



HARPUR
TRUST



Annual Report of Trustees and Financial Statements

2014/15

Annual Report of Trustees 2014/15

Local pupils preparing for the forthcoming arts competition, culminating in an exhibition at the Higgins, to celebrate the 450th anniversary of The Harpur Trust.



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This report has been compiled under the Charities Act 2011 and in accordance with the regulations contained in the Statement of Recommended Practice 2005 (SORP 2005) and the Charities (Accounts and Reports) Regulations 2008. In compiling this report, Trustees have also had regard to the Charity Commission's Summary Guidance on public benefit.

Chairman's Message

This year has been an active one for The Harpur Trust: we have announced plans for the future of our almshouse schemes; the senior schools have all been developing their facilities; and our grants programme has continued to support our charitable objects in the Borough of Bedford.

For some time, the Trustees have been aware that our provision of almshouses would need to be brought up-to-date. We currently run two schemes, one at Harpur House in the centre of Bedford, and one at Randalls Close in Bromham. Both are becoming less suitable for the changing needs of new entrants and would be prohibitively expensive to redevelop on the existing sites, so we were pleased to find partners in the form of the Extra Care Charitable Trust (ECCT) and Bedford Citizens' Housing Association (BCHA) that will allow us to develop new and improved facilities for independent living over the next few years. The new accommodation and the support provided in these schemes will ensure the Trust's provision for the elderly is not only maintained but enhanced to meet the more demanding requirements of modern regulations and the increasing expectations of residents.

The new schemes will be in the ECCT's retirement village at Wixams, which will open in 2019, and in BCHA's new development being built on Kimbolton Road. Consequently, the Trust's existing almshouses in Bromham and on Cardington Road will close by 2020. The Trust has been involved with almshouse provision in one form or another since 1793 and the Trustees intend that this strategic decision will ensure that proud tradition is maintained for the foreseeable future in an appropriate and sustainable way. The Trustees were mindful of the disruption these changes would cause for residents in our existing schemes, so have put in place a supportive relocation package.

This has also been a busy time for our schools. All of our senior schools have been working on significant building projects during the year. At Bedford School, the creation of the Quarry Theatre in St Luke's Church was completed in the summer. A significant proportion of the funds needed to develop the project came from donations, and the new theatre, facing onto St. Peter's Street, will play an important role not simply at Bedford School itself but also in the cultural life of the town and indeed was ready in time to act as a venue for Bedfringe.

At Bedford Girls' School, new playing fields have been purchased near Cople, replacing those that have been sold for development north of the river. The grounds and new clubhouse are currently being prepared and built in time for use by the start of the 2016 academic year. Finally, Bedford Modern School is embarking on a major new development, as it commences construction of a new Science Building due for completion in spring 2017. Not only will this present the school with a superb facility for teaching and learning in science, but will allow it to expand its facilities in the area vacated by the current science laboratories.

Cumulatively, these projects amount to a significant investment that will help to underpin the continuing success of the schools, and you can read more on their year later in the report. Good facilities, of course, are only one of the ingredients that make a successful school, and so the Trustees were delighted that when Pilgrims School was inspected by ISI in June 2015 it received an assessment of "excellent and outstanding" in all areas following a similar inspection outcome by Ofsted in 2013.

Aside from our schools, our other main focus is our work in the community, principally through grants made from the permanent endowment. In the financial year ended in June 2015, total grants made were £1,557,763, including a large grant of £350,000 to Bedford Citizens' Housing Association for the new development on Kimbolton Road. We have improved access to grants for smaller organisations as well as trying to improve awareness of our grants programme, and this will be reflected in the 450th Anniversary Grants Programme in the coming year.


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Looking to the future, one of the principal activities of this year has been drawing up of the Trust's new Strategic Plan, which will run from 2016 to 2020. The Trustees considered advice prepared by staff and others and independent reports from a specialist research agency and discussed the implications for the Trust at two "away days." The new plan will form the basis for development work for the Trust in the next five years but, of course, the vital work of managing the Trust's schools, its almshouse provision, its grants programme and the endowment, will continue.

At this stage, I would like to emphasise two of the Plan's six strands. The first is the Trustees' wish to deepen and broaden its support, as Sponsor, of the Bedford Academy. The Trustees are delighted with the progress being made year after year by the Academy and wish to help sustain that development.

Secondly, the Trustees have decided to explore the use of social investment to further the Trust's charitable activity. Social investment is the use of capital to invest in organisations whose activities will further the charitable objectives of the Trust, whilst also offering some prospect of financial return. This can be a very effective way of helping organisations that are working for the public good to develop, whilst making their activity more sustainable. The Trustees wish to make it clear that this will be in addition to the Trust's grants programme, which will continue as before, and will not be a risk to the long-term objective of maintaining the real value of the permanent endowment.

I would like to mention the hard work and dedication of the staff in the Trust's schools and in The Harpur Trust Office, without whose efforts none of the Trust's achievements would be possible. The Trust and its beneficiaries are also heavily indebted to the dedication and sacrifice of the Trustees who provide the necessary governance for the Trust. Some of those Trustees have served for many years and some have joined this year as a result of the Trust's most recent "information evening"; they are all committed to the work of the Trust in improving the lives of the people of Bedford. It is fitting, therefore, that one of our longest serving trustees, Sally Peck, was awarded the OBE in the New Year's Honours List. Sally has worked tirelessly for The Harpur Trust since first becoming a trustee in 1998 and was Chairman through some of the most demanding times for the Trust and is currently Chair of Governors at Bedford Modern School. Sally's efforts on behalf of the people of Bedford have been outstanding and we send her our most heartfelt congratulations on what is a truly well-deserved award.



Murray Stewart
Chairman

21 January 2016



Structure, Governance & Management

Constitution

The Harpur Trust stems from a gift of property in Bedford and London made by Sir William Harpur and his wife in 1566 to the town of Bedford. The Charity was founded by an Act of Parliament in 1764 and was administered under a Scheme sealed by the Charity Commission on 1 September 2000 and amended in 2009.

The charity was incorporated as a company limited by guarantee on 1 July 2012, named 'The Harpur Trust', and registered as Company Number 3475202. The company is governed by Articles of Association and was registered as a charity, number 1066861.

The endowed properties ('specie' land) and assets continue to be held in the original Bedford Charity, which was amended and renamed The Harpur Foundation. The Harpur Trust is the sole corporate trustee of The Harpur Foundation and a 'Uniting Direction' was obtained from the Charity Commission, removing the need to prepare separate accounts for both company and trust in future.

The directors of the company are known as "Trustees" and they are also members of the company for the purpose of company law and charity trustees for the purpose of charity law. This new legal form has several advantages including a more effective limit of liability for our Trustees, which in turn will assist in attracting a wider cross-section of candidates for trusteeship.

We have 25 Trustees of which seven are nominated, two are representative members and the remaining 16 are co-opted, elected by the Trustees. All terms of office are for five years, with the exception of the representative members for whom it is four years. Names of Trustees and the committees on which they served during the year are shown on pages 38-39 of the financial report.

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Governance and organisation

The Trustees meet at least three times a year, with additional meetings as necessary. They receive reports from all of our committees, which themselves meet three or four times annually. Committees co-opt members who are not Trustees in accordance with the Articles of Association.

While the Trust is a single legal entity, a high degree of internal autonomy is accorded to its operating units: four schools; two almshouses; grantmaking; and the management of the endowment, all of which are accomplished through the committee system. The day-to-day conduct and maintenance of our schools is the delegated responsibility of School Committees. The Grants Committee supervises the management of the almshouses and determines monetary grants to individuals and institutions. The Endowment Committee sets overall policies for the management of the investment portfolio, which are then implemented by our Chief Executive and the investment managers. The Administration and Audit Committee approves financial and administrative procedures to be adopted across the Trust; it examines and reports to the Trustees on the statutory accounts; it supervises the overall risk management policy; it considers the reports of the independent auditors and it monitors the costs of the Trust office. A Policy Committee advises our Trustees on the overall strategic direction of the Trust. Most committees accomplish some of their work through sub-committees and working parties. The Chairmen of the School Committees, together with our school Heads, have specific responsibility for advising the Trustees on educational issues.

