

Charity registration number: 314286

**BFSS**

**BRITISH & FOREIGN SCHOOL SOCIETY**  
Educational Opportunity for All

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

ESTABLISHED 1808  
INCORPORATED BY ROYAL CHARTER 1906

THE  
TWO HUNDRED AND TENTH  
REPORT



# THE BRITISH & FOREIGN SCHOOL SOCIETY

## **PRESIDENT**

Rt Hon David Lammy MP

## **VICE-PRESIDENT**

Professor J Furlong BA (Hons) PhD AcSS FRSA (from May 2015)

## **COUNCILLORS**

### **Chair of Council**

Professor S R Hodgkinson BA PGCE PhD FRSA

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

Rev D F Tennant BA (Theo) MEd

### **Treasurer**

Mr S J King BSc FCMA FRSA

Mrs D Hoy FCILEx (from May 2015)

Mr G T Kingsley MA CChem FRSC FRSA

Mr P E Miller BSc (Hons)

Dr B Ramm BA MA MPhil PhD

Mr S A Ross MSc FCII DChA FRSA

Dr J Saggi BSc MSc PhD MBA

Mr D A Swain FCA

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 (until May 2015)

## **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

## THE TWO HUNDRED AND TENTH REPORT

### ANNUAL REPORT 2015 (continued)

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### PROFESSIONAL ADVISORS

#### Investment Managers

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

#### Solicitors

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

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

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

#### Bankers

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

#### Auditors

Moore Stephens LLP  
150 Aldersgate Street  
London EC1A 4AB

#### Property Consultants

Sanderson Weatherall  
Robert House  
Westpoint Road  
Stockton TS17 6BA

# THE BRITISH & FOREIGN SCHOOL SOCIETY

## THE TWO HUNDRED AND TENTH REPORT

### ANNUAL REPORT 2015 (continued)

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 2015. The financial statements have been prepared in accordance with the accounting policies set out on pages 14-15 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 Lancasterian System for the Education of the Poor". It changed its name to The British & Foreign School Society in 1814. It was granted a Royal Charter on 31 May 1906, which was amended by Supplemental Charter dated 25 October 1999. Amendments to the Charter and Statutes were approved by the Privy Council on 8 October 2014. Subsequently on 9 December 2014 the BFSS Council adopted Bye-laws containing additional provisions applying to Council meetings and General and other meetings of the Society. The amendments to the Charter, the revised Statutes and the Bye-laws can be accessed on the BFSS's website at [www.bfss.org.uk](http://www.bfss.org.uk).

The Society is a membership organisation. As at 31 December 2015 there were 161 members on the Register. In accordance with the revised Statutes, members who had not contacted the Society for more than 12 months or had not responded during this period to reasonable efforts to contact them were removed from the Register on 31 December 2015, leaving 88 still on the Register at the start of 2016, including 11 new individual members who joined the Society in 2015. In addition, following an amendment to the Statutes in 2014 to allow organisational membership, five organisations which had received at least three grants from BFSS and had delivered BFSS funded projects successfully were invited to apply for, and were admitted to, membership of the Society. A Membership Advisory Group consisting of a small number of Council Members was established in 2015 to consider applications for membership, whether from individuals or from organisations. A membership conference was held immediately before the May 2015 AGM to enable members to learn more about BFSS's strategic priorities and to hear from external speakers about the context for BFSS's grant giving. As a result of feedback, a quarterly electronic newsletter for members was introduced in September 2015.

The Society has a President and Vice-President who are elected by the membership for a period of three years. The Rt Hon David Lammy MP was re-elected President and Professor John Furlong was elected Vice-President in May 2015.

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 maximum number is determined from time to time at a General Meeting of the Society and is currently 15; the minimum number is six. Under the revised Statutes approved in October 2014 all Members of Council were required to retire from office at the 2015 AGM but were eligible for re-election in accordance with transitional arrangements set out in the Statutes. In advance of the AGM nominations were invited from all members of the Society for election to the offices of Chairman, Vice-Chairman, Treasurer and Councillor on a fixed term basis. Elections took place in spring 2015 and the results were announced at the AGM in May 2015.

The Society has an induction procedure for new Council Members. They are provided with a folder of relevant information on their role and responsibilities and are briefed by the Director. All Council Members 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/June, in the autumn and in December. There are two subsidiary committees, 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 Grants Committee normally meets four times a year, the Investments Committee three times a year. Both report back to the following Council meeting.

# THE BRITISH & FOREIGN SCHOOL SOCIETY

## THE TWO HUNDRED AND TENTH REPORT

### ANNUAL REPORT 2015 (continued)

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

The Trustees have in place a Risk Register which is reviewed regularly. In 2015 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 educational opportunity for all. Its values are as follows: "We believe in education as a driver for personal development and social improvement. Building on our heritage, we value effective teaching, commitment to learning and sharing of good practice. We are committed to inclusivity, integrity, tolerance and respect for others in everything we do."

