,000	15,000
CodeBrave Foundation	14,837	-	14,837	-	-	-
Consortium for Street Children (previously StreetInvest)	27,723	-	27,723	27,164	-	27,164
Diapalante	-	-	-	6,323	-	6,323
Disability and Development Partners	36,665	-	36,665	15,415	-	15,415
EduKaid	28,666	-	28,666	15,765	-	15,765
EduSpots	25,878	-	25,878	-	-	-
Entraide (Mutual Aid)	-	-	-	10,000	-	10,000
Feed the Minds	14,699	-	14,699	14,699	-	14,699
Fields of Life	21,047	-	21,047	23,944	-	23,944
Hands Up Foundation	15,000	-	15,000	15,000	-	15,000
Health & Hope UK	30,000	-	30,000	-	-	-
Healthprom	16,985	-	16,985	9,845	-	9,845
Hope for Children	13,788	-	13,788	-	-	-
inhive	-	-	-	7,294	-	7,294
Irise International	5,000	-	5,000	38,000	-	38,000
Joshua Orphan and Community Care	15,703	-	15,703	15,610	-	15,610
Just a Drop	14,462	-	14,462	-	-	-
Kidasha	-	-	-	10,740	-	10,740
Kyanninga CDC Trust	19,948	-	19,948	18,669	-	18,669
Learning for Life	33,876	-	33,876	13,017	-	13,017
Lyra in Africa	9,682	-	9,682	19,241	-	19,241
Made With Hope	-	-	-	-	15,933	15,933
Mobile Education Partnerships	9,407	-	9,407	8,876	-	8,876
Mondo Foundation	11,775	-	11,775	12,104	-	12,104
Money for Madagascar	18,300	-	18,300	5,062	-	5,062
Pamoja Leo	-	-	-	7,041	-	7,041
Prism the Gift Fund: Refugee Youth Service Collective Fund	13,980	-	13,980	7,140	-	7,140
Raising Futures Kenya	11,948	-	11,948	11,427	-	11,427
Redearth Education	9,873	-	9,873	20,574	-	20,574
Rwanda Action	13,750	-	13,750	16,250	-	16,250
Sabre Education	30,000	-	30,000	14,860	-	14,860
Seenaryo	14,989	-	14,989	14,990	-	14,990
Sense International	-	-	-	19,972	-	19,972
Signpost International	-	30,000	30,000	11,222	-	11,222
Standing Voice	-	-	-	4,096	-	4,096
STEP UK	29,450	-	29,450	-	-	-
Sub Saharan Advisory Panel	30,000	-	30,000	15,000	-	15,000
Tea Leaf Trust	12,000	-	12,000	-	-	-
Teach2Teach International	15,080	-	15,080	16,900	-	16,900
Team Kenya	24,520	-	24,520	13,538	-	13,538
Temwa	9,709	-	9,709	-	6,543	6,543
The Hummingbird Initiative	-	14,000	14,000	-	-	-
The Mwezi Foundation	-	11,649	11,649	-	5,001	5,001
Toybox	20,000	-	20,000	20,000	-	20,000
Tushinde Children's Trust	19,389	-	19,389	9,951	-	9,951
Women's Education Partnership	-	-	-	23,384	-	23,384
	854,362	85,649	940,011	697,636	42,477	740,113

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. CHARITABLE EXPENDITURE - GRANTS