The Harpur Trust Office (HTO), through our Chief Executive, provides policy advice and secretarial services to the Trustees and their committees and financial, human resource and administrative services to our schools, as well as undertaking day-to-day management of our endowment and community grants programme.

The Harpur Trust is also the Trustee of an almshouse charity, Randall Cottage Homes, whose results are included within those of the Trust itself following a Uniting Direction by the Charity Commission.

Trustee training and induction

Our Trustees place considerable emphasis on training; our staff and Trustees attend seminars and workshops on a variety of issues including strategic policy review, financial management and accounts, investment, governance, appraisal, grantmaking and communications. There is a comprehensive, mandatory induction programme for new Trustees and non-trustee members of committees, which senior staff members at our offices and schools also attend.

Risk management

Our Trustees, assisted by the senior managers in the Trust, regularly review our activities, particularly with regard to any major risks that might arise and are identified from time to time, and the Administration and Audit Committee supervises the overall policy for risk management within the Trust.

During this reporting period, our Trustees reviewed the risks to our strategic objectives and updated the register of these strategic risks. They are satisfied that actions have been taken to manage the risks identified.

The Trustees consider the key strategic risks to the Trust to be:

- Failure to comply with relevant health and safety regulations
- Fraudulent grant applications
- Failure of the safeguarding procedures within the Trust
- Serious fraud

In the opinion of the Trustees, the Trust has established resources and systems, including the use of the Magique risk management software, which under normal conditions should ensure these risks are managed to an acceptable level. It is recognised, however, that such risk management systems and protocols cannot provide absolute assurance that all major risks have been adequately managed.



Chairman Murray Stewart with the winners of the Young Achiever of the Year category at Pride of Bedfordshire Awards 2014 sponsored by The Harpur Trust

Strategic Report

Objectives... what we want to achieve

Our Strategic Plan 2016-2020 is available at www.harpurtrust.org.uk and some of its main components are set out below.

Our Vision

The Harpur Trust is a local foundation that uses the legacy of Sir William Harpur, who founded the Trust in 1566, to benefit the inhabitants of the Borough of Bedford through the promotion of education; the relief of poverty, sickness, hardship or distress; and the provision of recreational facilities with a social welfare purpose.

Our Mission - is to inspire and support people by

- **Breaking down barriers**
Providing individual support and developing access to learning programmes in all communities in Bedford, through grant funding and in partnership with other organisations.
- **Providing education**
Promoting the highest quality, well-rounded education, through excellence in our own schools; promoting wider excellence in education through grant funding; supporting the Bedford Academy and other maintained schools; and maximising access to our schools for the economically disadvantaged.
- **Creating opportunity**
Providing individual support and developing access to learning programmes in all communities in Bedford, through grant funding and in partnership with other organisations.

*We have a broad definition
of education and support
projects working with
people of all ages and in a
wide variety of settings.*

Our grantmaking policy

We make grants in support of all three of our charitable objects and mission areas. Our Trustees have flexibility to allocate resources according to perceived need. We believe we achieve most when we make grants to maintain valuable and effective services, when we fund work which brings new services and ideas to the Borough and when we fund programmes which help voluntary organisations become more effective.

Organisations and individuals are encouraged to contact us informally for initial guidance on their applications and much advice is given verbally. Our main priorities, grant programmes and application process are also set out in the guidance notes which are available by post, email and on www.harpurtrust.org.uk. They are summarised below.

Our responsive grantmaking

Promotion of education.

Since our inception we have had a key role in developing and enhancing educational opportunities in the Borough. This is reflected in the educational programmes that comprise a major element of our grantmaking. We have a broad definition of education and support projects working with people of all ages and in a wide variety of settings.

Relief of poverty, sickness, hardship or distress.

Trustees consider requests for staffing, running and capital costs for projects and core services. Through on-going research and consultation, locally and beyond the Borough, our Trustees continually develop grant giving priorities in response to emerging local needs and opportunities.

Provision of recreational facilities with a social welfare purpose.

Our grantmaking under this object has a strong emphasis on projects that address the needs of young and/or disadvantaged people. How a project proposal will act 'in the interests of social welfare' is carefully considered.

Process.

Our Grants Committee meets four times a year to consider grant applications up to £50,000 and to provide guidance from committee members to applicants on their preliminary proposals. Applications in excess of £50,000 for one year, or £150,000 over a three year period, must be agreed by our Trustees on recommendation from our Grants Committee. Our Chairman and Deputy Chairman of the Grants Committee have delegated authority to make grants below £5,000 and meet regularly to take decisions on smaller grant applications, which can now take advantage of a simpler process, and to give guidance on preliminary proposals.

Eligibility.

Most grants are awarded to organisations, but a small number of grants are made to individuals who are pursuing continuing and vocational education. Registered charities, voluntary organisations and other groups with charitable purposes or not for profit organisations delivering relevant services to the community are eligible to apply.

Our priority areas

Within our three charitable objects, the Trust currently has three priority areas for grantmaking. The priorities, Transitions, Resilience and Isolation, were based on the recommendations of the Young Foundation report "Sinking or Swimming" which was co-funded by the Trust and identified a number of emerging needs in modern Britain. They focus on the challenges facing Bedfordians in a rapidly evolving society and fund organisations which help individuals to fulfil their potential in our community by:

- Offering preparation and support for people undergoing difficult life transitions
- Giving people the skills to manage change positively, adapting and prospering after setbacks
- Reducing loneliness and lack of social networks



Young members of Autism Bedfordshire adult skills group learn how to prune vines at Old Warden Vineyard supported by a £73,727 grant from The Harpur Trust

The Trust this year

Activities, achievements and performance

Our main objectives for 2014/15 and how we performed against them.

Our broad objectives for each year are governed by our Strategic Plan and thus will change little from year to year over the period of the plan. Objectives and measures of success and progress against it are reported annually to our Trustees. Some specific objectives for the past year are outlined below for illustrative purposes but a more comprehensive view of our plans can be gained by looking at the Strategic Plan itself, which can be found on www.harpurtrust.org.uk.

The following key objectives were identified for the year:

Providing education

Promoting the highest quality, well-rounded education, through excellence in our own schools; promoting wider excellence in education through grant funding; supporting the Bedford Academy and other maintained schools; and maximising access to our schools for the economically disadvantaged.

o The Bedford Academy.

To support the Academy to continue to improve academic standards during a crucial year in which it will move to a fully 11 to 18 school.

The Academy has continued to improve levels of academic attainment and the Trustees were delighted with the comprehensive and detailed report from the Principal to their meeting. The report highlighted the extremely successful inclusion of Years 7 and 8, the unique challenges for the Academy and the initiatives put in place to deal with them. The Trustees were particularly pleased to see growing numbers in the sixth form, continually improving levels of attainment and the fact that the Academy is now the first choice for so many parents and their children that each year group from now on is likely to be full.

Creating opportunity

Providing individual support and developing access to learning programmes in all communities in Bedford, through grant funding and partnership with other organisations.

o Financial education.

To trial a programme of financial education in a local secondary school in partnership with the Money Charity.

The programme was established successfully, however, the outcomes were not as clearly successful as the Trustees would have wished and it is an initiative that will not be pursued if the participant schools judge it to have been of limited value.

