

Charity registration number: 314286

**BFSS**

**BRITISH & FOREIGN SCHOOL SOCIETY**

Maximising Educational Opportunity for All

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

ESTABLISHED 1808  
INCORPORATED BY ROYAL CHARTER 1906

THE  
TWO HUNDRED AND EIGHTH  
REPORT

# THE BRITISH & FOREIGN SCHOOL SOCIETY

## **PRESIDENT**

Rt Hon David Lammy MP

## **VICE-PRESIDENT**

Professor Richard Aldrich MA MPhil PhD FRHistS FRSA

## **COUNCILLORS**

### **Chair of Council**

Mr R B Howarth Cert Ed AD Dip RE MEd (until May 2013)  
Professor S R Hodgkinson BA PGCE PhD FRSA (from May 2013)

### **Vice-Chair of Council**

Rev D F Tennant BA (Theo) MEd

### **Treasurer**

Mr D A Swain FCA (until May 2013)  
Mr S J King BSc FCMA FRSA (from May 2013)

Mr C M Daynes LLB (Hons)

Ms C Emmet BA (Hons)

Mr G T Kingsley MA CChem FRSC FRSA

Mr P E Miller BSc (Hons)

Rev Prof S C Orchard MA PhD DHum (Hon)

Dr B Ramm BA MA MPhil PhD

Ms S S Rao BSc MBA

Mr S A Ross MSc FCII DChA FRSA

Dr J Saggi BSc MSc PhD MBA

Mr D Stephens BA ACA (until May 2013)

Dr E J Tomlinson MA MPhil PhD FHEA

Ms E J Weale BA PGCE

Mr S J Wordsworth MA CMG LVO

Mr B A York BA MPhil

Mr D A Zahn BS MBA CAIA FRM

## **Director and principal office address**

Mrs I Wilde

Maybrook House, Godstone Road, Caterham, Surrey CR3 6RE

**Registered Charity No. 314286**

# THE BRITISH & FOREIGN SCHOOL SOCIETY

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### **PROFESSIONAL ADVISORS**

#### **Investment Managers**

Investec Wealth & Investment Limited  
2 Gresham Street  
London EC2V 7QN

#### **Solicitors**

Mills & Reeve LLP  
Francis House  
112 Hills Road  
Cambridge CB2 1PH

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

Bond Dickinson LLP  
St Ann's Wharf  
112 Quayside  
Newcastle upon Tyne NE1 3DX

#### **Bankers**

Barclays Bank plc  
6 Clarence Street  
Kingston upon Thames KT1 1NY

#### **Auditors**

Chantrey Vellacott DFK  
Russell Square House  
10/12 Russell Square  
London WC1B 5LF

#### **Property Consultants**

Sanderson Weatherall  
Robert House  
Westpoint Road  
Stockton TS17 6BA

# **THE BRITISH & FOREIGN SCHOOL SOCIETY**

## **THE TWO HUNDRED AND EIGHTH REPORT**

### **ANNUAL REPORT 2013**

The Council present their report along with the financial statements of the Society, and of the other charitable trusts for which the Society is responsible, for the year ended 31 December 2013. The financial statements have been prepared in accordance with the accounting policies set out on pages 13 - 14 and comply with the Society's Charters and applicable law.

#### **Structure, Governance and Management**

The British & Foreign School Society (BFSS) was formed in 1808 by Christian social reformers to carry on the work of Joseph Lancaster, a pioneer of school and teacher education. The Society was then known as "The Society for Promoting the Royal British or Lancastrian System for the Education of the Poor". It changed its name to The British & Foreign School Society in 1814. It is governed by a Royal Charter dated 31 May 1906 and a Supplemental Charter dated 25 October 1999.

The Society is a membership organisation. As at 31 December 2013 there were 177 members on the Register. However, 79 of these have been out of contact for at least the previous two years.

The Society is governed by a Council drawn from members of the Society. The Members of Council (the Trustees) are listed at the front of this report. The Statutes specify that the minimum number of Councillors should be 12. At the 2013 Annual General Meeting the maximum was confirmed as 20.

At the AGM in 2013 a new Chair and Treasurer were elected. On the nomination of the Council, three retiring Council Members were re-elected to the Council and five new Council Members were elected. Of the five new Council Members, two had previously been ex officio Members (the former Chair and Treasurer) and the other three were put forward following an external recruitment process for new Trustees.

New Trustees are provided with a folder of relevant information on their role and responsibilities and are briefed by the Director. All Trustees are kept informed of the impact of the Society's work through presentations by grant beneficiaries at Council meetings and through reports on funded projects.

Council Meetings are held quarterly, normally in the spring, in May, in the autumn and in December. There are three main subsidiary committees, the Executive Committee, the Grants Committee and the Investments Committee. The Terms of Reference and membership of these Committees are included at the end of this report. (The term "Officers of the Society" is used to mean the Chair, Vice-Chair and Treasurer.) The Executive Committee has traditionally met immediately prior to Council meetings but will normally meet twice a year in future. The Grants Committee normally meets four times a year and reports back to the following Council meeting. The Investments Committee has traditionally met twice a year but will meet three times a year in future.

In May 2013 a new Constitutional Working Party was established to review the Royal Charter, Statutes and Bye-laws of the Society. Legal advisers were appointed in November 2013 and in December 2013 the Working Party reported to the Council who approved a number of proposed changes, designed to ensure that the governance documents are fit for purpose and reflect good practice in the sector. Work is proceeding with a view to submitting proposals for an amendment to the Royal Charter and for revised Statutes to a General Meeting of the Society in May 2014.

The Committee that oversaw the International Link Scholarship Scheme was wound up in December 2013 following the discontinuation of both that Scheme and the successor block grant arrangements. The Heritage and Archive Advisory Group, which reported to the Executive Committee and advised on arrangements for the gift of the Archive to Brunel University, was wound up in December 2013.

The charity is a member of the Association of Charitable Foundations and the Charity Finance Group.

# THE BRITISH & FOREIGN SCHOOL SOCIETY

## THE TWO HUNDRED AND EIGHTH REPORT

### ANNUAL REPORT 2013 (continued)

The Trustees have in place a Risk Register which is reviewed regularly. In 2013 the Society's Trustees examined the major strategic, business and operational risks to which the Society is exposed and satisfied themselves that systems or procedures are established in order to manage those risks.

#### Objectives and Activities

The Society's vision is equality of educational opportunity for all. Building on its Christian and Lancasterian heritage, in particular a belief in education as a means of social improvement, the Society is committed to equality, integrity, tolerance and respect for others. It values effective teaching, commitment to learning and sharing of good practice.

The Society seeks to achieve its vision by:

- providing grants for a variety of educational projects in the UK and throughout the world;
- working with, and developing partnerships with, charities and organisations which share its vision and values;
- disseminating good practice; and
- supporting innovation in education.