The Society seeks to achieve its vision by providing funding and support for educational projects in the UK and throughout the world. It meets its objectives by making grants for a range of education and training projects. In 2015 the main themes were as follows: construction of classrooms and other educational facilities; teacher training; learning resources and equipment; community and supplementary education; education for street children and vulnerable children; and ICT. In addition, in summer 2015 the Council identified support for re-establishing and renewing education in natural disaster and conflict affected areas as a particular focus for grant giving – totalling £205,719 of new grants in 2015. The purpose of all the Society's grant giving is to widen educational access and opportunity and to raise achievement 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. Its grant giving is project driven and supports a broad range of projects around the world. The criteria for grant giving are available on the Society's website at [www.bfss.org.uk](http://www.bfss.org.uk). The Society operates an online application system. In late 2015 an eligibility filter was introduced to help potential applicants assess whether they meet the grant giving criteria and thereby reduce the number of ineligible applications. The Director sees all applications for grants and conducts an initial assessment with advice from the Finance Manager and a grants consultant. Applications which meet the criteria and are considered suitable for further consideration are referred to the Grants Committee for the Main Fund (with individual Members taking the lead on each application) and to the appropriate Committee for the subsidiary trusts for which the Society is responsible. Immediately 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 full Council for approval.

In considering applications for grant, Trustees give priority to applications from organisations and institutions operating in areas of deprivation or educational disadvantage. The Trustees look for evidence that the activity or service proposed will widen access and raise achievement, 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 using a report form introduced early in 2015 which focuses on outcomes and lessons learned.

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.

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 22 - 25.

# THE BRITISH & FOREIGN SCHOOL SOCIETY

## THE TWO HUNDRED AND TENTH REPORT

### ANNUAL REPORT 2015 (continued)

#### Achievements and Performance

Grants totalling £731,554 (the highest ever annual figure) were awarded from the Main Unrestricted Fund of which 35% went to projects in East Africa, 24% to projects in Southern Asia, 13% to projects in the UK, 10% to projects in West Africa 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 type of project. Project reports, which are posted on the BFSS website at [www.bfss.org.uk](http://www.bfss.org.uk), 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 23 other countries. Organisations and projects supported have included the following:

- Afghan Association Paiwand to create a new Saturday school, working with Barnet Council and with four local primary schools and based at Edgware Primary School, North London, to support children (not just from the Afghan community) at risk of under-attainment in English and Maths.
- Build Africa for the first year of a two-year grant (subject to annual review) to deliver the 'Teacher Empowerment' project in partnership with STIR Education supporting 15 schools across Kumi and Ngoro Districts in Eastern Uganda, bringing teachers together to share experiences, challenges and innovative approaches.
- CARE Pakistan for the construction of classrooms and toilets plus basic equipment and learning resources for a CARE-adopted primary school in a village in Sargodha, the Punjab, Pakistan.
- Challenge Aid for the first year of a three-year grant (subject to annual review) for the expansion of the Schools of Hope programme to develop five new Schools in the slums of Nairobi, Kenya.
- Childreach International to rebuild Chilaune School in Manekharka Village, Sindupalchowk, Nepal, which had been completely destroyed by the April 2015 earthquake.
- Children in Crisis for a pilot project based on the Teach A Man To Fish methodology to advance educational opportunity and achievement across eight secondary schools and four primary schools in South Kivu, DRC.
- Children on the Edge to provide quality primary education for vulnerable Syrian refugee children and teacher training for refugees living in unofficial settlements in the Bekaa Valley, Lebanon.
- Classroom in the Clouds (two grants for projects in Nepal): one for the additional costs of providing more earthquake resistance for the new eight-classroom school building in Thulodhunga in 'the Everest region' of Solukhumbu district in North East Nepal; and the second for gender specific toilet facilities and clean water at the school to support education.
- EducAid Sierra Leone towards a Remote Learning Programme to reach students unable to attend school during the Ebola crisis and to widen access to education as part of a post-Ebola programme in Sierra Leone.
- Educators International for the development of a rigorous assessment methodology for teacher-driven measurement of classroom progress in early-grade reading in Ghana, working with The Sabre Charitable Trust in Central Region.
- Friends of Conakry Refugee School towards a project to support access to, and the quality of, education at the School in Guinea, while the community recovers from the impact of Ebola.

# THE BRITISH & FOREIGN SCHOOL SOCIETY

## THE TWO HUNDRED AND TENTH REPORT

### ANNUAL REPORT 2015 (continued)

- International Children's Trust for the second year of a two-year grant (subject to annual review) to create sustained access to education for street or working children in the barrios of Guayaquil, Ecuador.
- **Into**University for the second year of a three-year grant (subject to annual review) towards the Academic Support programme at the Haringey North Centre in the UK for children and young people facing educational disadvantage.
- Link Ethiopia for the school library improvement and expansion programme to promote and support reading for primary school children in Gondar, Ethiopia.
- Lively Minds for the first year of a two-year project (subject to annual review) to set up play schemes in 11 highly deprived rural villages in Northern Ghana.
- Mondo Challenge Foundation towards the costs of rebuilding Shree Satkanya Secondary School in Gunsa to enable disadvantaged children in Helambu Valley, Nepal, to continue their education.
- PEAS (Promoting Equality in African Schools) to provide a double science laboratory and science equipment for a new secondary school in Rukiri sub county, South West Uganda.
- Proton Foundation for an after school club for Roma Gypsy children in Lazareni, Romania, to support their learning at mainstream school and reduce the barriers to achievement.
- Read International for library refurbishments and the supply of books at three secondary schools within Dar-es-Salaam region, Tanzania.
- TalentEd (formerly Spire Hub) towards the cost of extending to two schools in Hackney and Hastings a programme offering small group sessions run by retired teachers for highly able pupils from low income backgrounds to develop their confidence, study skills and aspirations.
- War Child towards the costs of providing education classes and psychosocial support for 200 vulnerable Syrian and Jordanian children living in Irbid, Jordan.