Breaking down barriers

Providing support via grant funds to organisations and individuals where needed, involving people in local initiatives, reducing barriers caused by disadvantage and increasing the community's access to recreation.

o Digital data mapping.

To investigate whether a range of new digital mapping tools can help local funders and other stakeholders from the voluntary and statutory sectors to better understand the emerging needs of our community, and then commission, plan and run services to meet needs more effectively.

This was an interesting and potentially very informative initiative. The application of the digital mapping techniques to an area like Bedford was a new departure and the learning identified was that it is of less value than in more concentrated urban environments. Nevertheless, many local organisations came together for the first time and worked closely on the project, building connections and networks that will be of value in the future.

Education

Students from across Bedford experiment with rockets at the STEM Science Fair hosted by Biddenham Upper School with a £2,000 grant from The Harpur Trust



Through our Harpur Trust schools we offer a first class educational experience to 3,579 pupils.

We are extremely proud of their achievements over the past year, both in and out of the classroom.

Bedford Girls' School

2014-15 was a very full year for Bedford Girls' School (BGS) culminating in the much awaited ISI inspection report. We were delighted by their findings which formed a high bench mark from which the school will continue to grow and excel. The school is now moving into the next stage of its development and the praise given in the report gives us great confidence with which to do so.

Academic Excellence

Once again our girls performed exceptionally well in the International Baccalaureate (IB) Diploma Programme. 70% of the entries at Higher Level were graded either 6 or 7 which is the equivalent to an A or A* at A Level. The international average score for the Diploma this year was 29.88. At BGS we were very pleased by our significantly higher average of 37.5. It is therefore not surprising that the number of girls studying the Diploma Programme at BGS has risen over the last few years and we now have in our new cohort of sixth formers a quarter of girls taking the Diploma qualification.

Our A Level pupils continue to perform strongly with 77% of our entries obtaining A*-B grades which ensured that, once again, over 95% of our pupils were successful in obtaining either their first or second choice of university. This year we were particularly proud that eight of our girls secured their place at Oxford or Cambridge reading a variety of subjects including Geography, Philosophy, Medicine, Architecture and English.

We were equally proud of our Year 11s who achieved our best set of GCSE results for BGS with over 60% of the entries being A*/A.

Our connected community

The girls are very much looking forward to moving into our Sixth Form Centre which was renovated over the summer. Its new front entrance, refurbished Common Room and Careers Department and a recently added quiet reflective study area in the Sixth Form loft, with private carrels, have helped to make the learning environment for our sixth formers stimulating and uplifting.

Much of the renovation in the Sixth Form has been made possible by the kind donations from the alumnae of both Dame Alice Harpur School and Bedford High School for Girls'. We have worked hard to ensure that the alumnae from the legacy schools do feel part of BGS and we were therefore delighted by their generous donations that enabled us to carry out our plans.

Developing all the dimensions of the girls

BGS continues to be innovative in our use of technology. Last year we rolled out our iPad programme which has ensured

that every girl in the school has her own BGS iPad on which to work. We obtained the Third Millennium award for our use of technology and this summer our Director of ICT, Mr James Potter, was selected by Apple as one of their Apple Distinguished Educators. As part of the Apple Education team, he is invited to discuss significant educational changes in technology at Apple conferences across Europe, which has benefited the school hugely as we incorporate the latest technology in our teaching and learning.

Imagination is at the very heart of BGS. We continually strive to do things new and for the very first time. This year was no exception, with our first ever opera "Dido and Aeneas", our first outdoor production of "Midsummer Night's Dream" and our first Performing Arts Evening where former pupil and West End star Gloria Onitiri accepted our invitation not only to present the Arts awards to the girls but also to perform.

We continue to excel in sport, reaching the regional finals in every competitive sport we offer. This year, three of our pupils represented their country in four different sports; rowing, lacrosse, hockey and netball. Most recently Robyn Armstrong won Gold in the women's quad scull at the European rowing championships in Hungary. BGS Sport, however, is not just about our elite, it is also about providing sport to as many girls as possible. This year we organised over 700 fixtures in over 15 different sports and our new fitness suite and dance studio ensures the girls are able to engage in sport and fitness at every level. We are very much looking forward to moving onto Cople Fields next September where we can continue with our excellence and participation in women's sport.

We ended the academic year with a very rousing speech from Baroness Sue Campbell, CBE and Chair of UK Sport who masterminded Great Britain's London 2012 success. She encouraged our girls to embrace the words that make up the acronym CARE – Compassion, Aspiration, Resilience and Empathy. There is no doubt that the girls at BGS do just this and we are very proud of their successes this year.

And finally...

BGS would not be the wonderful school that it is without its teaching and support staff. This year we said goodbye to a particularly valued member of staff, Mrs Willis, our assistant head responsible for the pastoral care of the girls. Mrs Willis was instrumental in developing BGS's pastoral system and her legacy is a school that is respectful, caring and kind. Mrs Willis will be missed by all and we very sincerely wish her a long and happy retirement.

Tina Beddoes

Chairman of Governors



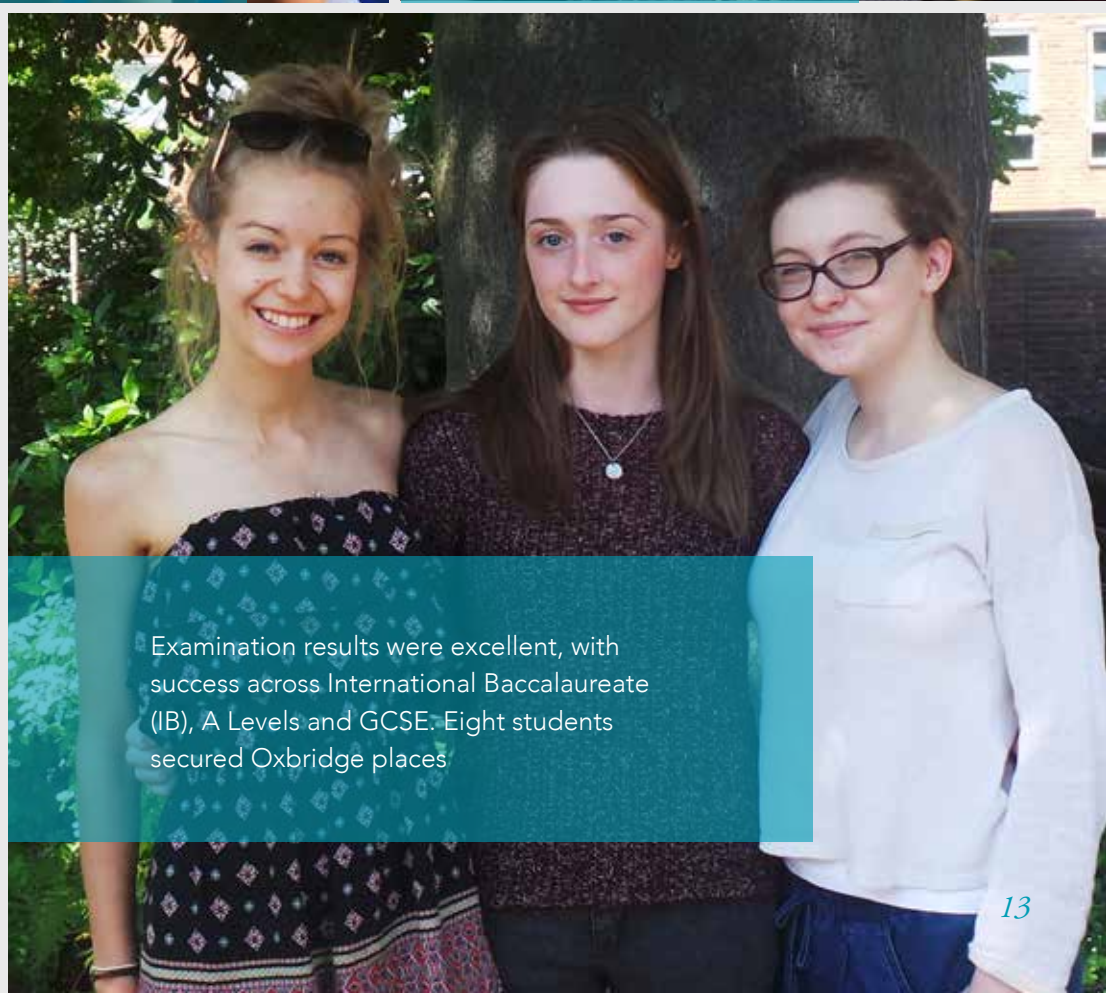
Bedford Girls' School continues to excel at sport, most recently Robyn Armstrong (3rd from left) won Gold representing Great Britain in the junior quadruple sculls at the Coupe De La Jeunesse rowing championships