The Society meets its objectives by making grants for a variety of educational projects both nationally and internationally. Grants are made for a range of education and training activities including teacher training, educational resources including IT, building and equipping classrooms and libraries, vocational training and study support. The purpose of all the Society's grant giving is to maximise educational opportunity and, in their approach to grant giving, Council Members have regard to the Charity Commission's general guidance on public benefit.

The Society makes grants in accordance with its Charter and within the financial limits set by Council each year. The criteria for grant giving are reviewed regularly. Details of how to apply for grants, along with application forms and the grant giving criteria, are available on the Society's website at [www.bfss.org.uk](http://www.bfss.org.uk). A new grants management system enabling applications to be submitted online came into operation in spring 2013. The Director sees all applications for grants and conducts an initial assessment with advice from the Finance Manager. Applications which meet the criteria and are considered suitable for further consideration are referred to the Grants Committee for the Main Fund and to the appropriate Committee for the subsidiary trusts for which the Society is responsible. Before each Grants Committee meeting, members of the Grants Committee meet a number of grant applicants to discuss their proposals as part of the process of ensuring good governance around grant giving. Grants of £20,000 or less can be approved by the Grants Committee. Applications for larger grants which are supported by the Grants Committee are referred to the Council as a whole for approval.

In considering applications for grant, Trustees give priority to applications from organisations and institutions operating in areas of deprivation or educational disadvantage and to projects which widen educational access and opportunity and reduce the barriers to achievement. The Trustees look for evidence that the activity or service proposed will give value for money and will achieve positive and long lasting change for the community as a whole. Grant recipients are required to report six-monthly on the use of the grant and to submit a report at the end of the project and/or annually as appropriate on the impact of the project.

Both successful and unsuccessful grant applicants receive feedback on their applications including advice on networking with other charitable organisations engaged in similar activities and/or in similar parts of the world.

## **THE BRITISH & FOREIGN SCHOOL SOCIETY**

### **THE TWO HUNDRED AND EIGHTH REPORT**

#### **ANNUAL REPORT 2013 (continued)**

Other charitable trusts for which the Society is responsible provide scholarships and bursary funds to individuals and grants to educational institutions. These trusts are detailed on pages 21 - 24.

During the year discussions took place with Brunel University on future plans for the Society's Archive, which has been managed by the University on the Society's behalf and is located close to the University's Uxbridge Campus (the Old School House, 1 Hillingdon Hill, Uxbridge UB10 0AA). The Archive receives requests for information from all over the world and the Society is grateful to the Archivist, Phaedra Casey, for her work. Discussions with the University, which drew upon advice from the Heritage and Archive Advisory Group, culminated in a decision by the Society's Trustees to transfer the Archive to the University in the interests of securing its long term future. This was implemented by Deed of Covenant and Gift signed on 11 December 2013. The only exception to the transfer was the Burrell Bible collection, which was not an integral part of the Archive and which the Society has since sold.

#### **Achievements and Performance**

Grants totalling £471,251 were awarded from the Main Unrestricted Fund of which 32% went to projects in Eastern Africa, 25% to projects in Southern Asia, 8.5% to projects in the UK and the balance to projects in a wide range of countries. The list of projects supported reflects a very good spread by phase of education and also includes a number of vocational training projects and an action research project. Project reports bear witness to the impact which the Society's grants have had in improving the educational opportunities, resources and facilities available to children and young people in disadvantaged and often very remote parts of the world. The Society is pleased, too, that in a number of cases its grants have helped to leverage additional funding for the projects and communities concerned.

During the year the Society's grants have funded projects in the United Kingdom and in 20 other countries. Organisations and projects supported have included the following:

- African Revival towards the construction of an additional block of three classrooms at Muumba Primary School, Kalomo District, Zambia.
- The British Asian Trust for the second year of a three-year grant (subject to annual review) to support a "Girls Child Education Project" run by Educate Girls in Bhinmal block in the Jalore district of Rajasthan's in India.
- Challenge Aid (formerly Schoolchildren for Children) for the second year of a three-year grant (subject to annual review) to set up two "Schools of Hope" i.e. Homework Clubs in Kiambiu and in Kawangware in the slums of Nairobi, Kenya.
- Children in Crisis for two projects: for the second year of a three-year grant (subject to annual review) for five Community Based Centres in Kabul, Afghanistan, delivering accelerated learning classes as well as other education and community engagement activities; and towards the rehabilitation of a school in the plateau region of south Kivu, the Democratic Republic of the Congo.
- HealthProm to support children with disabilities and their parents living in Krasnoyarsk, Siberia, Russia, to access educational services in their local community by working with three schools, parents, social workers etc. to develop and pilot a local partnership inclusion project.
- International Development Partnerships to equip Debark Schools Resource Centre, northern Ethiopia, serving local schools, with computers, English language text books etc.
- International Needs UK to supply text books to lend to pupils at La Bonne Nouvelle Secondary School, Bobo Dioulasso, Burkina Faso.

## THE BRITISH & FOREIGN SCHOOL SOCIETY

### THE TWO HUNDRED AND EIGHTH REPORT

#### ANNUAL REPORT 2013 (continued)

- Jubilee Action for the first year of a three-year grant (subject to annual review) to support a pilot project to work with five state schools in Salvador, Brazil, to implement a model of educational support and care to reduce the school dropout rate among marginalised children.
- Kidasha (formerly Child Welfare Scheme) for the second year of a four-year grant (subject to annual review) to help support the reintegration into formal education of 200 street children and working children a year in the Kaski district of Western Nepal.
- Runnymede Trust for an action research project working with black parents in London to identify factors that will support their improved understanding of and engagement with the education system with a view to reducing the barriers to achievement, strengthening networks and enabling greater opportunity for black children and young people.
- Rwanda Aid towards the construction of four classrooms with separate toilet accommodation for boys and girls at the school at Nyabigoma in south west Rwanda.
- Street Kids International for the delivery of Training the Trainers workshops to build the initial capacity of the local youth worker group in Duque de Caxias, Brazil.
- The Henry van Straubensee Memorial Fund to improve the dormitory facilities for girls at Bupadhengo Secondary School, Uganda.
- Youth Aliyah Child Rescue to help fund the After-School Reinforcement Project at Talpiot Children's Village, Israel.

The grants to organisations included two block grants (to Azafady and to The Daneford Trust) for the support of volunteers from disadvantaged backgrounds to undertake educational activities overseas. This represented a move away from the previous arrangements whereby the Committee that oversaw the former International Link Scholarship Scheme interviewed and made grants to link organisations for specific individuals. The move to block grants was intended as a transitional measure. Experience in 2013 confirmed the Society's view that its support for overseas volunteering had run its course and that its grant giving could have more impact through a focus on project funding.