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
NOTE 2 CONTINUED						
UK projects						
Academy Transformation Trust	-	-	-	8,716	-	8,716
Afghanistan and Central Asian Association	14,197	-	14,197	14,198	-	14,198
Asylum Welcome	12,453	-	12,453	12,454	-	12,454
Bradford City of Sanctuary	8,630	-	8,630	-	-	-
Carers Trust Hillingdon	30,000	-	30,000	15,000	-	15,000
Children and Families Across Borders	-	-	-	15,000	-	15,000
Finding Rhythms	-	-	-	7,250	-	7,250
Hatfield Primary Academy - Astrea Academy Trust	-	-	-	13,700	-	13,700
Healthprom	24,761	-	24,761	-	-	-
Hitchin British Schools Trust	500	-	500	-	-	-
HUB for SUCCESS through Edinburgh Napier University	30,000	-	30,000	15,000	-	15,000
Hull FC Rugby Community Sports & Education Foundation	23,020	-	23,020	15,710	-	15,710
Jericho Foundation	-	-	-	9,975	-	9,975
Connect: North Korea	26,460	-	26,460	-	-	-
Opportunity Sports Foundation	29,358	-	29,358	-	-	-
Passion for Learning CIO	-	-	-	10,000	-	10,000
Refugee Action Kingston	28,508	-	28,508	-	-	-
Refugee Education UK	10,435	10,434	20,869	10,684	-	10,684
Royal Caledonian Education Trust	-	-	-	8,019	-	8,019
Sheffield Young Carers	27,991	-	27,991	13,877	-	13,877
SIEVEMK Gateway	19,138	-	19,138	17,257	-	17,257
The Why Not? Trust for Care Experienced Young People	14,704	-	14,704	14,705	-	14,705
Voices from Care Cymru	14,570	-	14,570	14,570	-	14,570
Volunteer Tutors Organisation	14,040	-	14,040	28,743	-	28,743
YMCA Sutton Coldfield	29,182	-	29,182	28,594	-	28,594
	357,947	10,434	368,381	273,452	-	273,452
Grants from restricted funds to organisations						
1st Chesterford Scout Group	-	5,000	5,000	-	-	-
Ashdon Primary School	-	4,032	4,032	-	500	500
Auckland Youth & Community Centre	-	2,500	2,500	-	2,500	2,500
Enterprise East Group CIC	-	5,000	5,000	-	-	-
Food Teachers Centre	-	-	-	-	2,000	2,000
Friends of Debden School	-	5,000	5,000	-	-	-
Friends of Granta School	-	5,000	5,000	-	-	-
Katherine Semar Junior School	-	3,990	3,990	-	-	-
Linton Village College	-	600	600	-	-	-
R A Butler Academy School	-	-	-	-	5,000	5,000
Saffron Hall Trust	-	-	-	-	5,000	5,000
Saffron Walden County High School	-	-	-	-	5,000	5,000
Saffron Walden Playgroup	-	-	-	-	1,000	1,000
Wiltshire Community Foundation	-	-	-	-	14,000	14,000
	-	31,122	31,122	-	35,000	35,000
Total organisational grants	1,212,309	127,205	1,339,514	971,088	77,477	1,048,565
Grants from restricted funds to individuals						
	-	344	344	-	1,000	1,000
Total individual grants	-	344	344	-	1,000	1,000
Total grants	1,212,309	127,549	1,339,858	971,088	78,477	1,049,565
Less: Grants returned during the year						
	(23,395)	(1,500)	(24,895)	(2,997)	-	(2,997)
	1,188,914	126,049	1,314,963	968,091	78,477	1,046,568

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. CHARITABLE EXPENDITURE

	International projects £	UK projects £	Total 2023 £
Grants (see note 2)	940,011	374,952	1,314,963
Support costs			
Salaries and office costs	120,691	48,141	168,832
Shared learning expenses	6,565	2,618	9,183
Professional fees	9,428	3,761	13,189
	<u>136,684</u>	<u>54,520</u>	<u>191,204</u>
Governance costs			
Audit			
Legal and professional costs			
Trustee training	4,890	1,950	6,840
Council and Committee meetings	2,217	884	3,101
	832	332	1,164
	<u>5,401</u>	<u>2,155</u>	<u>7,556</u>
	<u>13,340</u>	<u>5,321</u>	<u>18,661</u>
	<u>1,090,035</u>	<u>434,793</u>	<u>1,524,828</u>
	International projects £	UK projects £	Total 2022 £
Grants (see note 2)	740,113	306,455	1,046,568
Support costs			
Salaries and office costs	108,440	44,902	153,342
Shared learning expenses	5,027	2,081	7,108
Professional fees	14,161	5,863	20,024
	<u>127,628</u>	<u>52,846</u>	<u>180,474</u>
Governance costs			
Audit			
Legal and professional costs			
Trustee training	4,837	2,003	6,840
Council and Committee meetings	2,020	836	2,856
	177	73	250
	<u>4,591</u>	<u>1,901</u>	<u>6,492</u>
	<u>11,625</u>	<u>4,813</u>	<u>16,438</u>
	<u>879,366</u>	<u>364,114</u>	<u>1,243,480</u>

Support and governance costs have been allocated in proportion to project location.