The Society's Trust Funds made grants to Durham University, London South Bank University and three schools. Two grants (one of £500 and the other of £300) were made to individual students. In the case of the Old British School Charity, the Trustees asked The Community Foundation for Wiltshire to distribute the bulk of the funds on behalf of that Charity in accordance with the relevant Scheme. For the second year running, after a long period during which no grants were made, a grant was made from the Berridge Trust, the object of which is to promote the training of cookery teachers.

In November 2015 the Society held its third Grants Workshop designed to provide BFSS grant recipients with opportunity to network and share good practice and experience, to explore together the theme of re-establishing and renewing education in disaster and conflict affected areas and to hear about BFSS grant developments. Representatives of 44 BFSS grant holders attended the event. There was a mix of presentations and discussion groups with opportunity for grant holders to network and meet the Society's Trustees. A report on the event was published on the Society's website. In the light of the very positive feedback, a further Workshop will be held in 2016.

Illustrated case studies of 14 grants made in 2014 including information, wherever possible, on the impact of those grants, were published in May 2015 in the Annual Review of Grant-Giving 2014. 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 publicise information about the Society's activities and to attract potential grant applicants to the website. Members of the Society receive a quarterly electronic newsletter giving information about grants.

# THE BRITISH & FOREIGN SCHOOL SOCIETY

## THE TWO HUNDRED AND TENTH REPORT

### ANNUAL REPORT 2015 (continued)

#### Financial Review

##### *Reserves Policy*

The entire General Reserve at 31 December 2015 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.

##### *Financial Results*

Grant making in 2015 increased by some £100,000 compared with 2014. This can be attributed in large part to the decision to support projects for re-establishing and renewing education in conflict and disaster afflicted areas (see Page 4). The higher levels of grant giving resulted in an increased net expenditure before gains/losses on investments, although only some £23,000 in excess of the budget set by the Trustees for the year.

##### *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 2015 the value of the investment portfolio was £21,909,649 (£21,970,651 at the end of 2014) which represented a nominal total return(net of fees) for the year of 2.5%. On a rolling 3-year basis the total return of the Fund was 6.6% per annum after taking into account RPI.

During the year the Society withdrew £630,000 to support its grant giving activities and meet its costs. This amounted to approximately 3% of the value of the portfolio on 31 December 2014. Overall income amounted to £669,956 in comparison to £752,886 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. 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 as a result of the 2012 rent review, the Society does not consider that any increase in valuation would be appropriate. Options are being explored for the disposition of the property when the lease comes to an end in September 2016.

##### *General Expenditure other than Grants*

The costs of the BFSS office have remained relatively stable and amount to 11% of total expenditure including grants. Three part-time staff equivalent to just over one full-time person are employed at the Caterham office. A fourth part-time member of staff was employed for three months during the year on membership and communication activities. During 2015 the Society contracted with one other person to provide advisory and consultancy services in relation to the Society's grant giving.

##### *Future Plans*

The Society's future policy is to continue its grant giving in ways which widen educational access and opportunity and raise achievement as well as build capacity and sustainability in a wide spread of areas of deprivation in the UK and internationally. In doing so, it will seek to ensure value for money, maximise the impact of its funding and leverage connections/funds for its grant recipients. The Society will continue to encourage applications for grants to re-establish and renew education in disaster and conflict affected parts of the world. It will also continue to encourage collaborative

# THE BRITISH & FOREIGN SCHOOL SOCIETY

## THE TWO HUNDRED AND TENTH REPORT

### ANNUAL REPORT 2015 (continued)

projects in the interests of maximising impact. Efforts will be made to strengthen still further the knowledge and expertise within the Society and within beneficiary organisations in order to promote a more rigorous approach to monitoring and evaluating the outcome of grants. Grant recipients will be invited to share experiences at the annual Grants Workshop in the interests of disseminating good practice and lessons learned.

The Society will continue to seek to raise its profile through its website and through use of print and social media in the interests of attracting more applications of high calibre. An Annual Review of Grant-Giving will again be published with emphasis on outputs and outcomes from projects supported. In addition, an overview will be published of the successes and impact of 30 separate BFSS funded projects on which final reports were received in 2015.

In accordance with its strategic priorities, the Council will continue to seek to increase the involvement of members in the Society. A guest lecture for members will take place immediately following the AGM in May 2016 and a quarterly newsletter will continue to be sent electronically to members.

#### **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**

*S. R. Hodkinson*  
Chair

Dated: 8 March 2016

## **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 2015 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 2015, 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.