The Society's Trust Funds made grants to Durham University, London South Bank University and four schools. One grant of £430 was made to an individual student. The Society has been looking at ways of increasing the take-up of funding and, in the case of the Old British School Charity, has asked The Community Foundation for Wiltshire & Swindon to distribute the bulk of the funds on behalf of that Charity in 2014 in accordance with the Scheme for that Charity and on a trial basis for a year.

In October 2013 the Society held a Grants Workshop for over 30 grant recipients designed to share good practice, learn from experience and facilitate networking. There was a mix of presentations, discussion groups and panel sessions with opportunity for grant recipients to network and meet the Society's Trustees as well as the President. A report on the event has been published on the Society's website. In the light of the very positive feedback on the event, a further Workshop will be held in 2014.

Where grant recipients have developed a successful working relationship with the Society and have demonstrated a strong track record of delivery, they will be encouraged to apply for further grants in order to strengthen their association with the Society. However, Trustees have decided against establishing funding partnerships underpinned by formal agreements and commitments.

Early in the year a communications strategy was drawn up and has since been taken forward in the interests of promoting the work of the Society and attracting more applications of high calibre. A Grants Brochure was published containing illustrated case studies of 17 grants made in 2012. An article by the

# THE BRITISH & FOREIGN SCHOOL SOCIETY

## THE TWO HUNDRED AND EIGHTH REPORT

### ANNUAL REPORT 2013 (continued)

Society's Vice-President, Professor Richard Aldrich, on the place of the BFSS in British educational history was published as a BFSS Occasional Publication. News items are posted regularly on the Society's website at [www.bfss.org.uk](http://www.bfss.org.uk) and Twitter is used to help disseminate information about the Society's activities and to attract potential grant applicants to the website.

### Financial Review

#### *Reserves Policy*

The entire General Reserve at 31 December 2013 is an unrestricted fund which would be available to meet unexpected costs of the charity and the Trustees do not therefore feel it appropriate to specify a minimum level for free reserves.

#### *Investments*

The Society's main source of income is its investment portfolio. 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. The performance target for the portfolio, which is managed by Investec Wealth & Investment Limited, is a real return (after taking account of headline RPI or zero whichever is greater) of at least 4.2% on a rolling three year basis.

At the end of December 2013 the value of the investment portfolio was £21,301,458 (£18,532,488 at the end of 2012) which represented an actual total return for the year of 18.9%. On a rolling 3-year basis the total return of the Fund was 5.4% per annum after taking into account RPI.

During the year the Society withdrew £564,000 to support its grant giving activities and meet its costs. This amounted to approximately 3% of the value of the portfolio on 31 December 2012.

Overall income amounted to £642,413 in comparison to £603,646 in the previous year.

#### *Property*

The George Dent Nursery School in Darlington continues to be held by the Society as an investment and is leased to Darlington Local Education Authority. A rent review took place as planned in 2012 as a result of which the annual rent was increased from £12,000 to £13,000. This property has been retained on the balance sheet. Previous practice had been to value the property at 10 times rental value. However, notwithstanding the increase in the rent receivable, the Society does not consider that any increase in valuation would be appropriate.

#### *General Expenditure other than Grants*

The costs of the BFSS office have remained relatively stable and amount to just under 12% of total expenditure including grants. Three part-time staff equivalent to just over one full-time person are employed at the Caterham office.

The annual payment of £10,223 to Brunel University towards the costs of managing the Archive Centre on behalf of the Society will cease after 2013 following the gift of the Archive to the University.

### Future Plans

The Society's future policy is to continue its grant giving in ways which maximise educational opportunity and build capacity and sustainability in a wide spread of areas of deprivation in the UK and internationally. In accordance with strategic priorities set in 2012 and confirmed in 2013, efforts will be made to

# THE BRITISH & FOREIGN SCHOOL SOCIETY

## THE TWO HUNDRED AND EIGHTH REPORT

### ANNUAL REPORT 2013 (continued)

strengthen still further the knowledge and expertise within the Society and within beneficiary organisations in order to promote a more rigorous approach to measuring outcomes and evaluating the outcome of grants. Grant recipients will be invited to share experiences in the interests of disseminating good practice and lessons learned, building on the success of the first Grants Workshop held in 2013.

Proposals for an amendment to the Royal Charter and for revised Statutes will be brought forward to a General Meeting of the Society for approval.

In accordance with the communications strategy, further use of social media will be explored in the interests of promoting the work of the Society and attracting more applications of high calibre. A Grants Brochure will again be published and work will proceed on assessing the impact of the Society's grant giving with the help of an external consultant.

#### **Responsibilities of the Council in relation to the financial statements**

The Society's Trustees (ie the Council) are responsible for preparing the Trustees' Annual Report and the 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 & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Charter. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware: there is no relevant audit information of which the charity's auditor is unaware; and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

On behalf of the Council

S R Hodkinson  
*Chair*

Dated: 19 March 2014

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BRITISH & FOREIGN SCHOOL SOCIETY**

We have audited the financial statements of The British & Foreign School Society ("the Charity") for the year ended 31 December 2013 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Trustees and Auditor**

As explained more fully in the Statement of Trustees Responsibilities, the Trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and nonfinancial information in the Trustees Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2013, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BRITISH & FOREIGN SCHOOL SOCIETY (continued)**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

CHANTREY VELLACOTT DFK LLP

Chartered Accountants  
Statutory Auditor

Russell Square House,  
10/12 Russell Square,  
London WC1B 5LF

Date

CHANTREY VELLACOTT DFK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE BRITISH & FOREIGN SCHOOL SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
<b>INCOME AND EXPENDITURE</b>					
<b>Incoming resources</b>					
<b>Incoming resources from generated funds</b>					
Rents receivable	5a	13,250		13,250	14,672
Investment income	7b	600,853	25,507	626,360	585,564
Bank interest receivable		1,300	55	1,355	2,471
Other interest receivable		879	37	916	174
<b>Other Income</b>					
Subscriptions and donations		532		532	765
<b>Total incoming resources</b>		<b>616,814</b>	<b>25,599</b>	<b>642,413</b>	<b>603,646</b>
<b>Resources expended</b>					
<b>Cost of generating funds</b>					
Investment managers fees	7a	79,264	3,372	82,636	92,490
<b>Charitable Activities</b>					
Grants	2	460,558	9,053	469,611	463,568
Archive expenses	2a	10,999		10,999	11,027
Support costs	3	77,294		77,294	65,003
Governance costs	3	17,462		17,462	15,594
<b>Total resources expended</b>		<b>645,577</b>	<b>12,425</b>	<b>658,002</b>	<b>647,682</b>
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(28,763)</b>	<b>13,174</b>	<b>(15,589)</b>	<b>(44,036)</b>
<b>Gross transfers between funds</b>					
Management charges to restricted funds	15	4,230	(4,230)	-	-
<b>Net (outgoing)/incoming resources before other recognised gains and losses</b>		<b>(24,533)</b>	<b>8,944</b>	<b>(15,589)</b>	<b>(44,036)</b>
<b>Other recognised gains and losses</b>					
Revaluation of Burrell Bibles	17	101,650	-	101,650	-
Net gains on investment assets	7a	2,672,105	113,659	2,785,764	1,413,982
<b>Net movement in funds</b>		<b>2,749,222</b>	<b>122,603</b>	<b>2,871,825</b>	<b>1,369,946</b>
Total funds brought forward 1 January 2013		17,939,430	763,772	18,703,202	17,333,256
<b>Total funds carried forward 31 December 2013</b>		<b>20,688,652</b>	<b>886,375</b>	<b>21,575,027</b>	<b>18,703,202</b>

The notes on pages 13 to 25 form part of these financial statements.  
All amounts relate to continuing activities.