4. STAFF COSTS & RELATED PARTY TRANSACTIONS

	2023 £	2022 £
Salaries	134,142	117,033
Social security costs	7,759	6,643
Pension contributions	8,262	6,849
Consultants fees	6,603	14,864
Accountancy services	6,586	5,160
	<u>163,353</u>	<u>150,549</u>

The average number of employees during the year was:

Management and administration	<u>5</u>	<u>4</u>
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No staff employee received remuneration amounting to more than £60,000 in the year (2022: None).

BFSS considers its key management personnel to comprise the members of the Council and the BFSS Director. The Society delegates the day-day running of the charity to its Director. The ultimate responsibility lies with the Trustees. The remuneration of the Director in the year was £54,556 (2022: £53,373) including pension and employers' National Insurance.

BFSS bought in accountancy services from Godfrey Wilson which cost £6,348 (2022: £5,160).

Consultants fees include £1,876 to construct a new website and £4,400 in conference event planning.

No remuneration was paid to any member of the Council during 2023 or 2022 and there are no related party transactions to disclose other than above. Reimbursement of expenses in relation to attendance at meetings amounted to £1,792 paid to seven Trustees in 2023 (2022: £1,036 paid to nine Trustees).

During the year a grant of £28,860 was paid to A Partner In Education, a charity of which A Barnecutt was previously Chief Executive. A Barnecutt did not have overall control of A Partner In Education, and was no longer Chief Executive when the grant was decided.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. FIXED ASSETS	Freehold land & buildings £	Furniture & equipment £	Total £
COST & VALUATION			
At 1st January 2023	175,000	13,364	188,364
Additions	-	941	941
Revaluation surplus	-	-	-
Disposals	-	(3,466)	(3,466)
At 31st December 2023	<u>175,000</u>	<u>10,839</u>	<u>185,839</u>
DEPRECIATION			
At 1st January 2023	-	10,715	10,715
Charge for the year	-	1,145	1,145
Disposals	-	(3,466)	(3,466)
At 31st December 2023	<u>-</u>	<u>8,394</u>	<u>8,394</u>
NET BOOK VALUE			
At 31st December 2023	<u>175,000</u>	<u>2,445</u>	<u>177,445</u>
At 31st December 2022	<u>175,000</u>	<u>2,649</u>	<u>177,649</u>

Freehold land and buildings comprise investment properties which are not depreciated.

Council values the freehold property, the George Dent Nursery in Darlington, on the basis of ten times annual rental income. A new lease was agreed with the tenant from 25 December 2022 with a rent of £17,500 per annum, the property is therefore valued at £175,000. The historic cost of this property is £1 (2022: £1).

5a RENTS RECEIVABLE

	2023 £	2022 £
George Dent Nursery, Darlington	<u>17,500</u>	<u>16,000</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

6. UNITS HELD IN POOLED INVESTMENT FUND

a) Number of units held	Units held 1 Jan 2023 No.	Units transferred No.	Units held 31 Dec 2023 No.
ENDOWMENT FUNDS			
Wilmslow British School Endowment Fund	2,360	(2,360)	-
Darlington College Building Fund	2,112	(2,112)	-
Alfred Bourne	315	-	315
British School Charity	2,917	-	2,917
Old British School	2,161	-	2,161
West Street Old British School	788	(788)	-
BFSS Trust	1,652	(1,652)	-
	<u>12,305</u>	<u>(6,912)</u>	<u>5,393</u>
RESTRICTED FUNDS			
BFSS Trust	-	1,652	1,652
Berridge Trust	344	-	344
South Church Trust	389	-	389
Sarah Walker and Spafford	1,258	-	1,258
	<u>1,991</u>	<u>1,652</u>	<u>3,643</u>
UNRESTRICTED FUNDS			
British & Foreign School Society	224,732	5,260	229,992
	<u>224,732</u>	<u>5,260</u>	<u>229,992</u>
	<u>239,028</u>	<u>-</u>	<u>239,028</u>

The charity invests the assets of all its funds into a single investment portfolio in order to minimise the costs of management. The portfolio is invested in a wide range of listed equities and fixed income holdings. In order to allocate the investments to each fund the portfolio is nominally divided into unitholdings.