MOORE STEPHENS LLP

Chartered Accountants  
Statutory Auditor

150 Aldersgate Street,  
London EC1A 4AB

Date 8<sup>th</sup> March 2016

MOORE STEPHENS 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 2015

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
<b>INCOME</b>					
<b>Donations and legacies</b>		420	-	420	421
<b>Investment income</b>					
Rents receivable	5a	13,000		13,000	13,000
Investment income	7b	627,861	27,253	655,114	633,772
Bank interest receivable		402	-	402	621
Other interest receivable		977	43	1,020	1,172
<b>Other Income</b>					
Disposal of Burrell Bibles	17	-	-	-	103,900
<b>Total income</b>		<b>642,660</b>	<b>27,296</b>	<b>669,956</b>	<b>752,886</b>
<b>EXPENDITURE</b>					
<b>Raising funds</b>					
Investment managers fees	7a	85,173	3,697	88,870	87,608
<b>Charitable activities</b>					
Educational projects	3	847,721	11,674	859,395	728,069
<b>Total expenditure</b>		<b>932,894</b>	<b>15,371</b>	<b>948,265</b>	<b>815,677</b>
<b>Net income/(expenditure) and net movement in funds before net gains on investments</b>		<b>(290,234)</b>	<b>11,925</b>	<b>(278,309)</b>	<b>(62,791)</b>
Net gains on investments	7a	1,716	74	1,790	551,102
<b>Net income/(expenditure)</b>		<b>(288,518)</b>	<b>11,999</b>	<b>(276,519)</b>	<b>488,311</b>
<b>Transfers between funds</b>					
Management charges to restricted funds	15	5,070	(5,070)	-	-
<b>Other recognised gains and losses</b>					
Reverse revaluation of Burrell Bibles		-	-	-	(101,650)
<b>Net movement in funds</b>		<b>(283,448)</b>	<b>6,929</b>	<b>(276,519)</b>	<b>386,661</b>
<b>Reconciliation of funds</b>					
Total funds brought forward 1 January 2015		21,047,415	914,273	21,961,688	21,575,027
<b>Total funds carried forward 31 December 2015</b>		<b>20,763,967</b>	<b>921,202</b>	<b>21,685,169</b>	<b>21,961,688</b>

The notes on pages 14 to 26 form part of these financial statements.  
All amounts relate to continuing activities.

THE BRITISH & FOREIGN SCHOOL SOCIETY

**BALANCE SHEET  
AT 31 DECEMBER 2015**

	Note	2015		2014	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	5		2,375		4,041
Investment properties	1c		120,000		120,000
Investment assets	6,7		21,909,649		21,970,651
			<b>22,032,024</b>		<b>22,094,692</b>
<b>CURRENT ASSETS</b>					
Debtors and prepayments	8	<b>6,641</b>		4,039	
Cash at bank and in hand		<b>39,706</b>		70,357	
		<b>46,347</b>		74,396	
<b>LIABILITIES</b>					
Creditors: amounts falling due within one year	9	<b>(393,202)</b>		(207,400)	
<b>NET CURRENT LIABILITIES</b>			<b>(346,855)</b>		(133,004)
<b>NET ASSETS</b>			<b>21,685,169</b>		<b>21,961,688</b>
<b>REPRESENTED BY:</b>					
<b>CAPITAL ACCOUNT</b>					
Unrestricted funds					
General reserve	17		<b>20,643,968</b>		20,927,416
Revaluation reserve	17		<b>119,999</b>		119,999
			<b>20,763,967</b>		21,047,415
Restricted funds	15		<b>921,202</b>		914,273
<b>TOTAL CHARITY FUNDS</b>			<b>21,685,169</b>		<b>21,961,688</b>

The notes on pages 14 to 26 form part of these financial statements.

Approved by the Council and authorised for issue on 8 March 2016 and signed on its behalf by

**S.R. Hodkinson**

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

**S.J.King**

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

THE BRITISH & FOREIGN SCHOOL SOCIETY

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2015

	see note below	Total Funds £	Prior year funds £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Net cash provided by (used in) operating activities</b>	1	<b>(770,973)</b>	<b>(681,169)</b>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		656,133	634,944
Purchase of property, plant and equipment		(475)	(162)
Proceeds from sale of investments		2,772,833	3,177,190
Purchase of investments		(3,229,882)	(2,612,129)
<b>Net cash provided by (used in) investing activities</b>		<b>198,609</b>	<b>1,199,843</b>
<b>Change in cash &amp; cash equivalents in the reporting period</b>		<b>(572,364)</b>	<b>518,674</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	2	1,109,793	591,119
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>537,429</b>	<b>1,109,793</b>

**NOTE 1: Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	Current Year £	Prior Year £
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	(276,519)	386,661
<b>Adjustments for:</b>		
Depreciation charges	2,141	2,302
(Gains)/losses on investments	(1,790)	(551,102)
Dividends, interest and rents from investments	(656,134)	(634,944)
Non-cash investment income	(21,871)	(6,831)
(Increase)/decrease in debtors	(2,602)	101,644
Increase/(decrease) in creditors	185,802	21,101
<b>Net cash provided by (used in) operating activities</b>	<b>(770,973)</b>	<b>(681,169)</b>

**NOTE 2: Analysis of cash and cash equivalents**

	Current Year £	Prior Year £
Cash in hand	39,706	70,357
Un-invested cash	497,723	1,039,436
<b>Total cash and cash equivalents</b>	<b>537,429</b>	<b>1,109,793</b>

The notes on pages 14 to 26 form part of these financial statements.  
All amounts relate to continuing activities.

# THE BRITISH & FOREIGN SCHOOL SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

### 1. ACCOUNTING POLICIES

a) *Basis of preparation*

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 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 Society's ability to continue as a going concern.