THE BRITISH & FOREIGN SCHOOL SOCIETY

**BALANCE SHEET  
AT 31 DECEMBER 2013**

	Note	2013		2012	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	5		6,181		1,118
Investment properties	5		120,000		120,000
Investment assets	6,7		21,301,458		18,532,488
			<b>21,427,639</b>		<b>18,653,606</b>
<b>CURRENT ASSETS</b>					
Debtors and prepayments	8	<b>105,683</b>		3,667	
Monies held in interest bearing accounts		<b>227,904</b>		100,565	
Bank current accounts		<b>100</b>		100	
		<b>333,687</b>		104,332	
<b>CURRENT LIABILITIES</b>					
Creditors and accruals	9	<b>(186,299)</b>		(54,736)	
<b>NET CURRENT ASSETS</b>			<b>147,388</b>		49,596
<b>NET ASSETS</b>			<b>21,575,027</b>		18,703,202
<b>REPRESENTED BY:</b>					
<b>CAPITAL ACCOUNT</b>					
Unrestricted funds					
General reserve	17		<b>20,467,003</b>		17,819,431
Revaluation reserve	17		<b>221,649</b>		119,999
			<b>20,688,652</b>		17,939,430
Restricted funds	15		<b>886,375</b>		763,772
<b>TOTAL FUNDS</b>			<b>21,575,027</b>		<b>18,703,202</b>

The notes on pages 13 to 25 form part of these financial statements.

Approved by the Council and authorised for issue on 19 March 2014 and signed on its behalf by

.....  
S.R. Hodkinson - Chair

.....  
S.J. King - Treasurer

# THE BRITISH & FOREIGN SCHOOL SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 1. ACCOUNTING POLICIES

a) *Basis of accounting*

The financial statements are prepared under the historical cost convention with the exception of the investments and investment properties which are stated at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005) issued in March 2005 and applicable UK Accounting Standards and the Charities Act 1993.

The financial statements consolidate the assets and liabilities of the Society and those of the trust funds for which the Society is responsible.

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 (except computers)	10% - 25%
Computer equipment	33%

Freehold land and buildings comprise investment properties which, in accordance with Statement of Standard Accounting Practice 19, are not depreciated.

c) *Investment properties*

Investment properties are valued on an open market value basis at the year end. Changes in market value are transferred to the Revaluation Reserve.

d) *The Archive*

The Archive consists of a collection of archives, books and artefacts relating particularly to 19<sup>th</sup> century elementary education and teacher training. By Deed of Covenant and Gift signed 11 December 2013, the Society 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.

e) *Valuation of investments*

Quoted investments are valued at mid market prices at the year end. Any gain or loss on revaluation or disposals is taken to the Statement of Financial Activities.

f) *Investment income*

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

g) *Rental income*

Rental income is credited in the financial statements in the year to which it relates.

h) *Resources expended*

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 when incurred and includes any irrecoverable VAT.

## THE BRITISH & FOREIGN SCHOOL SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

#### 1. ACCOUNTING POLICIES (continued)

*i) Charitable activities*

Charitable activities includes grants and scholarships awarded by the Society together with the cost of operating the Society's archive and the associated support costs.

Grants are accounted for in the year in which the commitment is given, all relevant conditions having been fulfilled.

*j) Support costs*

Support costs represent the cost of administering the affairs and managing and maintaining the assets of the Society and of the other trust funds administered by the Society. These costs are allocated between the costs of supporting charitable activities and governance costs on the basis of the proportion of each resource used.

*k) Governance costs*

Governance costs comprise all costs relating to the public accountability of the Society 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 the Society are included in these accounts as restricted funds and details of the nature and purpose of each fund is set out in notes 11 to 14.

*m) Leases*

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

THE BRITISH & FOREIGN SCHOOL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013

2. CHARITABLE EXPENDITURE - GRANTS	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
<b>INSTITUTIONAL GRANTS</b>				
Advantage Africa	9,260	-	9,260	-
Africa Educational Trust	10,901	-	10,901	-
African Revival	10,000	-	10,000	10,000
Azafady (2 projects)	18,107	-	18,107	-
Beanstalk	5,700	-	5,700	-
Brentford FC Community Sports Trust	7,000	-	7,000	-
Cairn Trust	6,218	-	6,218	-
Challenge Aid (formerly Schoolchildren for Children)	5,000	-	5,000	10,000
Chhahari Schools	4,000	-	4,000	4,000
ChildReach International	25,000	-	25,000	-
Children in Crisis - 2 projects	40,000	-	40,000	10,000
Computers are Free for Everyone	7,000	-	7,000	-
Destiny Children	13,000	-	13,000	-
Education Partnerships Africa	5,000	-	5,000	-
EdUKaid	10,000	-	10,000	-
Exeter Ethiopia Link	3,050	-	3,050	3,110
Footsteps UK	16,000	-	16,000	-
HealthProm	15,000	-	15,000	-
High Cross URC	2,500	-	2,500	-
International Childcare Trust	15,000	-	15,000	15,000
International Development Partnerships	18,628	-	18,628	-
International Needs UK	12,000	-	12,000	-
Jubilee Action	10,000	-	10,000	-
Kidasha	15,000	-	15,000	15,000
Lively Minds	6,630	-	6,630	-
Moroccan Children's Trust	10,370	-	10,370	8,532
Oasis International - 2 projects	10,000	-	10,000	10,000
Our Sansar	15,000	-	15,000	-
Project Pencil Case	13,000	-	13,000	11,417
RedEarth Education	4,620	-	4,620	-
Runnymede Trust	9,500	-	9,500	-
Rwanda Aid	24,814	-	24,814	-
St Paul's Community Development Trust	12,240	-	12,240	-
Street Kids International UK	15,000	-	15,000	-
Telford Junior School Parents Association	3,000	-	3,000	-
The British Asian Trust	35,000	-	35,000	45,000
The Daneford Trust (2 projects)	5,000	-	5,000	-
The Henry van Straubenzee Memorial Fund	14,470	-	14,470	-
Youth Aliyah Child Rescue	9,243	-	9,243	-
<i>Other institutional grants 2012 (23 Grants)</i>				298,215
<b>TOTAL INSTITUTIONAL GRANTS</b>	<b>471,251</b>	<b>-</b>	<b>471,251</b>	<b>440,274</b>
<b>GRANTS TO INDIVIDUALS</b>				
International Link Scholarship Scheme	-	-	-	10,000
	<b>471,251</b>	<b>-</b>	<b>471,251</b>	<b>450,274</b>
<b>GRANTS FROM OTHER FUNDS (Note 15)</b>	<b>-</b>	<b>9,053</b>	<b>9,053</b>	<b>14,255</b>
<b>Less: GRANTS RETURNED DURING THE YEAR</b>	<b>(10,693)</b>	<b>-</b>	<b>(10,693)</b>	<b>(961)</b>
	<b>460,558</b>	<b>9,053</b>	<b>469,611</b>	<b>463,568</b>