b) Value of units held

	Fund market value 1 Jan 2023 £	Funds transferred in year £	Increase/ (decrease) in fund value £	Fund market value 31 Dec 2023 £
ENDOWMENT FUNDS				
Wilmslow British School Endowment Fund	243,450	(244,754)	1,304	-
Darlington College Building Fund	217,844	(219,011)	1,167	-
Alfred Bourne	32,503	-	551	33,054
British School Charity	300,880	-	5,103	305,983
Old British School	222,932	-	3,781	226,713
West Street Old British School	81,322	(81,758)	436	-
BFSS Trust	170,357	(169,783)	(574)	-
	<u>1,269,288</u>	<u>(715,306)</u>	<u>11,768</u>	<u>565,750</u>
RESTRICTED FUNDS				
BFSS Trust	-	169,783	3,463	173,246
Berridge Trust	35,429	-	602	36,031
South Church Trust	40,139	-	680	40,819
Sarah Walker and Spafford	129,774	-	2,201	131,975
	<u>205,342</u>	<u>169,783</u>	<u>6,946</u>	<u>382,071</u>
UNRESTRICTED FUNDS				
British & Foreign School Society	23,179,504	545,523	399,422	24,124,449
	<u>23,179,504</u>	<u>545,523</u>	<u>399,422</u>	<u>24,124,449</u>
	<u>24,654,134</u>	<u>-</u>	<u>418,136</u>	<u>25,072,270</u>
<i>Value per unit</i>	<i>103.14</i>			<i>104.89</i>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7. POOLED INVESTMENT FUND	Investments £	Un-invested	Total £
		cash £	
Opening value at 1 January 2023	24,471,311	182,823	24,654,134
FUND MOVEMENTS			
Investments acquired at cost	6,681,864	(6,681,864)	-
Proceeds of investments sold	(7,895,671)	7,895,671	-
Realised gains on sale of investments during the year	48,877	-	48,877
Unrealised gains on investments during the year	1,532,398	-	1,532,398
Exchange rate differences	-	(1,163)	(1,163)
Non-cash investment income	3,755	-	3,755
Investment income receivable	-	491,589	491,589
Interest receivable	-	29,573	29,573
Investment management fees paid	-	(86,893)	(86,893)
Distributions to funds during the year	-	(1,600,000)	(1,600,000)
NET FUND MOVEMENTS	371,223	46,913	418,136
CLOSING VALUE OF FUND AT 31 DECEMBER 2023	24,842,534	229,736	25,072,270
	Investments	Cash	Total
UK fixed interest	1,381,316	-	1,381,316
Overseas fixed interest	620,442	-	620,442
UK equities	3,732,095	-	3,732,095
European equities	2,974,822	-	2,974,822
US equities	8,104,345	-	8,104,345
Other worldwide equities	3,351,097	-	3,351,097
Managed funds:			
Emerging economies	1,194,384	-	1,194,384
UK property	1,139,600	-	1,139,600
Infrastructure	1,592,898	-	1,592,898
Commodities	558,535	-	558,535
Cash on deposit	193,000	229,736	422,736
	24,842,534	229,736	25,072,270

7a. INVESTMENT RETURN	2023 £	2022 £
Unrealised gains/(losses) on investments during the year	1,532,398	(3,186,897)
Exchange rate movements	(1,926)	18,703
Realised gains/(losses) on investment during the year	48,877	(885,767)
Net gains on investment assets	1,579,349	(4,053,961)
Investment income receivable (see note 7b))	491,589	535,050
Investment management fees paid and accrued	(87,500)	(90,925)
	1,983,438	(3,609,836)

The charity derives the majority of its income from the above investments. Whilst most of the funds held by the charity are available to meet expenditure, the trustees must balance the needs of current beneficiaries against those of the future. For this reason, although largely not a permanently endowed fund, the charity uses a total return basis in order to inform its budgeted expenditure across all funds.

The historic cost of investments held at the year end totalled £22,028,962.

The trustees report includes further discussion regarding the investment policy of the charity.

The trustees budgeted to spend from the investment returns detailed above £1,787,647 (2022: £1,222,243) to cover the spending requirements of the charity in the year. The remainder of the investment returns are to remain invested.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7b. INVESTMENT INCOME	2023 £	2022 £
UK fixed interest	21,662	11,049
Overseas fixed interest	28,109	12,743
UK equities	165,379	231,433
European equities	24,861	20,479
US equities	60,345	50,000
Other worldwide equities	59,799	65,032
UK property	56,953	55,700
Alternative assets	63,914	74,326
Other	10,567	14,288
	491,589	535,050

8. DEBTORS AND PREPAYMENTS Due within one year	2023 £	2022 £
Sundry debtors and prepayments	16,257	3,223

9. CREDITORS AND ACCRUALS	2023 £	2022 £
Grants payable	25,600	56,404
Rent received in advance	4,375	4,000
Contributions to pension scheme	2,740	-
Other creditors	31,336	35,921
	64,051	96,325