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

c) *Investment properties*

Investment properties are included in the financial statements at fair value. Changes in fair value are transferred to the Revaluation Reserve.

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 the property is £1 (2014: £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.

The Society 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. In 2015 all £420 (2014: £421) of the donations and legacy income was attributable to unrestricted funds.

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. In 2015, of the investment income £27,296 (2014: £26,122) was attributable to restricted funds with the balance of £629,240 (2014: £609,443) adding to unrestricted funds.

# THE BRITISH & FOREIGN SCHOOL SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

### 1. ACCOUNTING POLICIES (continued)

*h) Rental income*

Rental income is normally credited in the financial statements in the year to which it relates. In 2015 all £13,000 (2014: £13,000) of the rental income was 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 and scholarships awarded by the Society 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 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.

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.

*n) Reconciliation with previous Generally Accepted Accounting Practice*

In preparing the financial statements, the Council have considered whether in applying the accounting policies required by FRS102 and the Charities SORP (FRS102), a restatement of comparative items was required. In accordance with the requirements of FRS102, a reconciliation of opening balances and net income/(expenditure) for the year is provided with the net income/(expenditure) under previous GAAP adjusted for the presentation of the investment gains/(losses) as a component of reported income.

<u>Reconciliation of reported net income</u>	£
Net income/(expenditure) as previously stated	(62,791)
Adjustment for gains/(losses) on investments now treated as a component of net income	<u>551,102</u>
2014 net income/(expenditure) as restated	<u>488,311</u>

THE BRITISH & FOREIGN SCHOOL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

2. CHARITABLE EXPENDITURE - GRANTS	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
INSTITUTIONAL GRANTS				
Advantage Africa - 2 grants	9,370	-	9,370	12,599
Afghan Association Paiwand	33,240	-	33,240	-
Book Aid International	19,055	-	19,055	-
Build Africa	19,400	-	19,400	-
CAIRN Trust	3,016	-	3,016	3,016
CARE Pakiston	24,060	-	24,060	-
Challenge Aid	20,000	-	20,000	4,650
Chance for Childhood - 2 grants	15,764	-	15,764	7,500
Chhahari Schools UK	4,000	-	4,000	4,000
Childreach International	29,247	-	29,247	-
Children in Crisis	14,561	-	14,561	10,000
Children on the Edge	41,164	-	41,164	-
Classroom in the Clouds - 2 grants	16,500	-	16,500	-
Disability Africa	4,445	-	4,445	-
Dominase - Buriton Village to Village Group	2,500	-	2,500	-
EducAid Sierra Leone	10,740	-	10,740	-
Educate for Life	13,660	-	13,660	-
Educators International	19,540	-	19,540	-
EduKaid - 2 grants	24,872	-	24,872	-
Egerton Schools' Foundation	6,282	-	6,282	-
Friends of Conakry Refugee School	15,000	-	15,000	-
Future Projects	16,519	-	16,519	-
Home Start	15,000	-	15,000	-
International Children's Trust	16,000	-	16,000	16,000
IntoUniversity	15,000	-	15,000	15,000
Kasiisi Porridge Project	10,036	-	10,036	-
Kidasha - 2 grants	34,750	-	34,750	15,000
Link Ethiopia	20,647	-	20,647	-
Lively Minds	20,335	-	20,335	-
Mondo Challenge Foundation	27,190	-	27,190	-
Oasis International - 2 grants	14,043	-	14,043	17,588
One World Foundation Africa	18,717	-	18,717	-
PEAS	28,632	-	28,632	-
PHASE Worldwide	4,395	-	4,395	4,394
Proton Foundation	5,586	-	5,586	-
Read International	27,870	-	27,870	-
Redearth Education	9,935	-	9,935	-
Sensory Trust	3,000	-	3,000	3,000
TalentEd (formerly Spire Hub)	13,228	-	13,228	-
Tea Leaf Trust	13,214	-	13,214	-
Teach A Man To Fish	18,474	-	18,474	20,849
The Henry van Straubenzee Memorial Fund	25,000	-	25,000	18,800
War Child	27,567	-	27,567	-
<i>Other institutional grants 2014 (31 Grants)</i>	-	-	-	477,686
<b>TOTAL INSTITUTIONAL GRANTS</b>	<b>731,554</b>	<b>-</b>	<b>731,554</b>	<b>630,082</b>
<b>GRANTS FROM OTHER FUNDS (Note 15)</b>	<b>-</b>	<b>11,674</b>	<b>11,674</b>	<b>12,878</b>
<b>Less: GRANTS RETURNED DURING THE YEAR</b>	<b>(7,192)</b>	<b>-</b>	<b>(7,192)</b>	<b>(22,389)</b>
	<b>724,362</b>	<b>11,674</b>	<b>736,036</b>	<b>620,571</b>

THE BRITISH & FOREIGN SCHOOL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

3. CHARITABLE EXPENDITURE	Total 2015 £	Total 2014 £
<b>Grants</b> (see Note 2)	736,036	620,571
<b>Support costs</b>		
Salaries and office costs	96,875	82,307
Legal and professional costs	7,945	7,470
<b>Governance costs</b>		
Auditor's remuneration	5,640	5,640
Council and Committee meetings	12,899	12,081
	<u><b>859,395</b></u>	<u><b>728,069</b></u>

Included in office costs above are amounts payable under operating lease rentals totalling £948 for the year (2014: £709).