THE BRITISH & FOREIGN SCHOOL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013

2a. ARCHIVE EXPENSES	2013 £	2012 £
Contribution to running costs	10,223	10,223
Other costs	776	804
	<u>10,999</u>	<u>11,027</u>

The Society was committed to an annual expenditure of £10,223 from 2005 onwards towards the cost of running the Archive under the Heritage Builds Bridges Project funded by the Heritage Lottery Fund. By Deed of Covenant and Gift signed on 11 December 2013 the Society 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.

3. SUPPORT COSTS	Charitable activities £	Governance costs £	Total 2013 £	Total 2012 £
Salaries and office costs	77,294	-	77,294	65,003
Legal and professional costs	-	1,128	1,128	-
Audit and accountancy	-	5,520	5,520	5,520
Council and Committee meetings	-	10,814	10,814	10,074
	<u>77,294</u>	<u>17,462</u>	<u>94,756</u>	<u>80,597</u>

Included in office costs above are amounts payable under operating lease rentals totalling £709 for the year (2012: £589).

4. STAFF COSTS	2013 £	2012 £
Wages and salaries	51,746	47,061
Social security costs	4,015	3,624
	<u>55,761</u>	<u>50,685</u>

The average number of employees during the year, calculated on a full-time equivalent basis, was:

Management and administration	<u>1</u>	<u>1</u>
-------------------------------	----------	----------

No remuneration was paid to any member of the Council during 2013 or 2012. Reimbursement of expenses in relation to attendance at meetings amounted to £3,884 and was paid to 12 Councillors in 2013 (2012: £3,990 paid to 12 Councillors).

THE BRITISH & FOREIGN SCHOOL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013

<b>5 FIXED ASSETS</b>	<b>Freehold land &amp; buildings</b>	<b>Furniture &amp; equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST &amp; VALUATION</b>			
At 1st January 2013	120,000	4,807	124,807
Additions	-	7,334	7,334
At 31st December 2013	<b>120,000</b>	<b>12,141</b>	<b>132,141</b>
<b>DEPRECIATION</b>			
At 1st January 2013	-	3,689	3,689
Charge for the year	-	2,271	2,271
At 31st December 2013	-	5,960	5,960
<b>NET BOOK VALUE</b>			
At 31st December 2013	<b>120,000</b>	<b>6,181</b>	<b>126,181</b>
<i>At 31st December 2012</i>	120,000	1,118	121,118

Freehold land and buildings comprise investment properties which, in accordance with Statement of Standard Accounting Practice 19, are not depreciated.

Council has formerly valued the one remaining freehold property, the George Dent Nursery in Darlington, on the basis of ten times annual rental income. Despite the increase in the rent receivable (see Note 5a), the Council does not consider any increase in valuation to be appropriate. The historic cost of this property is £1 (2012: £1).

**5a RENTS RECEIVABLE**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
George Dent Nursery, Darlington	13,250	12,000
Settlement of rent due in respect of freehold property disposed of in 2007	-	2,672
	<b>13,250</b>	<b>14,672</b>

During 2013, the rent of the George Dent Nursery, Darlington was increased to £13,000 p.a., effective from September 2012 for four years, after which the current lease expires.

THE BRITISH & FOREIGN SCHOOL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013

6. UNITS HELD IN COMMON INVESTMENT FUND

a) Number of units held	Units held 1 Jan 2013 No.	Units purchased No.	Units sold No.	Units held 31 Dec 2013 No.
<b>RESTRICTED FUNDS</b>				
BFSS Trust	1,652	-	-	1,652
Alfred Bourne	315	-	-	315
Berridge Trust	344	-	-	344
Rowlett Foundation	402	-	-	402
British School Charity	2,917	-	-	2,917
South Church Trust	389	-	-	389
Sarah Walker and Spafford	1,383	-	-	1,383
Old British School	2,161	-	-	2,161
	<b>9,563</b>	-	-	<b>9,563</b>
<b>UNRESTRICTED FUNDS</b>				
British & Foreign School Society	224,205	-	-	224,205
Wilmslow Fund	2,360	-	-	2,360
Darlington College Building Fund	2,112	-	-	2,112
West Street Old British School	788	-	-	788
	<b>229,465</b>	-	-	<b>229,465</b>
	<b>239,028</b>	-	-	<b>239,028</b>

b) Value of units held

	Fund market value 1 Jan 2013 £	Funds invested (redeemed) in year £	Increase/ (decrease) in fund value £	Fund market value 31 Dec 2013 £
<b>RESTRICTED FUNDS</b>				
BFSS Trust	128,059	-	19,134	147,193
Alfred Bourne	24,431	-	3,650	28,081
Berridge Trust	26,635	-	3,980	30,615
Rowlett Foundation	31,184	-	4,660	35,844
British School Charity	226,169	-	33,792	259,961
South Church Trust	30,172	-	4,508	34,680
Sarah Walker and Spafford	107,241	-	16,023	123,264
Old British School	167,577	-	25,038	192,615
	<b>741,468</b>	-	<b>110,785</b>	<b>852,253</b>
<b>UNRESTRICTED FUNDS</b>				
British & Foreign School Society	17,383,138	-	2,597,244	19,980,382
Wilmslow Fund	183,001	-	27,342	210,343
Darlington College Building Fund	163,752	-	24,466	188,218
West Street Old British School	61,129	-	9,133	70,262
	<b>17,791,020</b>	-	<b>2,658,185</b>	<b>20,449,205</b>
	<b>18,532,488</b>	-	<b>2,768,970</b>	<b>21,301,458</b>

Value per unit

77.53

89.12

THE BRITISH & FOREIGN SCHOOL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013