Bedford Girls' School performed its first ever opera Dido and Aeneas



The school was honoured to welcome Baroness Sue Campbell, CBE, and Chair of UK Sport, as their guest speaker at Prize Giving



Examination results were excellent, with success across International Baccalaureate (IB), A Levels and GCSE. Eight students secured Oxbridge places

Bedford Modern School

This is the last report I shall write as Chair of Bedford Modern School (BMS) Committee, so it seems a good moment to reflect on the progress we have made. When I became a Trustee and Governor in March 2003, BMS was a boys-only school of 1068 students, with a sub-scale boarding house, however, plans for co-education had already been put in place. In September 2003, the first 64 girls joined the school and we became a 100% day school. In 2015 the school roll stands at 1200 and just under 40% of our students are girls. I am particularly pleased to report that a similar proportion of the senior leadership team is also female.

In 2003 the GCSE cohort had scored 51% A*/A – the lowest percentage of any of the four Harpur Trust senior schools. Despite recent moves to tighten grade boundaries our 2015 A*/A rate has risen to 63% and is the strongest in Bedfordshire – a position we have maintained for five years – while our A Level results have led the region for the last three. We achieved a full sheet of ‘excellents’ in our last inspection and have received very positive responses to our market surveys.

Bald statistics do not capture the fun of the school. BMS always had a cohesive, energetic and egalitarian ethos, but with co-education, I believe that has blossomed into something truly exceptional. The gusto and free spirit that our students’ exhibit is impossible to fake; at the same time, the inclusive, diverse and down to earth community we foster means that they are

not cosseted in an exclusive ‘public school’ atmosphere. The BMS spirit of today, recognisably built on the school’s traditions, is modern and flourishing.

I have been able to enjoy exceptional music and drama every year. The way a new rank of talented performers’ springs up to replace those leaving reminds me of the mythological properties of dragons’ teeth. It is no accident, but a result of the way such activities are integrated, promoted, valued and (yes) taught, throughout the school. It is unfair to pick out particular productions, but as some kind of benchmark, the two performances of *Les Misérables* over the period were both brilliant – the first (in 2006) contained a clutch of students who are already stars of stage and screen, but the more recent performance (2014) was beyond a doubt even more accomplished.

The area of school life where adjustment to co-education has been most complex is sport. The old boys-only year groups of 120-140 could field A-D rugby teams many weekends. This becomes mathematically impossible as the number of boys in each year decline. At the same time, building girls’ sport with only a handful of senior girls (and when some girls with a particular interest in team sports would choose a girls-only school for that very reason) was a slow climb. It is lovely to see that our girls’ teams are now competitive and, indeed, often winners – although it is more important to us that every student



Annual Prizegiving

enjoys sport through the school and on into adult life. Modern health statistics show us that the old adage, mens sana in corpore sano, is truer than we knew.

Investment in the fabric of the school has been steady. When I joined the School Committee, the Christopher Fry Hall had just been completed. All weather pitches for hockey and netball were provided in time for our first co-educational years. The Rutherford Refectory and Sixth Form Centre was opened in 2006, the new Library in 2007 and the new fitness suite in 2012. Work on perhaps our boldest project, the new Science Faculty building, should begin before the end of 2015.

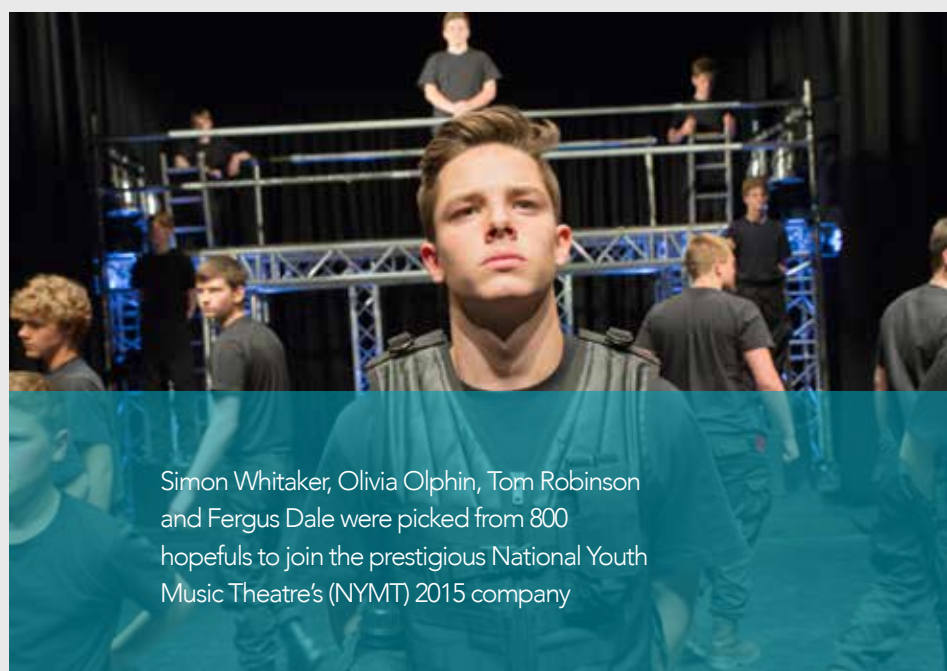
I am very proud of the journey the school has made over the nine years of my Chairmanship. I would like to thank all the staff, governors, parents, students, heads and management leaders for their immense contributions over the period. It is a journey without an end point. To all who remain at BMS, or who will join us in the future: I expect you to surpass anything we have done so far, onward and good luck!

Ian McEwen

Chairman of Governors



The girls in the BMS Under 10 netball team were crowned 2015 County Netball Champions



Simon Whitaker, Olivia Olphin, Tom Robinson and Fergus Dale were picked from 800 hopefuls to join the prestigious National Youth Music Theatre's (NYMT) 2015 company



An artist's impression of the new Science Faculty

Bedford School

A major feature of Bedford School's success over its 463 years has been its ability to marry change with stability, innovation with age-old truths. The review of another packed year, with change at the top (a new Head Master) and in the ranks (book-ended by the extremely sad loss of Dr Richard Palmer and the retirement of eight longstanding members of staff), demonstrates the pace and vitality of a school in continual transition.