In 2015 the expenditure on charitable activities was £859,395 (2014: £728,069) of which £847,721 (2014: £715,191) was expenditure from unrestricted funds and £11,674 (2014: £12,878) was expenditure from restricted funds.

4. STAFF COSTS & RELATED PARTY TRANSACTIONS	2015 £	2014 £
Salaries	55,430	50,452
Social security costs	2,027	1,698
Consultants fees	13,150	4,950
	<u><b>70,607</b></u>	<u><b>57,100</b></u>

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

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

During the year there was an additional part-time employee for the period April to June 2015.

The Society considers its key management personnel comprise the members of Council and the Society's Director. No remuneration was paid to any member of the Council during 2015 or 2014. The total employment benefits of the Director were £35,348 (2014: £33,742) including social security costs. No employees received employee benefits in excess of £60,000.

Reimbursement of expenses in relation to attendance at meetings amounting to £4,080 was paid to 10 Councillors in 2015 (2014: £3,562 paid to 10 Councillors).

As explained in Note 17, in 2014 one bible which was the property of the Society was purchased by the Chairman of the Society. The bible was valued by our agents, a leading firm of antiquarian booksellers, at £200, and purchased by the Chairman for that amount. There were no related party transactions in the year to 31 December 2015.

THE BRITISH & FOREIGN SCHOOL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

5 TANGIBLE FIXED ASSETS

	£ Furniture & Equipment
<b>COST &amp; VALUATION</b>	
At 1st January 2015	12,303
Additions	475
At 31st December 2015	<u>12,778</u>
<b>DEPRECIATION</b>	
At 1st January 2015	8,262
Charge for the year	2,141
At 31st December 2015	<u>10,403</u>
<b>NET BOOK VALUE</b>	
At 31st December 2015	<u>2,375</u>
<i>At 31st December 2014</i>	<u>4,041</u>

5a RENTS RECEIVABLE

	2015 £	2014 £
George Dent Nursery, Darlington	<u>13,000</u>	<u>13,000</u>

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 2015

6. UNITS HELD IN COMMON INVESTMENT FUND

a) Number of units held	Units held 1 Jan 2015 No.	Units purchased No.	Units sold No.	Units held 31 Dec 2015 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	1,258	-	-	1,258
Old British School	2,161	-	-	2,161
	<b>9,438</b>	-	-	<b>9,438</b>
<b>UNRESTRICTED FUNDS</b>				
British & Foreign School Society	224,330	-	-	224,330
Wilmslow Fund	2,360	-	-	2,360
Darlington College Building Fund	2,112	-	-	2,112
West Street Old British School	788	-	-	788
	<b>229,590</b>	-	-	<b>229,590</b>
	<b>239,028</b>	-	-	<b>239,028</b>

b) Value of units held

	Fund market value 1 Jan 2015 £	Funds invested (redeemed) in year £	Increase/ (decrease) in fund value £	Fund market value 31 Dec 2015 £
<b>RESTRICTED FUNDS</b>				
BFSS Trust	151,817	-	(422)	151,395
Alfred Bourne	28,963	-	(80)	28,883
Berridge Trust	31,577	-	(88)	31,489
Rowlett Foundation	36,970	-	(103)	36,867
British School Charity	268,128	-	(744)	267,384
South Church Trust	35,769	-	(99)	35,670
Sarah Walker and Spafford	115,646	-	(321)	115,325
Old British School	198,666	-	(552)	198,114
	<b>867,536</b>	-	<b>(2,409)</b>	<b>865,127</b>
<b>UNRESTRICTED FUNDS</b>				
British & Foreign School Society	20,619,564	-	(57,251)	20,562,313
Wilmslow Fund	216,951	-	(602)	216,349
Darlington College Building Fund	194,131	-	(539)	193,592
West Street Old British School	72,469	-	(201)	72,268
	<b>21,103,115</b>	-	<b>(58,593)</b>	<b>21,044,522</b>
	<b>21,970,651</b>	-	<b>(61,002)</b>	<b>21,909,649</b>

Value per unit

91.92

91.66

THE BRITISH & FOREIGN SCHOOL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

7. COMMON INVESTMENT FUND	Investments £	Un-invested cash £	Total £
Opening value at 1 January 2015	20,931,215	1,039,436	21,970,651
<b>FUND MOVEMENTS</b>			
Investments acquired at cost	3,229,882	(3,229,882)	-
Proceeds of investments sold	(2,772,833)	2,772,833	-
Realised losses on sale of investments during the year	(64,595)	-	(64,595)
Unrealised gains on investments during the year	66,385	-	66,385
Investment income receivable	21,872	634,261	656,133
Investment management fees paid		(88,925)	(88,925)
Distributions to funds during the year		(630,000)	(630,000)
<b>NET FUND MOVEMENTS</b>	<b>480,711</b>	<b>(541,713)</b>	<b>(61,002)</b>
<b>CLOSING VALUE OF FUND AT 31 DECEMBER 2015</b>	<b>21,411,926</b>	<b>497,723</b>	<b>21,909,649</b>

	Investments	Cash	Total
UK Government stocks	693,662		693,662
Other fixed interest	1,200,604		1,200,604
UK equities	8,275,395		8,275,395
Investment and unit trusts	3,155,124		3,155,124
Managed funds			
Fixed interest	306,037		306,037
Overseas equities	5,295,808		5,295,808
Property & infrastructure	2,485,296		2,485,296
Cash on deposit		497,723	497,723
	<b>21,411,926</b>	<b>497,723</b>	<b>21,909,649</b>

7a. INVESTMENT RETURN	2015 £	2014 £
Unrealised gains on investment during the year	66,385	427,306
Realised gains on investment during the year	(64,595)	123,796
Net gains on investment assets	1,790	551,102
Investment income receivable (see note 7b)	655,114	633,772
Investment management fees paid and accrued	(88,870)	(87,608)
	<b>568,034</b>	<b>1,097,266</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 expenditure on raising funds.