7. COMMON INVESTMENT FUND	Investments £	Un-invested cash £	Total £
Opening value at 1 January 2013	17,546,296	986,192	18,532,488
<b>FUND MOVEMENTS</b>			
Investments acquired at cost	1,460,497	(1,460,497)	-
Proceeds of investments sold	(864,745)	864,745	-
Realised gains on sale of investments during the year	112,999		112,999
Unrealised gains on investments during the year	2,672,765		2,672,765
Investment income receivable	10,531	616,745	627,276
Investment management fees paid		(80,070)	(80,070)
Distributions to funds during the year		(564,000)	(564,000)
<b>NET FUND MOVEMENTS</b>	<b>3,392,047</b>	<b>(623,077)</b>	<b>2,768,970</b>
<b>CLOSING VALUE OF FUND AT 31 DECEMBER 2013</b>	<b>20,938,343</b>	<b>363,115</b>	<b>21,301,458</b>

	Investments	Cash	Total
UK Government stocks	466,360		466,360
Other fixed interest	712,974		712,974
UK equities	9,286,057		9,286,057
Investment and unit trusts	2,920,359		2,920,359
Managed funds			
Fixed interest	649,245		649,245
Overseas equities	5,111,157		5,111,157
Property & infrastructure	1,792,191		1,792,191
Cash on deposit		363,115	363,115
	<b>20,938,343</b>	<b>363,115</b>	<b>21,301,458</b>

7a. INVESTMENT RETURN	2013 £	2012 £
Unrealised gains on investment during the year	2,672,765	1,314,880
Realised gains on investment during the year	112,999	99,102
Net gains on investment assets	<b>2,785,764</b>	1,413,982
Investment income receivable (see note 7b))	626,360	588,035
Investment management fees paid and accrued	(82,636)	(92,490)
	<b>3,329,488</b>	<b>1,909,527</b>

Investments are managed on a total return basis. Total investment income receivable has been treated as investment income and investment managers fees have been charged separately to the Statement of Financial Activities under costs of generating funds.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013

**7b. INVESTMENT INCOME**

	2013 £	2012 £
UK Government stocks	15,530	15,407
Other fixed interest	34,825	34,825
UK equities	329,093	303,714
Investment and unit trusts	65,605	61,623
Managed funds		
Fixed interest	31,682	24,446
Overseas equities	53,272	56,169
Property & infrastructure	96,353	89,380
	<b>626,360</b>	<b>585,564</b>

The charity operates a total return for its investments and withdrew from those investments £564,000 (2012: £517,500) to cover the spending requirements of the charity in the year. The remainder of the investment income was re-invested in (2012: reinvested in) investments.

**8. DEBTORS AND PREPAYMENTS**

	2013 £	2012 £
<b>Due within one year</b>		
Burrell Bibles to be sold (see Note 17)	101,650	-
Sundry debtors and prepayments	4,033	3,667
	<b>105,683</b>	<b>3,667</b>

**9. CREDITORS AND ACCRUALS**

Grants payable	152,780	24,962
Rent received in advance	3,250	3,000
Other creditors	30,269	26,774
	<b>186,299</b>	<b>54,736</b>

**10. FINANCIAL COMMITMENTS**

*a) Other grants*

The Society has made a number of grants which will be repeated in subsequent years, provided that the Grants Committee is satisfied by the report received on the previous annual expenditure and the proposals for the forthcoming year. The Society reserves the right to discontinue the grant if not so satisfied. They are not, therefore, accounted for as commitments.

*b) Leases*

During the year, the Society moved to slightly larger offices within the same building it had previously occupied. The offices and related parking spaces are leased from 1 August 2013 for three years at an annual rent of £7,950 plus VAT.

*c) Archive*

The Society was committed to an annual expenditure of £10,223 from 2005 onwards towards the cost of running the Archive under the Heritage Builds Bridges funded by the Heritage Lottery Fund. By Deed of Covenant and Gift signed on 11 December 2013 the Society 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*

The Society has a capital commitment at 31 December 2013 of £ nil (2012: £5,000).

## THE BRITISH & FOREIGN SCHOOL SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

#### 11 RESTRICTED FUNDS

Restricted funds represent the other charitable trusts which are administered by the Society and of which the Society is the Trustee. These funds are listed on the following page with their main objectives and a brief review of the year's activities. All the funds are to be used for educational purposes. A financial summary of these funds is set out in Note 15.

*The Society is Trustee of the following funds which provide scholarships, bursaries and grants:*

##### **The Alfred Bourne Trust Fund (subsidiary of Charity number 314286)**

The Fund provides financial assistance to persons undertaking education up to the age of 30 in accordance with the general objects of The British & Foreign School Society. No grants from this Fund were made during 2013 (2012: nil).

##### **The Berridge Trust (subsidiary of Charity number 314286)**

The object of the Trust is to promote the training of cookery teachers. No grants were made during 2013 (2012: nil). This reflects the difficulty of attracting suitable applicants who meet the specific requirement to be cookery teachers.

##### **The British School Charity (subsidiary of Charity number 314286)**

The object of the charity is to promote the education of persons under the age of 25 in the neighbourhood of Saffron Walden. One grant (2012: 3) was made to a school during 2013 totalling £750 (2012: £1,700).

##### **The Sarah Walker and Spafford Memorial Fund (administered under Charity number 314286)**

The Fund was set up to provide grants for exploration and travel to students at Durham University. A grant of £4,000 was paid to the University for distribution in accordance with the scheme in the academic year 2013/14.

##### **South Church Educational Fund (subsidiary of Charity number 314286)**

The Trust operates to promote education in the area of the District of the Wear Valley. During 2013, 2 grants (2012: 3) totalling £740 (2012: £992) were made to schools .

##### **Old British School (Charity number 309444)**

The object of the charity is 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. Grants of £1,564 (2012: £2,563) were made in 2013 to one individual (2012: 2) and one school (2012: 3).

*The Society appoints all 13 Governors as Trustees of:*

##### **The British & Foreign School Society Trust (BFSS Trust) (Charity number 312516)**

The objects of the Trust are 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. In furtherance of these objects, the Trust awarded a grant of £3,500 to London South Bank University in 2013 (2012: one grant of £3,500).

*The Society appoints 4 of the 7 Trustees who administer the following:*

##### **The Rowlett Educational Foundation (Charity number 309771)**

The Foundation is for the benefit of persons resident in Corby. In 2013 no grants were made to any individuals (2012: 8 totalling £1,500).

**THE BRITISH & FOREIGN SCHOOL SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**12 WILMSLOW BRITISH SCHOOL ENDOWMENT FUND (subsidiary of Charity number 314286)**

As authorised by the Charity Commissioners, The British & Foreign School Society continues to apply the clear income of this fund for its general purposes.