A list of highlights might include the following (in broad chronological order): the Under-17 National Cricket Final win, with a century from Paddy McDuell (who, almost incidentally, also represented England U16 at Rugby and achieved straight A grades at A Level to win a place at Durham University to read Philosophy and Politics); the House Music (an institution); an extraordinary Mozart's Requiem by the Choral Society and a wonderful Mozart horn concerto from Sean Davies (who won a place at the Trinity Conservatoire of Music); two Great Hall assembly talks by staff members in particular: Mr Peter Geall's passionate eulogy of Labour Party policy to almost 700 Bedfordian Tories and Anna Garrett's impassioned speech to a full school of boys on the importance of being a feminist (they were fabulous talks!); the introduction of a new, entirely pupil-led, school magazine and five entirely pupil-run charity concerts; Louis de Berniere presenting the English essay prizes; a dinner for 35 Old Bedfordians who had fought in Afghanistan and Iraq in this year of remembrance for the end of the Second World War; almost any Art exhibition, but most notably the Annual Exhibition on the theme of "conflict" which included an extraordinary sculpture of an archer by Asif Zair, who will read architecture at Manchester University; a two and a half hour play in Spanish; the German boys beating the English boys in their annual rugby challenge; the marvellous Chapel Choir, whose subsequent tour of Spain was an acclaimed triumph; the new theatre opening; the solemn and moving anniversary remembrance Sunday services; the new Bedford School Independent Project (BSIP) initiative for all Lower Sixth boys, culminating in a BSIP presentation evening where boys

presented their projects on subjects as wide ranging as the history of the Judeo-Spanish language, the portrayal of Satan in literature and an exploration of Mahler's first symphony; 70% of our leavers departing for Russell Group Universities; just under £30,000 raised for charity by an entirely pupil-led charity committee; Old Bedfordian and current World Champion and Olympic medallist Phelan Hill speaking at the Annual Boat Club dinner; and another Old Bedfordian winning the Ashes.

This is a list, but 750 words is a tight limit for a school which put on 21 concerts and 8 choral services in the short winter term alone and held over 200 rugby fixtures in an autumn term also populated by cricket, swimming, water polo, futsal, squash, golf, basketball, fives, hockey and rowing. This year will also stand out as the year of the opening of the Quarry Theatre at St Luke's, named after one of its major supporters, Gareth Quarry, and his family. We were delighted to welcome the Lord Lieutenant, Helen Nellis, to address a packed house for a rousing school performance of Henry V (whose own brother was the first Duke of Bedford). Following that unforgettable evening in June, we hosted all 90 events of BedFringe in the space of 10 days in July, attended by over 3,500 people – another indication of how our school might make a very significant contribution to the local town community. The theatre of course was part funded by support from a major legacy from OB Brian Saville; it coincided therefore with the first of our Brian Saville awards and we look forward to receiving scholars in September across a range of fields from academia, music, drama and sport (including golf scholars to continue our link with Woburn Golf Club).

And finally to return to staff. It was a testing year for our staff, with the sad passing of Dr Richard Palmer and with an unusually large number of extremely serious illnesses. The courage of those who are ill, matched by the determination, support and love of the healthy, demonstrates just how special this community is.

Stephen Mayson

Chairman of Governors

This year will also stand out as the year of the opening of the Quarry Theatre at St Luke's, named after one of its major supporters, Gareth Quarry, and his family.



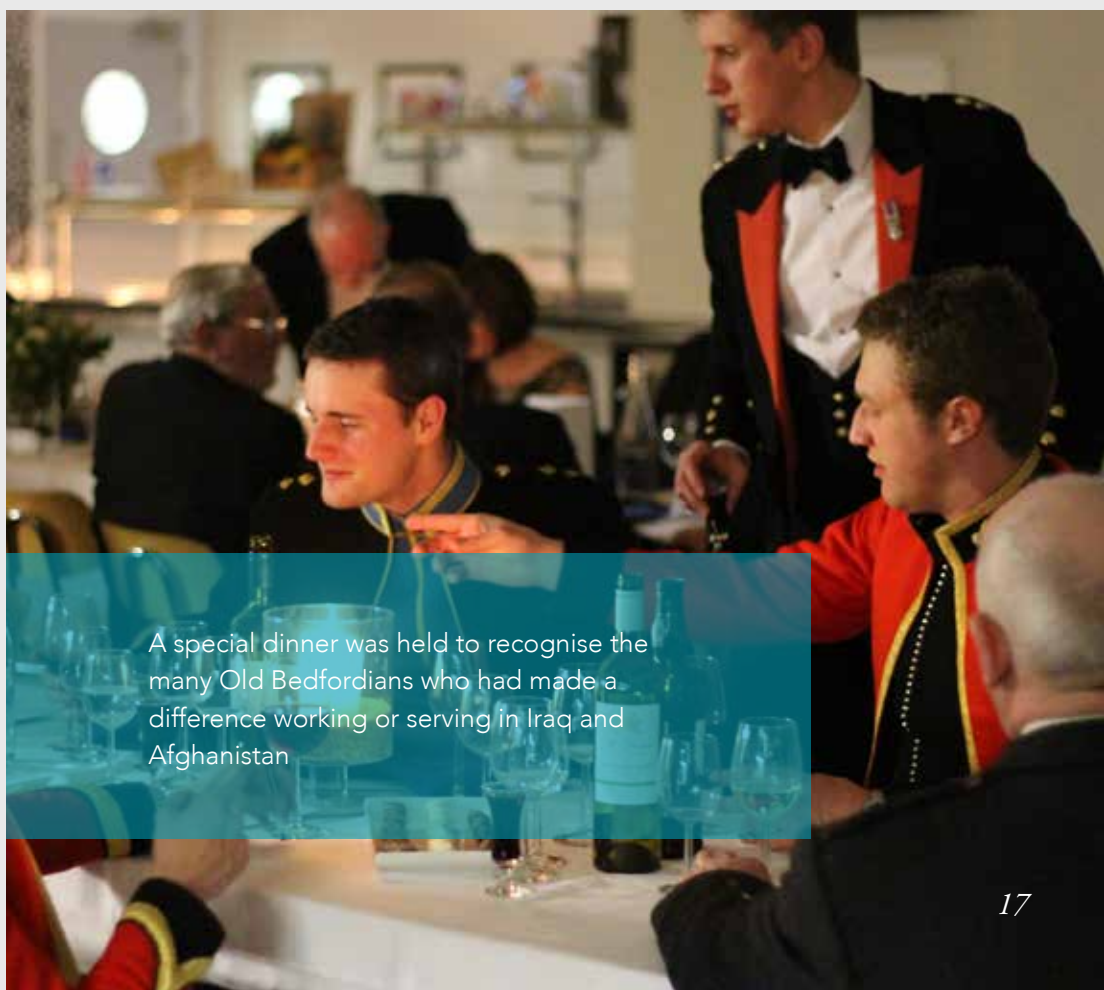
The Quarry Theatre at St Luke's was opened with a superb performance of Shakespeare's Henry V



Bedford School welcomed James Hodgson as its new Head Master



Boys fundraising initiatives, including a fun Quidditch match, raised almost £30,000 for charity



A special dinner was held to recognise the many Old Bedfordians who had made a difference working or serving in Iraq and Afghanistan

Pilgrims School

An 'Outstanding' and 'Excellent' Year

This year we had a four day inspection of the whole school, including Little Pilgrims, carried out by the Independent School's Inspection (ISI) Team. It hardly needs saying that we are absolutely delighted with their findings, which saw us achieving 'outstanding' and 'excellent', the highest grades, in all of the reported areas. The Inspection particularly highlighted the quality of the pupil's achievements and progress, the personal development of pupil's spiritual, moral, social and cultural awareness, the pastoral care received, the pupil's attitudes to learning, the contribution of curricular and extra-curricular provision and the quality of leadership and management. To be recognised by the ISI as being an outstanding and excellent provider in all areas is an incredible achievement and one which reflects the passion and hard work of all members of the staff at Pilgrims and the unstinting support of our parents.

We are extremely proud of this external verification of our provision.