In 2015, investment management fees of £3,697 (2014: £3,601) were attributable to restricted funds with the balance of £85,173 (2014: £84,007) attributable to unrestricted funds.

**THE BRITISH & FOREIGN SCHOOL SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**7b. INVESTMENT INCOME**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
UK Government stocks	<b>14,515</b>	12,951
Other fixed interest	<b>35,959</b>	42,492
UK equities	<b>354,970</b>	330,083
Investment and unit trusts	<b>80,573</b>	69,020
Managed funds		
Fixed interest	<b>5,540</b>	16,965
Overseas equities	<b>44,190</b>	48,978
Property & infrastructure	<b>119,367</b>	113,283
	<b>655,114</b>	633,772

The charity operates a total return for its investments and withdrew from those investments £630,000 (2014: £429,850) to cover the spending requirements of the charity in the year. The remainder of the investment income was re-invested in (2014: re-invested in) investments.

**8. DEBTORS AND PREPAYMENTS**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Due within one year</b>		
Sundry debtors and prepayments	<b>6,641</b>	<b>4,039</b>

**9. CREDITORS AND ACCRUALS**

Grants payable	<b>358,901</b>	<b>171,956</b>
Rent received in advance	<b>3,250</b>	<b>3,250</b>
Other creditors	<b>31,051</b>	<b>32,194</b>
	<b>393,202</b>	<b>207,400</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. These potential grants are not, therefore, accounted for as commitments.

*b) Leases*

The Society had total operating lease commitments at 31 December 2015 of £5,565 (inclusive of VAT) relating to its office space and related parking spaces. This lease is due to expire on 31 July 2016.

## THE BRITISH & FOREIGN SCHOOL SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

#### 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. In furtherance of these objects, the Trust awarded one grant of £500 (2014: one grant of £500) to London South Bank University.

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

The object of the Trust is to promote the training of cookery teachers. During the year the Trust awarded one grant of £750 (2014: one grant of £750) to a school for the training of three persons to teach cookery.

##### **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. No grants were made during 2014 or 2015.

##### **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 £2,000 was paid to the University for distribution in accordance with the scheme in the academic year 2015/16 (a grant of £2,500 was paid to the University in 2014 for the academic year 2014/15).

##### **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. No grants were made in 2014 or 2015.

##### **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 £624 (2014: two grants totalling £628) were made in 2015 to two schools, one grant to an individual for £300 (2014: no grants) and £5,000 to The Wiltshire Community Foundation.

*The Society appoints all 12 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 £2,000 to London South Bank University in 2015 (2014: 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 2015 one grant of £500 was made to one individual (2014: nil).

**THE BRITISH & FOREIGN SCHOOL SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**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>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Market value of units held in the Common Investment Fund (note 6)		
Fund value at 31 December 2015	<b>216,349</b>	216,951

**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>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Market value of units held in the Common Investment Fund (note 6)		
Fund value at 31 December 2015	<b>193,592</b>	194,131

**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>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Market value of units held in the Common Investment Fund (note 6)		
Fund value at 31 December 2015	<b>72,268</b>	72,469

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

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

	Total other funds		BFSS Trust		Alfred Bourne		Berridge Trust	
	2015 £	2014 £	2015 £	2014 £	2015 £	2014 £	2015 £	2014 £
<b>INCOME</b>								
<b>Investment income</b>								
Common investment fund	27,253	26,048	4,455	4,310	983	951	1,048	1,014
Other interest receivable	43	74	7	12	1	3	2	3
<b>Total Income</b>	<b>27,296</b>	<b>26,122</b>	<b>4,462</b>	<b>4,322</b>	<b>984</b>	<b>954</b>	<b>1,050</b>	<b>1,017</b>
<b>EXPENDITURE</b>								
<b>Raising funds</b>								
Investment managers fees	3,697	3,601	604	596	133	131	143	140
<b>Charitable activities</b>								
Educational projects	11,674	12,878	2,000	3,500	500	500	750	750
Management charges	5,070	4,395	829	727	183	171	195	160
<b>Total expenditure</b>	<b>20,441</b>	<b>20,874</b>	<b>3,433</b>	<b>4,823</b>	<b>816</b>	<b>802</b>	<b>1,088</b>	<b>1,050</b>
<b>Net income/(expenditure) before gains/(losses) on investments</b>	<b>6,855</b>	<b>5,248</b>	<b>1,029</b>	<b>(501)</b>	<b>168</b>	<b>152</b>	<b>(38)</b>	<b>(33)</b>
Net gains on investments (see note 7)	74	22,650	12	3,747	3	827	3	882
<b>Net movement in funds</b>	<b>6,929</b>	<b>27,898</b>	<b>1,041</b>	<b>3,246</b>	<b>171</b>	<b>979</b>	<b>(35)</b>	<b>849</b>
Fund balances brought forward at 1 January 2015	914,273	886,375	149,635	146,389	33,644	32,665	35,924	35,075
Fund balances carried forward at 31 December 2015	921,202	914,273	150,676	149,635	33,815	33,644	35,889	35,924