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Market value of units held in the Common Investment Fund (note 6)		
Fund value at 31 December 2013	<u>210,343</u>	<u>183,001</u>

**13 DARLINGTON COLLEGE BUILDING FUND**

The fund was set up in 1955 and comprises investments as described below. The income of the fund is applied in furtherance of the general purposes of the Society.

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Market value of units held in the Common Investment Fund (note 6)		
Fund value at 31 December 2013	<u>188,218</u>	<u>163,752</u>

**14 WEST STREET OLD BRITISH SCHOOL, WAREHAM (subsidiary of Charity number 314286)**

As authorised by the Charity Commissioners, The British & Foreign School Society continues to apply the clear income of this fund for its general purposes.

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Market value of units held in the Common Investment Fund (note 6)		
Fund value at 31 December 2013	<u>70,262</u>	<u>61,129</u>

THE BRITISH & FOREIGN SCHOOL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013

15. RESTRICTED FUNDS  
TRUSTS AND OTHER FUNDS ADMINISTERED BY THE SOCIETY

	Total other funds		BFSS Trust		Alfred Bourne		Berridge Trust	
	2013 £	2012 £	2013 £	2012 £	2013 £	2012 £	2013 £	2012 £
<b>Incoming resources</b>								
<b>Investment income</b>								
Common investment fund	25,507	23,428	4,251	4,046	938	773	875	843
Bank interest	92	99	15	17	3	3	3	4
<b>Total Incoming Resources</b>	<b>25,599</b>	<b>23,527</b>	<b>4,266</b>	<b>4,063</b>	<b>941</b>	<b>776</b>	<b>878</b>	<b>847</b>
<b>Resources Expended</b>								
Direct charitable expenditure								
Grants	9,053	14,255	2,500	3,500	-	-	-	-
Management and administration								
- Investment management fees	3,372	3,701	562	639	124	122	116	133
- from main fund	4,230	3,665	705	633	156	121	145	132
<b>Total resources expended</b>	<b>16,655</b>	<b>21,621</b>	<b>3,767</b>	<b>4,772</b>	<b>280</b>	<b>243</b>	<b>261</b>	<b>265</b>
<b>Other recognised gains and losses</b>								
Net movement in market value of Common investment fund units (see note 7)	113,659	56,574	18,943	9,771	4,179	1,866	3,900	2,036
<b>Net movement in funds</b>	<b>122,603</b>	<b>58,480</b>	<b>19,442</b>	<b>9,062</b>	<b>4,840</b>	<b>2,399</b>	<b>4,517</b>	<b>2,618</b>
Fund balances brought forward at 1 January 2013	763,772	705,292	126,947	117,885	27,825	25,426	30,558	27,940
Fund balances carried forward at 31 December 2013	886,375	763,772	146,389	126,947	32,665	27,825	35,075	30,558

THE BRITISH & FOREIGN SCHOOL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013

15. RESTRICTED FUNDS

TRUSTS AND OTHER FUNDS ADMINISTERED BY THE SOCIETY (continued)

Rowlett Educational Foundation		British School Charity		South Church Educational Fund		Sarah Walker and Spafford Memorial Fund		Old British Fund	
2013 £	2012 £	2013 £	2012 £	2013 £	2012 £	2013 £	2012 £	2013 £	2012 £
1,000 3	984 4	8,002 28	7,144 30	1,125 4	954 4	3,314 14	3,390 14	6,002 22	5,294 23
1,003	988	8,030	7,174	1,129	958	3,328	3,404	6,024	5,317
	1,500	750	1,700	740	992	3,500	4,000	1,563	2,563
132 166	155 154	1,058 1,327	1,129 1,118	149 187	151 149	438 549	536 530	793 995	836 828
298	1,809	3,135	3,947	1,076	1,292	4,487	5,066	3,351	4,227
4,457	2,376	35,658	17,251	5,014	2,305	14,765	8,187	26,743	12,782
5,162	1,555	40,553	20,478	5,067	1,971	13,606	6,525	29,416	13,872
27,049	25,494	239,126	218,648	34,037	32,066	99,412	92,887	178,818	164,946
32,211	27,049	279,679	239,126	39,104	34,037	113,018	99,412	208,234	178,818

THE BRITISH & FOREIGN SCHOOL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Investments £	Net current assets £	Total £
<b>RESTRICTED FUNDS</b>				
BFSS Trust	-	147,193	(804)	146,389
Alfred Bourne	-	28,081	4,584	32,665
Berridge Trust	-	30,615	4,460	35,075
Rowlett Foundation	-	35,844	(3,635)	32,209
British School Charity	-	259,961	19,718	279,679
South Church Trust	-	34,680	4,426	39,106
Sarah Walker and Spafford	-	123,264	(10,246)	113,018
Old British School	-	192,615	15,619	208,234
	-	852,253	34,122	886,375
<b>UNRESTRICTED FUNDS</b>				
British & Foreign School Society	126,181	19,980,382	113,266	20,219,829
Wilmslow Fund		210,343	-	210,343
Darlington College Building Fund		188,218	-	188,218
West Street Old British School		70,262	-	70,262
	126,181	20,449,205	113,266	20,688,652
	126,181	21,301,458	147,388	21,575,027

17. UNRESTRICTED FUNDS

	General reserve £	Revaluation reserve £	Total £
Balance at 1 January 2013	17,819,431	119,999	17,939,430
Valuation of Burrell Bibles (see below)	-	101,650	101,650
Net movement in fund for the year	(24,533)	-	(24,533)
Net increase in market value of units in Common Investment Fund (note 6)	2,672,105	-	2,672,105
Balance at 31 December 2013	20,467,003	221,649	20,688,652

As mentioned in the Annual Report, the Society gifted to Brunel University in December 2013 the contents of the Archive with the exception of the collection of bibles, known as the Burrell Bibles, which were not an integral part of the Archive. The Society instructed agents to seek a purchaser and in February 2014 the Bibles were sold.

The Society has therefore valued the Bibles to the amount of the net sale proceeds, and the sale will be reflected as income in the 2014 Annual Accounts.

**THE BRITISH & FOREIGN SCHOOL SOCIETY**  
**TERMS OF REFERENCE FOR THE EXECUTIVE COMMITTEE\***

1. There shall be an Executive Committee comprising the Officers of the Society, the Chairs of other Council Committees and a maximum of two other Members of Council. The maximum number on the Committee shall be six.
2. The quorum necessary for the transaction of business will be three, provided that this includes one of the Members who is not an Officer.
3. Members of the Committee who are not Officers or Chairs of other Committees will be elected to the Committee by the Council for a period not exceeding three years. They may be re-elected, provided that they do not sit on the Committee for more than three years consecutively. Elections will normally take place at the first meeting of the Council following the Annual General Meeting.
4. The Chair of the Society shall act as Committee Chair.
5. The Director will attend all meetings of the Committee and act as its Secretary.
6. The Committee will advise the Council on the general and strategic governance of the Society.
7. The Committee will be responsible for the appointment and all aspects of employment of all employed members of staff.
8. The Committee will also be responsible for matters relating to BFSS premises including health and safety.
9. The Committee will normally meet twice a year.
10. The Committee will delegate to the Officers responsibility for dealing with appointments, employment matters or premises matters that need to be decided outside the normal cycle of meetings, on the basis that Officers will consult other Committee members and/or report to them on such matters as appropriate.