Excellent achievements

By working closely together with one of the The Harpur Trust Prep and Junior Schools a new common entrance assessment for Year 3 was introduced in January. This new process involved the children in Year 2 sitting their standardised assessments for their chosen Harpur Trust School at Pilgrims. Using computerised assessment in this way enabled data to be shared with all relevant schools quickly and efficiently. Parent and staff feedback to the new assessment process has been extremely positive. The children continued to achieve exceptionally well, with 95% (52/55) being offered at least one place at The Harpur Trust Prep or Junior Schools of their choice.

The unique inter-school relationship that has developed during this process will continue, particularly as we look at the

National Curriculum changes and how they impact upon our school's curriculum and how we prepare our children for the next stage in their education.

Happy fifteenth birthday to Pilgrims

Special events took place throughout the year culminating in a whole school party with cake and ice-cream to celebrate Pilgrim's fifteenth birthday. The events took on the birthday theme to inspire the children as well as having great fun! Literacy lessons focused on the production of a Pilgrims birthday poetry book and the drama club performed a special outdoor version of 'The Gruffalo' to entertain the children from Little Pilgrims and Nursery. The annual art exhibition continued the celebration theme, showcasing pieces of artwork from every child from Baby Room to Year 2. The exhibition was attended by a local artist, Alasdair Bright, whose unique illustrative style captured our children's imagination as he shared with them ideas from his sketch book. We have now commissioned Alasdair to produce three distinct illustrations depicting life at Pilgrims across the summer, autumn and spring term. We hope to unveil these early in the new academic year.

Pilgrims Parents presented us with a very special birthday gift this year to further enhance the children's learning outside of the classroom; a newly developed pond area complete with dipping platform, seating area and mini-beast hotels. All the children from Little Pilgrims to main school have been thrilled to discover, first-hand, the wonderful variety of wildlife that has taken up residence there.

Pilgrims at the Proms

'Proms in the Park' returned to Bedford, and Pilgrims choir were thrilled to be invited to take part. It is rare that children as young as those who attend Pilgrims are given the opportunity to participate in such large scale performances. We were, therefore, delighted to accept this prestigious invitation. In preparation for the main event the choir were visited by Daniel Koek, well-known from his West End performances in Les Misérables. His impromptu rendition of 'Bring me Home' proved inspirational.

Sue Clark

Chairman of Governors

We have now commissioned Alasdair to produce three distinct illustrations depicting life at Pilgrims across the summer, autumn and spring term.



Pilgrims choir takes to the stage at Bedford Proms in the Park



Local Bedford artist Alasdair Bright visit Pilgrims



Year 1 enjoys exploring our new pond



Daniel Koek, star from London's West End, inspired our choir before performing at the Proms

Bedford Academy

September 2014 marked a major milestone in Bedford Academy's history when we became a secondary school and welcomed Years 7 and 8 for the first time. A total of 623 students were admitted to Years 7-9, with a further 81 students joining the Academy in various year groups throughout the academic year.

To ensure the transition process from Primary to Secondary was as smooth and beneficial as possible, we provided students with a well-structured and varied programme of induction sessions. Our Transition Days introduced students to their form tutor and the opportunity to try various subjects. Students were also assigned 'buddies' for the duration of the two days, which culminated with an assembly and prize-giving recognising outstanding effort.

In addition to Transition Days, our New Beginning sessions ran over a four week period and were based around students becoming involved in the Academy's enrichment programme. It provided Year 6 students with an opportunity to experience the wide variety of clubs that would be available to them in Year 7. Activities ranged from graphic drawing and science experiments to making volcanos and geographic cupcakes!

Summer School

For the second consecutive year Bedford Academy hosted a Department for Education Summer School for Year 7 students who qualify for pupil premium funding. Over 100 pupils attended the two week Summer School, with an average attendance of 74 pupils a day.

The Summer School was delivered by Pet-Xi with the main objective to make students feel comfortable in their new surroundings whilst improving their numeracy and literacy. The daily schedule included numeracy, literacy, sports and arts & crafts. Pet-Xi have a unique delivery style with four members of staff per group of twenty which enables students to progress quicker and helps to boost their attention levels.

The feedback from students and parents was extremely positive and all students were given the opportunity to showcase their work at the end-of-week assembly, to which parents were invited to celebrate the successes of the students involved.

Careers

At the other end of the spectrum, students in Year 13 were given the opportunity to retrace the steps of their teachers by visiting their old university campuses, in preparation for the next steps in their education. Loughborough and Keele Universities were among those visited, giving students a taster of university life and providing them with the confidence to make informed choices and apply for courses. We are encouraged to see that students are becoming more adventurous in their destination choices each year and are

considering a broader range of courses when exploring which subject to study.

Students from all year groups have had the opportunity to benefit from our extensive programme of careers advice and guidance provided by our in-house careers team. Budding Year 12 physicists were proud runners up in the 2015 Lockheed Martin Technology challenge, while Year 11 students visited Barratt Homes to explore opportunities in construction. Throughout the year students enjoyed careers talks from external speakers including Network Rail, ASDA Logistics and Army Careers, and also took part in a successful World of Work event to raise awareness of the range of career opportunities available. The Bedford Rotary Club kindly took the time to interview Year 13 students, while a group of students from Year 10 visited Global Radio to find out more about the world of broadcasting. The Academy once again held its annual Careers Fair, attracting a record number of 36 local employers, colleges, universities and training providers.

We are encouraged to see that students are becoming more adventurous in their destination choices each year and are considering a broader range of courses when exploring which subject to study.

Achievements

With grant funding from the Heritage Lottery Fund, students in Year 7 researched the lives and deaths of fallen heroes from the WWI Roll of Honour list found in St Mary's Parish Church, as part of the commemoration of the Centenary of the start of the war. Their research took the students to the National Archives, the Imperial War Museum, the war graves in Belgium and the display of ceramic poppies at the Tower of London. The students' work was showcased at an exhibition held at the Academy in April which was well attended by the local community.

Gaia Sanches and seven other students from Bedford Academy were among nearly 1,000 schoolchildren and young people in attendance at Westminster Abbey for the

Commonwealth Day Observance. We were extremely proud of Gaia when she was chosen to present a posy to The Queen.

Our key focus of developing students' interest in literacy appears to be working. One of our Year 7 students has proven to be a budding young writer. Hina Ahmed's poem was published in the Young Writers Book: Word Weavers – A Creative Collection. In addition, Vanda Vilarigues won a bronze award in the senior category of the Royal Commonwealth Society Essay Competition for her convincing response to the question; 'What part does competition play in people's daily lives?'

Students continue to excel in sport with 2014/2015 being the first year in Bedford Academy's history that we were able to field two competitive rugby sides, with both sides representing the school with pride.

Outstanding PE students were rewarded with a visit to Sky Sports Studios in London. Students were selected as a result of excellent behaviour and achievement both in PE lessons and sports enrichment activities.

Eight gymnasts from the Academy competed at this year's national GymFest held in Stoke on Trent. This was the first time students from the Academy had entered such a large scale competitive event and although they didn't manage to make it onto the medal table they conducted themselves well, displaying true Bedford Academy character of grit and determination.

Mervyn Weeden

Chairman of Governors



Bedford Academy students take part in the Lockheed Martin Challenge



Sky Sports Visit



Bedford Academy Careers Fair



Vanda Vilarigues with her Royal Commonwealth Essay Bronze Certificate

What our grants are achieving in Education

As a place based funder The Harpur Trust continues to play a crucial role helping Bedford to thrive in times of change.

Celebration is a key theme for The Harpur Trust as we look forward to 2016, the year in which we mark both our 450th anniversary year, and the 850th anniversary of the town's charter. As we review the year's grantmaking activity it's a chance to recognise all that has been achieved by our grantees and partners and the role they have played in Bedford's remarkable story. And there has been plenty to celebrate for the Borough's community groups this year with another significant rise in the Trust's grantmaking; a total of £1, 557,763 was distributed this year. 37 organisations and 23 individuals were awarded grants this year. A small number of organisations also benefited from a programme to match staff fundraising efforts piloted by the Grants Committee.