10. FINANCIAL COMMITMENTS

a) Other grants

At the year end the BFSS has the intention to pay grants totalling £1,403,065 (2022: £1,623,862) in the future which have not been included in the accounts as they are conditional on the recipients providing satisfactory evidence that they have met the reporting requirements required by BFSS and the subsequent approval of payment.

b) Leases

BFSS is currently located in shared offices in London with an annual licence fee of £4,976. Service costs are based on usage and charged quarterly in arrears. The licence is terminable at three months notice giving a commitment of £1,244.

c) Archive

By Deed of Covenant and Gift signed on 11 December 2013 BFSS made a gift of the Archive to Brunel University. No further payment to Brunel University in respect of the Archive will therefore be made, nor will any further insurance costs be incurred.

d) Capital commitments

BFSS has no capital commitments at 31 December 2023 (2022: £ nil).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11. RESTRICTED FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS

	Total restricted funds		Richard Pain Trust		BFSS Trust		Alfred Bourne	
	2023 £	2022 £	2023 £	2022 £	2023 £	2022 £	2023 £	2022 £
Incoming resources								
Donations	74,500	124,973	74,000	124,973	500	-	-	-
Investment income								
Pooled investment fund	8,746	9,295	-	-	207	-	-	-
Bank interest	676	50	-	-	76	-	-	-
Permanent endowment transfer to income	31,117	21,835	-	-	9,484	7,385	2,109	1,408
Total incoming resources	115,039	156,153	74,000	124,973	10,267	7,385	2,109	1,408
Resources expended								
Direct charitable expenditure	126,049	78,672	96,083	42,477	-	-	-	2,000
Management and administration								
- investment management fees	774	758	-	-	45	-	-	-
- transfer from main fund	7,432	7,175	-	-	1,231	1,312	265	250
Total resources expended	134,255	86,605	96,083	42,477	1,276	1,312	265	2,250
Net (expenditure)/income before gains/(losses) on investments	(19,216)	69,548	(22,083)	82,496	8,991	6,073	1,844	(842)
Expendable endowment transfer	9,709	4,799	-	-	-	-	-	-
Sarah Walker Spafford transfer for unspent income	(2,500)	(2,500)	-	-	-	-	-	-
BFSS transfer (to)/from permanent endowment	169,783	(202,667)	-	-	169,783	(202,667)	-	-
Net gains/(losses) on investments	13,156	(33,770)	-	-	-	-	-	-
Net movement in funds	170,932	(164,590)	(22,083)	82,496	178,774	(196,594)	1,844	(842)
Fund balances brought forward	381,219	545,809	92,022	9,526	17,677	214,271	4,220	5,062
Fund balances carried forward	552,151	381,219	69,939	92,022	196,451	17,677	6,064	4,220

Restricted funds represent the income of other charitable trusts which are administered by BFSS and unavailable for general charitable expenditure or donations which have been received for a specified purpose.

Name of Fund	Purpose of Fund
Richard Pain Trust	A restricted fund created by grants from the Richard Pain Trust allocated to specific projects.
The British & Foreign School Society Trust (BFSS Trust) (Charity number 312516)	To provide financial assistance or award scholarships or grants to persons in the London Boroughs of Bermondsey, Bethnal Green, Poplar, Southwark and Stepney in connection with their education. During the year the Charity Commission approved a resolution to transfer the endowment to restricted funds, to enable the distribution of larger and more effective grants.
The Alfred Bourne Trust Fund (subsidiary of Charity number 314286)	To provide financial assistance to persons undertaking education up to the age of 30.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11. RESTRICTED FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS (continued)