\*as from December 2013

**Members of the Executive Committee in 2013**

Officers of the Society

Mr R B Howarth

Mr G T Kingsley

Dr B Ramm (from May 2013)

Mr D A Swain (until May 2013)

Dr E J Tomlinson

Ms E J Weale

Mr B A York

**THE BRITISH & FOREIGN SCHOOL SOCIETY**  
**TERMS OF REFERENCE FOR THE GRANTS COMMITTEE\***

1. There shall be a Grants Committee comprising Members of Council up to a maximum of nine including the Treasurer of the Society. The Chair of Council shall have right of attendance at all meetings. Membership of the Committee shall be by election by the Council for a period of three years, with the possibility of re-election. The Committee may appoint Advisers as appropriate from the membership of the Society.
2. The Committee will elect a Chair from among its members.
3. The Director will attend all meetings and act as Secretary to the Committee.
4. The quorum necessary for the transaction of business will be four, provided that this includes the Chair of the Committee and the Treasurer or deputies appointed by them. The Chair of Council, if present in his/her 'ex officio' capacity, could count as one of the four.
5. The Committee will normally meet quarterly. (Wherever possible, Committee meetings will be in the month prior to the meeting of the Council.) Exceptionally, where an urgent decision is needed between meetings, applications may be circulated in writing.
6. Whilst decisions will normally be made on the basis of the written documentation, the Committee may wish to invite applicants to attend for further clarification.
7. The Committee's terms of reference will be as follows:
  - a) To review grant applications brought forward by the Director, approve the award of grants up to and including £20,000 and make recommendations to the Council on the award of grants over £20,000, subject to:
    - applications meeting the criteria for grant giving set by Council; and
    - the availability of funds.Where a grant is spread over a number of years, the Committee may approve renewal of an annual grant up to and including £20,000 without further reference to the Council.
  - b) To determine the conditions and other requirements to be imposed in connection with successful applications.
  - c) To report to Council on the progress of projects including any recommendations for withholding grants where appropriate.
  - d) To seek applications from appropriate organisations for projects that would address important topics/themes identified by Council.
  - e) To conduct an annual review of the Grants Criteria at its meeting prior to the Council's May meeting, reporting the outcomes of that review to Council together with any recommendations for changes.
  - f) To review annually the grants awarded by the charitable trusts which administer the restricted funds of which the Society is the Trustee.
  - g) To review any other such matters as may be referred to it from time to time by Council or the Executive.

\*as from December 2013

**Members of the Grants Committee in 2013**

Dr B Ramm (Chair)  
Ms C A Emmet  
Professor S R Hodkinson (ex officio)  
Mr R B Howarth  
Mr S J King  
Mr G T Kingsley  
Mr P Miller  
Dr J Saggu  
Mr D A Swain (until May 2013)  
Rev D F Tennant  
Ms E J Weale

## THE BRITISH & FOREIGN SCHOOL SOCIETY

### TERMS OF REFERENCE FOR THE INVESTMENTS COMMITTEE\*

1. There shall be an Investments Committee comprising the Chair and Treasurer of the Society and at least two other Members of Council. This Committee will be responsible to Council for all of the Society's invested assets including property. Membership of the Committee shall be subject to a vote at the first meeting of the Council following the Annual General meeting.
2. The Treasurer of the Society shall act as Chair.
3. The quorum will be three Members of the Committee to include the Treasurer and two other Trustees.
4. The Director will attend all meetings and act as Secretary to the Committee.
5. The Committee shall meet three times a year, one of those meetings being in the month prior to the Annual General Meeting. The Society's Investment Managers may be required to attend any meetings of the Committee. Other meetings shall be convened as required by the Chair.
6. The Committee will review the Statement of Investment Principles (SIP) and the performance of the Society's Investments in relation to the SIP at least once a year.
7. The Committee may delegate day to day oversight of the Society's Investment Manager or Managers to the Treasurer and Director but any single investment of £1 million or more shall be referred to the Committee for approval.
8. The Committee shall be responsible for reviewing the performance of the Society's Investment Manager or Managers formally at least once every five years and comparing this performance and fees with other investment houses at that time.

\*as from December 2013

#### **Members of the Investments Committee in 2013**

Mr S J King (Chair)

Professor S R Hodgkinson (ex officio) from May 2013

Mr R B Howarth (until May 2013)

Ms S S Rao

Mr S A Ross

Mr D Stephens (until May 2013)

Mr D A Swain

Mr D Zahn

## **THE BRITISH & FOREIGN SCHOOL SOCIETY**

### **DELEGATES OF BFSS TRUST FUNDS**

The Alfred Bourne Trust Fund	Officers of the Society
Berridge Trust	Officers of the Society
The British School Charity	Mr R Beven (from March 2013) Mr R B Howarth Mrs D Hoy Mrs M Reed
Rowlett Educational Foundation	Mr I Peden (Chair) Ms L Boyle Mr M Ferguson Mr G Hinvest
Sarah Walker & Spafford Memorial Fund	Officers of the Society
South Church Educational Fund	Mr J R Bell Dr M H Richardson Mr C Winlow JP

### **TRUSTEES OF THE BFSS TRUST**

Prof S R Hodkinson	Mr D A Swain
Mr R B Howarth	Rev D Tennant
Mr G T Kingsley	Dr E J Tomlinson
Rev Prof S C Orchard	Ms E J Weale
Dr B Ramm	Mr S Wordsworth (from September 2013)
Ms S S Rao	Mr B York
Mr S A Ross	

### **TRUSTEES OF THE OLD BRITISH SCHOOL**

BFSS Councillors

**THE BRITISH & FOREIGN SCHOOL SOCIETY**  
**REPRESENTATIVES SERVING ON OUTSIDE BODIES**

**TRUSTEES:**

Caroline Lindley's Educational Foundation, Norwich	Mrs E Capleton Mrs J D Peel Mr C R Watt
Great and Little Leighs Educational Charity, Essex	Mr G T Kingsley
Prior's Charity, Chesham	Mr T Andrew

**GOVERNORS:**

Isleworth and Syon School for Boys	Dr I Turner Dr E J Tomlinson
Management Committee – Steeple Bumpstead Educational Charity	Mrs E Haylock
Durham University Student Travel Abroad Group	Mr C Winlow
Durham University Expeditions Group	Mr C Winlow