But whilst we don't want to lose sight of the past, our anniversary presents an opportunity to look to the future. The Grants Committee is determined to focus on emerging needs and how we can best use Sir William Harpur's remarkable legacy to serve future generations. Helping people manage challenging transitions positively is one of our three priority areas, so we place considerable emphasis on identifying changes affecting civil society in the Borough and wider demographic changes.

The environment for charities has changed immensely in recent years; according to figures from the National Council for Voluntary Organisations the value of grant funding from trusts and foundations has exceeded the value of grant funding from government sources for the first time since at least 2000. Statutory funding has moved from grants to contracts and cuts to local authority budgets are continuing. These realities mean that local commissioners are focusing increasingly on the services they are legally obliged to provide rather than those which offer something a little bit different and small local organisations lose out to larger providers with more appealing economies of scale.

A local funder like the Trust must consider their role in the face of such changes. How do we remain strategic rather than just picking up the pieces in the wake of national funding decisions? How do we balance the positive influence of large

national charities bringing new ideas and services to the town with their effect on the delicate local ecology of civil society? The impact we celebrate as a funder is dependent on the successes of the many individuals working in our community and beyond to make Bedford the cohesive place we are proud of, so making sure our funding is accessible to all and inclusive is key.

That's why one of the ways in which we will celebrate our 450th Anniversary is through a special Anniversary Grants programme, aimed at the smaller groups which struggle to access our funding. We look forward to welcoming a number of new groups to the family of Harpur Trust grantees and helping them to develop their fundraising skills.

What our grants are achieving in education

This year we made 33 awards totalling £318,583 under the education object, 11 to organisations and 22 to individuals. As ever, these included a mix of projects in traditional education settings such as schools and colleges, and informal, community based education.

...one of the ways in which we will celebrate our 450th Anniversary is through a special Anniversary Grants programme, aimed at the smaller groups which struggle to access our funding.



Laura Thomas

Since graduating in Psychology over ten years ago, Laura has had a variety of roles supporting people who in one way or another are excluded from mainstream society. Many of the individuals she has worked with struggled to make the most of the opportunities they were given at school. Laura became increasingly interested in the impact of social and economic factors on children's ability to learn, and the cycles of dysfunctionality and depravation which blight some families. She decided that the best way for her to tackle these issues would be to go back to University and gain a professional qualification as an Educational Psychologist. This meant a Masters in Education, followed by a PhD.

With a job, a young family, and other caring responsibilities this was not an easy decision. Laura tried hard to finance her training herself, using personal loans, but on the low wages common to even experienced support workers she needed additional financial help. At this point she approached The Harpur Trust.

Our Grants to Individual Panel met Laura and were impressed by the rigorous approach she had taken to researching her chosen profession, speaking to a large number of practising educational psychologists in Bedford and offering her services to help with their research. Since we offered her help with the first year of her masters, Laura has shown great dedication to the course, changing her job to gain more relevant experience within a mainstream school.

When her employers told us that her determination to put theory into practice with their students had led to a significant decrease in persistent absenteeism, our panel had no hesitation in offering her support for a second year of study. Laura says of this determination "I believe that each and every child deserves a good education regardless of their background, circumstances or disability. I have worked with numerous children who have been labelled as "challenging " and I felt that society was writing them off before their life had begun. The course I am doing allows me to understand the underlying difficulties these children have. I love the fact that I can put the theory into practice at work and see changes in staff and student attitudes"

Groundwork Luton & Bedford

Whatever a child's background, a supportive family that values education is key to academic success. Professionals are becoming increasingly aware that it is vitally important for children to lay the foundations for academic success at the earliest possible opportunity, as "catching up" becomes increasingly difficult the older a child is. Groundwork Luton and Bedford are working with nursery and lower schools in the Cauldwell area of Bedford to identify families with children age 3- 6 who haven't reached developmental averages for their age and implement an innovative programme to improve their ability to learn. Cauldwell is a ward with high levels of deprivation and almost 60% of the population is from a minority ethnic background. Partners in Play gently helps children improve communication and parents gain in confidence in their ability to support their children with learning through a programme of guided play. The programme is delivered through eight sessions of fun outdoor and wildlife related learning activities from cooking on camp fires, making dens to walking like a centipede and wriggling like a worm. Although these activities look like an opportunity to get messy and have fun, they all are based round a framework of improving literacy and numeracy, and encourage parents and children to communicate, understand risk and develop problem solving skills.




John Bunyan Museum & Library

Our 450th anniversary celebrations will encourage all Bedfordians to discover the fascinating history of the town. John Bunyan is probably Bedford's best known son, but in recent years his story has been more familiar to enthusiasts overseas than children from his home town. With help from The Harpur Trust, the John Bunyan Museum and Library have been working hard to change this and help local schools make the most of a fascinating resource on their doorstep.

Full time curator Nicola Sherhod has helped the museum realise its potential by extending opening hours and reaching out to the wider community. She has created exciting partnerships with Full House Theatre company and with the Panacea Society and the Higgins, creating the "Pattern Tracker Trail" a drawing tour for children and families which helps them explore a common theme across the three sites. She's initiated workshops aimed at children with specific learning needs, summer holiday craft activities and successful children's art painting competitions. Nicola's efforts have been rewarded with an award from SHARE Museums East, but more importantly, she's put John Bunyan firmly back on the map for local children.

Relief



A grant of £28,250 enabled Keech Hospice Care to provide community based support for children with life limiting conditions

The amazing variety of projects funded under the relief object means that once again it accounts for the majority of our grantmaking, with 18 awards totalling £1,089,065.

What our grants are achieving in relief

Friends for Life

Isolation is one of the grants programme's priority areas, and loneliness in a growing older population is its most recognised presentation. National charity The Campaign to End Loneliness conducted a survey this year which established that one in five lonely older people feel they have no one to turn to, and that loneliness is as risky to older people's health as smoking 15 cigarettes a day.

The problem is particularly acute in care homes. Over 1,500 older people live in care homes in Bedford Borough and although many receive regular visits from friends and family a significant number rarely receive visits, and in some cases have no visitors at all. Although care homes do their best to meet residents' social and emotional needs, loneliness is clearly a major problem for these individuals. Friends for Life is a relatively new service which provides trained volunteers to support these very isolated individuals. A recent consultation with 37 care homes in Bedford Borough revealed that an average of five residents per home fall into this category. In an area as diverse as Bedford, some of these older people need volunteers with particular language skills, and Friends for Life supplies a number of Italian speaking volunteers to these particularly isolated residents. The Harpur Trust provided an award of £8,000 to help them recruit, train and support more volunteers to carry out this vital work.



The Reuse Centre

The ReUse centre is one of a number of furniture recycling charities operating in the Borough. Although to the general public they are a valuable source of cheap, good quality furniture for those on a low income, or a useful aid to house clearance, they also play a valuable role in providing unemployed and vulnerable people with opportunities which will help them return to work or fill empty days with meaningful and fulfilling activity. The Trust has funded a new post of Operations Manager which will help the charity grow and meet increasing demand relating to welfare reform. The charity's five year plan expects to double the number of volunteers gaining skills at the project, from 30 to 60 and to double the number of volunteers returning to work.



Almshouses

It's been quite a year for the Almshouses, as Trustees announced the next stage in a tradition of providing sheltered accommodation in Bedford which stretches back over 200 years. The Harpur Trust will invest over £2 million in 25 units of new almshouse accommodation at a state of the art retirement village at the Wixams in partnership with The ExtraCare Charitable Trust. The Trust has also made an award of £450,000 to our partners Bedford Citizens Housing association to help them to build 42 extra care apartments and a club house as part of their new development at Kimbolton Road. Our involvement in both schemes was prompted by a major review of our almshouse accommodation at Harpur House and Randalls Close. The review concluded that our current properties are becoming dated and less effective at meeting the needs of an ageing population and that the Trust needed to act now to ensure we can provide the top quality 21st century accommodation and support current and future residents need and deserve.