	Berridge Trust		British School Charity		South Church Educational Fund		Sarah Walker and Spafford Memorial Fund		Old British School	
	2023 £	2022 £	2023 £	2022 £	2023 £	2022 £	2023 £	2022 £	2023 £	2022 £
	-	-	-	-	-	-	-	-	-	-
	707	770	-	-	800	871	2,587	2,816	4,445	4,838
	50	4	-	-	56	5	182	15	312	26
	-	-	19,524	13,042	-	-	-	-	-	-
	757	774	19,524	13,042	856	876	2,769	2,831	4,757	4,864
	-	2,000	27,466	17,695	2,500	2,500	-	-	-	12,000
	126	131	-	-	142	148	461	479	-	-
	289	273	2,449	2,316	327	309	1,056	999	1,815	1,716
	415	2,404	29,915	20,011	2,969	2,957	1,517	1,478	1,815	13,716
	342	(1,630)	(10,391)	(6,969)	(2,113)	(2,081)	1,252	1,353	2,942	(8,852)
	-	-	-	-	-	-	-	-	9,709	4,799
	-	-	-	-	-	-	(2,500)	(2,500)	-	-
	-	-	-	-	-	-	-	-	-	-
	2,273	(5,834)	-	-	2,571	(6,600)	8,312	(21,336)	-	-
	2,615	(7,464)	(10,391)	(6,969)	458	(8,681)	7,064	(22,483)	12,651	(4,053)
	37,512	44,976	24,506	31,475	47,906	56,587	155,643	178,126	1,733	5,786
	40,127	37,512	14,115	24,506	48,364	47,906	162,707	155,643	14,384	1,733

Name of Fund	Purpose of Fund
The Berridge Trust (subsidiary of Charity number 314286)	To promote the training of cookery teachers.
The British School Charity (subsidiary of Charity number 314286)	To promote the education of persons under the age of 25 in the neighbourhood of Saffron Walden.
The Sarah Walker and Spafford Memorial Fund (administered under Charity number 314286).	To provide grants for educational travel for young people. Under the terms of the fund, the trustees can transfer unspent income to the main fund at their discretion.
South Church Educational Fund (subsidiary of Charity number 314286)	To promote education in the area of the District of the Wear Valley.
Old British School (Charity number 309444)	To promote the education of persons under the age of 25 who are in need of financial assistance and live within a radius of 20 miles from Bratton, Wiltshire, preference being given to those resident in Bratton.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. ENDOWMENT FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS

	Total endowment funds		Wilmslow		Darlington	
	2023	2022	2023	2022	2023	2022
	£	£	£	£	£	£
Incoming resources						
Investment income						
Permanent endowment pooled investment fund	10,571	12,697	-	-	-	-
Permanent endowment bank interest	662	69	-	-	-	-
Permanent endowment transfer to income	(33,756)	(25,360)	-	-	-	-
Total incoming resources	(22,523)	(12,594)	-	-	-	-
Resources expended						
Investment management fees	3,377	4,681	429	898	383	803
Net expenditure before gains/(losses) on investments	(25,900)	(17,275)	(429)	(898)	(383)	(803)
Expendable endowment transfer between funds	(20,339)	(14,729)	(5,610)	(5,241)	(5,020)	(4,689)
BFSS transfer (to)/from restricted funds	(169,783)	202,667	-	-	-	-
Transfers to unrestricted funds	(545,523)	-	(244,754)	-	(219,011)	-
Net gains/(losses) on investments	58,007	(208,709)	7,343	(40,031)	6,570	(35,820)
Net movement in funds	(703,538)	(38,046)	(243,450)	(46,170)	(217,844)	(41,312)
Endowment fund balances brought forward	1,269,288	1,307,334	243,450	289,620	217,844	259,156
Endowment fund balances carried forward	565,750	1,269,288	-	243,450	-	217,844

Endowment funds represent capital amounts held by the charity for the longer term to generate income for the charity or the other trusts which are administered by BFSS. Endowment funds share in the total return from the investment funds. This allows trustees to invest endowment funds to maximise total return and to apply an appropriate proportion of the total return to income for the year and so be available for expenditure. BFSS has two types of endowment fund, permanent and expendable endowment funds.

Expendable endowments income can be spent as unrestricted funds, unless the charity is restricted to the areas in which the income and capital can be spent. Where the charity holds permanent endowments there is no ability to spend the original capital funds. Having considered their obligations under the duty of even-handedness the trustees made a transfer of £20,339 of the total return from the expendable endowment funds to income funds and a transfer of £33,756 of the total return from the permanent endowment funds to income funds. In making these decisions the trustees have taken into account the current investment climate, the return on investment for the year and the income needs of BFSS.