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

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	
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
£	£	£	£	£	£	£	£	£	£
982	951	8,713	8,239	1,245	1,141	3,472	3,295	6,355	6,147
2	3	14	23	2	3	5	9	10	18
<b>984</b>	<b>954</b>	<b>8,727</b>	<b>8,262</b>	<b>1,247</b>	<b>1,144</b>	<b>3,477</b>	<b>3,304</b>	<b>6,365</b>	<b>6,165</b>
133	131	1,182	1,139	169	158	471	456	862	850
500	-	-	-	-	-	2,000	2,500	5,924	5,628
183	160	1,621	1,391	231	193	646	556	1,182	1,037
<b>816</b>	<b>291</b>	<b>2,803</b>	<b>2,530</b>	<b>400</b>	<b>351</b>	<b>3,117</b>	<b>3,512</b>	<b>7,968</b>	<b>7,515</b>
168	663	5,924	5,732	847	793	360	(208)	(1,603)	(1,350)
3	827	24	7,164	3	992	9	2,866	17	5,345
<b>171</b>	<b>1,490</b>	<b>5,948</b>	<b>12,896</b>	<b>850</b>	<b>1,785</b>	<b>369</b>	<b>2,658</b>	<b>(1,586)</b>	<b>3,995</b>
<b>33,701</b>	<b>32,211</b>	<b>292,575</b>	<b>279,679</b>	<b>40,889</b>	<b>39,104</b>	<b>115,676</b>	<b>113,018</b>	<b>212,229</b>	<b>208,234</b>
<b>33,872</b>	<b>33,701</b>	<b>298,523</b>	<b>292,575</b>	<b>41,739</b>	<b>40,889</b>	<b>116,045</b>	<b>115,676</b>	<b>210,643</b>	<b>212,229</b>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Investments £	Net current assets £	Total £
<b>RESTRICTED FUNDS</b>				
BFSS Trust	-	151,395	(719)	150,676
Alfred Bourne	-	28,883	4,932	33,815
Berridge Trust	-	31,489	4,400	35,889
Rowlett Foundation	-	36,867	(2,995)	33,872
British School Charity	-	267,384	31,139	298,523
South Church Trust	-	35,670	6,069	41,739
Sarah Walker and Spafford	-	115,325	720	116,045
Old British School	-	198,114	12,529	210,643
	-	865,127	56,075	921,202
<b>UNRESTRICTED FUNDS</b>				
British & Foreign School Society	122,375	20,562,313	(402,930)	20,281,758
Wilmslow Fund	-	216,349	-	216,349
Darlington College Building Fund	-	193,592	-	193,592
West Street Old British School	-	72,268	-	72,268
	122,375	21,044,522	(402,930)	20,763,967
	122,375	21,909,649	(346,855)	21,685,169

17. UNRESTRICTED FUNDS

	General reserve £	Revaluation reserve £	Total £
Balance at 1 January 2015	20,927,416	119,999	21,047,415
Net movement in fund for the year	(285,164)	-	(285,164)
Net decrease in market value of units in Common Investment Fund (note 6)	1,716	-	1,716
Balance at 31 December 2015	20,643,968	119,999	20,763,967

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 as follows:

- the majority to a private book collector for £101,450;
- one French Bible was purchased by the Chairman of the Society for £200, being the valuation agreed by our agents (see Note 4)

Later in 2014, two additional bibles, which were on loan to Kings College London, were purchased by that institution for £2,250.

## 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.

#### Members of the Grants Committee in 2015

Dr B Ramm (Chair)

Professor S R Hodgkinson (ex officio)

Mr S J King

Mr G T Kingsley

Mr P Miller

Rev D F Tennant

Ms E J Weale

Mr S J Wordsworth

## 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 two Members of the Committee to include the Treasurer and one other Trustee plus the Director or Finance Manager.
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.

#### **Members of the Investments Committee in 2015**

Mr S J King (Chair)  
Professor S R Hodkinson (ex officio)  
Mr S A Ross  
Mr D A Swain

Mr Pradeep Kachhala, Adviser

## **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 Mr R B Howarth Mrs D Hoy Mrs M Reed
Rowlett Educational Foundation	Mr I Peden (Chair) Ms L Boyle Mr M Ferguson Ms 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 (until Dec 2015)

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

Prof S R Hodkinson	Dr J Saggu
Mrs D Hoy (from Oct 2015)	Mr D A Swain
Mr S J King	Rev D Tennant
Mr G T Kingsley	Dr E J Tomlinson
Mr P Miller	Ms E J Weale
Dr B Ramm	Mr S J Wordsworth
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 J D Peel  
Mr C R Watt  
Mrs M 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

Dr M H Richardson  
Mr C Winlow JP (until Oct 2015)

Durham University Expeditions Group

Dr M H Richardson  
Mr C Winlow JP (until Oct 2015)