Name of Fund	Purpose of Fund
Wilmslow British School Endowment Fund (subsidiary of charity number 314286)	The fund was an expendable endowment, however the capital was restricted. During the year the Charity Commission approved a resolution to transfer the endowment to be used for BFSS general purposes.
Darlington College Building Fund	The fund was an expendable endowment, however the capital was restricted. During the year the Charity Commission approved a resolution to transfer the endowment to be used for BFSS general purposes.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. ENDOWMENT FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY BFSS (continued)

Alfred Bourne		British School Charity		Old British School		West Street		BFSS Trust	
2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
£	£	£	£	£	£	£	£	£	£
648	705	5,999	6,530	-	-	734	1,765	3,190	3,697
46	4	421	36	-	-	32	10	163	19
(2,109)	(1,408)	(19,524)	(13,042)	-	-	(2,639)	(3,525)	(9,484)	(7,385)
(1,415)	(699)	(13,104)	(6,476)	-	-	(1,873)	(1,750)	(6,131)	(3,669)
115	120	1,067	1,110	791	822	144	300	448	628
(1,530)	(819)	(14,171)	(7,586)	(791)	(822)	(2,017)	(2,050)	(6,579)	(4,297)
-	-	-	-	(9,709)	(4,799)	-	-	-	-
-	-	-	-	-	-	-	-	(169,783)	202,667
-	-	-	-	-	-	(81,758)	-	-	-
2,081	(5,342)	19,274	(49,474)	14,281	(36,657)	2,453	(13,372)	6,005	(28,013)
551	(6,161)	5,103	(57,060)	3,781	(42,278)	(81,322)	(15,422)	(170,357)	170,357
32,503	38,664	300,880	357,940	222,932	265,210	81,322	96,744	170,357	-
33,054	32,503	305,983	300,880	226,713	222,932	-	81,322	-	170,357

Name of Fund	Purpose of Fund
The Alfred Bourne Trust Fund (subsidiary of charity number 314286)	The fund is a permanent endowment. The income of the endowment is restricted as detailed in note 11.
The British School Charity (subsidiary of charity number 314286)	The charity incorporates a permanent endowment. The income of the endowment is restricted as detailed in note 11.
Old British School (Charity number 309444)	The Old British School is an expendable endowment. The income of the endowment is restricted as detailed in note 11.
West Street Old British School, Wareham (subsidiary of charity number 314286)	The fund was a permanent endowment. During the year the Charity Commission approved a resolution to transfer the endowment to be used for BFSS general purposes.
The British & Foreign School Society Trust (BFSS Trust) (Charity number 312516)	The charity incorporated a permanent endowment. The income of the endowment is restricted as detailed in note 11. During the year the Charity Commission approved a resolution to transfer the endowment to restricted funds, to enable the distribution of larger and more effective grants.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets and investment property	Pooled funds	Net current assets	Total 2023
	£	£	£	£
Endowment funds				
Wilmslow British School Endowment Fund - expendable endowment	-	-	-	-
Darlington College Building Fund - expendable endowment	-	-	-	-
Alfred Bourne- permanent endowment	-	33,054	-	33,054
British School Charity - permanent endowment	-	305,983	-	305,983
Old British School - expendable endowment	-	226,713	-	226,713
West Street Old British School - permanent endowment	-	-	-	-
BFSS Trust - permanent endowment	-	-	-	-
	-	565,750	-	565,750
Restricted funds				
Richard Pain Trust	-	-	69,939	69,939
BFSS Trust	-	173,246	23,205	196,451
Alfred Bourne	-	-	6,064	6,064
Berridge Trust	-	36,031	4,096	40,127
British School Charity	-	-	14,115	14,115
South Church Trust	-	40,819	7,545	48,364
Sarah Walker and Spafford	-	131,975	30,732	162,707
Old British School	-	-	14,384	14,384
	-	382,071	170,080	552,151
Unrestricted funds				
British & Foreign School Society	177,445	24,124,449	36,194	24,338,088
	177,445	25,072,270	206,274	25,455,989
	Tangible fixed assets and investment property	Pooled funds	Net current assets	Total 2022
	£	£	£	£
Endowment funds				
Wilmslow British School Endowment Fund - expendable endowment	-	243,450	-	243,450
Darlington College Building Fund - expendable endowment	-	217,844	-	217,844
Alfred Bourne- permanent endowment	-	32,503	-	32,503
British School Charity- permanent endowment	-	300,880	-	300,880
Old British School- expendable endowment	-	222,932	-	222,932
West Street Old British School- permanent endowment	-	81,322	-	81,322
BFSS Trust - permanent endowment	-	170,357	-	170,357
	-	1,269,288	-	1,269,288
Restricted funds				
Richard Pain Trust	-	-	92,022	92,022
BFSS Trust	-	-	17,677	17,677
Alfred Bourne	-	-	4,220	4,220
Berridge Trust	-	35,429	2,083	37,512
British School Charity	-	-	24,506	24,506
South Church Trust	-	40,139	7,767	47,906
Sarah Walker and Spafford	-	129,774	25,869	155,643
Old British School	-	-	1,733	1,733
	-	205,342	175,877	381,219
Unrestricted funds				
British & Foreign School Society	177,649	23,179,504	(136,919)	23,220,234
	177,649	24,654,134	38,958	24,870,741

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. TOTAL RETURN

Endowment funds represent capital amounts held by the charity for the longer term to generate income for the charity or the other trusts which are administered by BFSS. Endowment funds share in the total return from the investment funds. This allows trustees to invest endowment funds to maximise total return and to apply an appropriate proportion of the total return to income for the year and so be available for expenditure. BFSS has two types of endowment fund, permanent and expendable endowment funds.

Where the charity holds permanent endowments there is no ability to spend the original capital funds. In 2007 the charity obtained permission to use the total return basis for the investment of the permanent endowments held. The trustees are obliged to balance the income requirements to apply to current expenditure on charitable objects with the need for long term capital growth. In order to achieve these two aims the charity must consider the unapplied total return available for transfer to the income funds.

	Alfred Bourne	British School Charity	West Street	BFSS Trust	Total
	£	£	£	£	£
Total permanent endowment balance at 1 January 2007	26,393	244,329	66,037	138,341	475,100
Value of the fund as at 31st December 2022	32,503	300,880	81,322	170,357	585,062
Unapplied total return brought forward	6,110	56,551	15,285	32,016	109,962
Transfers out to general funds	-	-	(15,285)	(32,016)	(47,301)
Increase/ (decrease) in fund value	551	5,103	-	-	5,654
Unapplied total return at 31 December 2023	6,661	61,654	-	-	68,315
Value of the fund as at 31st December 2023	33,054	305,983	-	-	339,037

During the year the Charity Commission gave approval for the permanent endowments of West Street Old British School, Wareham, to be transferred to the main unrestricted fund and The British & Foreign School Trust (BFSS Trust) to be transferred to restricted funds, to enable the distribution of larger and more effective grants.

British & Foreign School Society

MEMBERS OF THE GRANTS COMMITTEE

Prof Joy Palmer Cooper (Chair)	David Crowther (from May 2023)
Suela Aksoy (from May 2023)	John Kanyaru (until December 2023)
Amy Barneclutt (until August 2023)	Janice Miller
Charlotte Cashman	Peter Miller (until May 2023)
Vic Craggs (until May 2023)	Nicholas Tesseyman (from May 2023)
Jane Creasy	

MEMBERS OF THE FINANCE AND INVESTMENTS COMMITTEE

David Baron (Chair)	Janice Miller
Suela Aksoy (from May 2023)	Peter Miller (until May 2023)
Jane Creasy (from June 2022)	Nicholas Tesseyman (from May 2023)
John Kanyaru (until May 2023)	

DELEGATES OF BFSS RESTRICTED FUNDS

The Alfred Bourne Trust Fund Officers of BFSS

Berridge Trust Officers of BFSS

The British School Charity Diana Hoy (Chair)
Claire Cameron
Ann Geeves
Alison Stewart

Sarah Walker & Spafford Memorial Fund Officers of BFSS

South Church Educational Fund Officers of BFSS

TRUSTEES OF THE BFSS TRUST

BFSS Council

TRUSTEES OF THE OLD BRITISH SCHOOL

BFSS Council

REPRESENTATIVES SERVING ON OUTSIDE BODIES

Trustees

Caroline Lindley's Educational Foundation, Norwich	Christopher Watt Jenny Hoult
Great and Little Leighs Educational Charity, Essex	Paul Cooke
Prior's Charity, Chesham	Kevin Patrick
Steeple Bumpstead Educational Charity	Rosemarie O'Hare

GOVERNORS

Isleworth and Syon School for Boys	Dr Emily Tomlinson David Grindley
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PROFESSIONAL ADVISORS

Investment Manager

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London EC2V 7QN

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Accountant

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62 Prince Street
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Property Consultant

Sanderson Weatherall
Robert House
Westpoint Road
Stockton TS17 6BA

Solicitors

Knights Lakeside House Kingfisher Way Stockton-On-Tees TS18 3NB	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH
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April 2024

Registered Charity no. 314286

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