Current residents will be offered a choice of these properties and the existing almshouses will close by 2020. This will be a big step for residents, some of whom have lived in their current homes for decades, so we have held a programme of events with them to help them understand what the changes will mean and to get to know our partners who will be running the new facilities on a day to day basis. These events included coach trips to ExtraCare villages in Milton Keynes and visits to BCHA's new residential care home in Kimbolton Road to get a feel for the quality of the new flats. The two new schemes will provide more accommodation units than Randalls Close and Harpur House, so we will be able to offer better accommodation to a greater number of people.

One unexpected highlight this year for residents of Harpur House was their involvement in an episode of the BBC programme Great British Railway Journeys. Everyone enjoyed reminiscing about Bedford's past with presenter Michael Portillo and his team, and all were naturals on camera! Out of the spotlight, residents continue to enjoy a busy schedule with support from BCHA scheme managers Sue and Katherine. Harpur House holds lunch clubs twice a week, and residents are often joined by friends from Randalls Close and other schemes in the area. Craft afternoons, bingo, scrabble, poetry and coffee mornings are also regular diary events. Both schemes benefit from the generosity of students and staff at the Trust schools, with both BMS and BGS providing regular events for older people.




Guests enjoying time with Harpur Trust students at the annual Almshouse Summer Party



Artist's impression of the Extra Care Charitable Trust's village at the Wixams

Recreation



The Philharmonia Orchestra's professional musicians share their skills with a number of community groups in the borough supported by The Harpur Trust

This year we made nine awards under the recreation object, totalling £150,115.

What our grants are achieving in recreation

Sport Bedford

The Trust supports a number of local organisations which make awards to others. This year we got involved with Sport Bedford, a project we have previously supported through sponsorship, rather than grantmaking. Amongst other activities, they provide support to local sports clubs which want to improve the coaching qualifications of their volunteers. A small award of £2,000 will enable them to make awards to coaches in a wide number of disciplines from swimming to athletics and football. The Trust has funded coaching qualifications in the past as part of applications from individual sports clubs, but we hope that working with Sport Bedford will enable us to reach a wider range of grassroots clubs.

Faith in Queen's Park

The Trust has supported Faith in Queen's Park on a number of occasions, but the award we made this year was different. The Trustees have come to the conclusion that as a geographically restricted funder, we need to recognise that some services we support require a long term commitment of funding in order to help them plan for the needs of their service users. Faith in Queen's Park is the first of our award holders to benefit from such an award. Funding will be delivered in chunks and subject to appropriate reviews.

Faith in Queen's Park uses sport, music and heritage to promote good citizenship and community cohesion in Queen's park, one of the most ethnically diverse wards in England. The area has a very young age profile, and 30% of children live in income deprived households and a third do not have access to a car. Faith in Queen's Park has been instrumental in creating a positive and harmonious atmosphere in the area. Its multifaith leadership delivers some of the town's most exciting projects, often collaborating with experts from outside the area. These include music projects with the nationally known Philharmonia Orchestra, and the innovative local dementia programme, Music for the Memory. The project offers young people the chance to take an Arts Award up to the silver grade and engages with a number of sports from basketball to various forms of cricket. Faith tours are also organised to the local Mosque, Church and Gurdwara. Over 500 people benefit from its projects on a regular basis.



Coaching youngsters at All Saints Basketball Club



Faith in Queen's Park has had great success with girls' cricket

Public benefit

Offering all Bedfordians opportunities to benefit from Sir William Harpur's gift is core to our work, whether through grants, almshouses or our schools. The Harpur Trust Schools are committed to maximising access to their facilities and expertise not just for the promotion of education, but also to further our charitable objects in the relief and recreation fields. They do this through traditional means such as the provision of bursaries to help low income families benefit from a Harpur Trust education, but also through increasingly innovative and well planned initiatives which promote collaboration and learning across the state and independent sectors. Through our individual school charity committees, our pupils play a key role in determining how their volunteering energy and fundraising acumen can be deployed for the benefit of the many charities we support in the Borough and beyond. We hope to harness this pupil power in an increasingly connected manner over the course of the next strategic plan.

In addition to the public benefit delivered by our grants programme outlined earlier, the Trust's schools also deliver public benefit in their own right. The volume of work carried out by our schools for the benefit of the wider community means that only a few examples can be provided below. For a much more detailed report, please visit www.harpurtrust.org.uk/publicbenefit.

Bursary Support

Our schools offer means-tested bursaries to help lower income families pay all or part of their school fees. Despite high levels of demand for assisted places, we were pleased to be able to support 245 pupils with their school fees this year, with

79 pupils receiving a free school place. The value of this fee support was £2.7 million.

Use of educational resources and facilities for the benefit of staff and pupils in state schools

This work covers everything from strategic partnerships with particular schools to lending sports facilities to state schools for a one off event. Bedford School this year embarked on a strategic partnership with Mark Rutherford School, which has led to numerous mutually beneficial activities for staff at both schools such as sharing good practice between science departments and lesson observation swaps. Mark Rutherford pupils have been included in an array of activities at Bedford School, from networking careers evenings and Oxbridge mock interviews to engineering lectures.

Educational outreach focusing on specialist subjects is welcomed by many local schools. Staff from Bedford Modern School have supported a number of local schools with a series of modern language lessons at the partner schools, but also through highly enjoyable enrichment days covering languages, dance, drama and art. Our older pupils can be heavily involved with outreach, cementing their own knowledge as they mentor and devise activities for younger pupils in the wider community. This is exactly what Bedford Girls' School did, when senior pupils shared their love of numbers at a Maths roadshow with Year 4 pupils at four lower schools.



Bedford academy pupils meet the Queen at Commonwealth Observance Ceremony

Use of facilities

Use of physical assets is also very important to our partner schools. At Pilgrims School three local lower schools without access to a swimming pool regularly use the school pool to teach swimming. School buildings and playing fields are regularly made available to local community organisations for events sporting, artistic and educational. Pilgrims School provides its facilities free of charge to the National Childbirth Trust to run antenatal classes and other courses for pregnant women. Bedford Girls' School offered the use of its Assembly Hall to enable the local deaf community to grill local politicians prior to local and general elections. Bedford Modern School hosted the Local Education Authority's Sports festival, throwing in refreshments for 175 participants. Bedford School allows large numbers of local groups, from scouts to the University of the 3rd Age to use its Observatory and Planetarium throughout the year.

Community Action

Harpur Trust Schools encourage all our students (and staff) to recognise the importance of putting something back into the community. It's a real pleasure to see the enthusiasm and creativity they bring to fundraising and volunteering activities. Individual students undertake regular community service at local schools and charities such as Headway, the Brain Injury charity and groups of students plan and carry out a host of one off and regular activities to raise funds and support those in need. Pupils at Bedford Modern School have developed a particular relationship with local dementia support charities, fundraising and with Year 13 pupils walking regularly with a group of people with dementia to provide exercise and companionship. Bedford School boys are fundraising masters, with thousands of pounds collected for their chosen local charities through a variety of events throughout the year. Children at Pilgrims School raise funds for their selected charities through school performances and carol services, while Bedford Girls' School run a free lunch club and entertainment for isolated older people five times a year.



Pupils from three lower schools have fun at the Science Academy run by BMS staff on a Saturday morning



Stargazing is made accessible through free three-week astronomy courses at Bedford School's Observatory and Planetarium



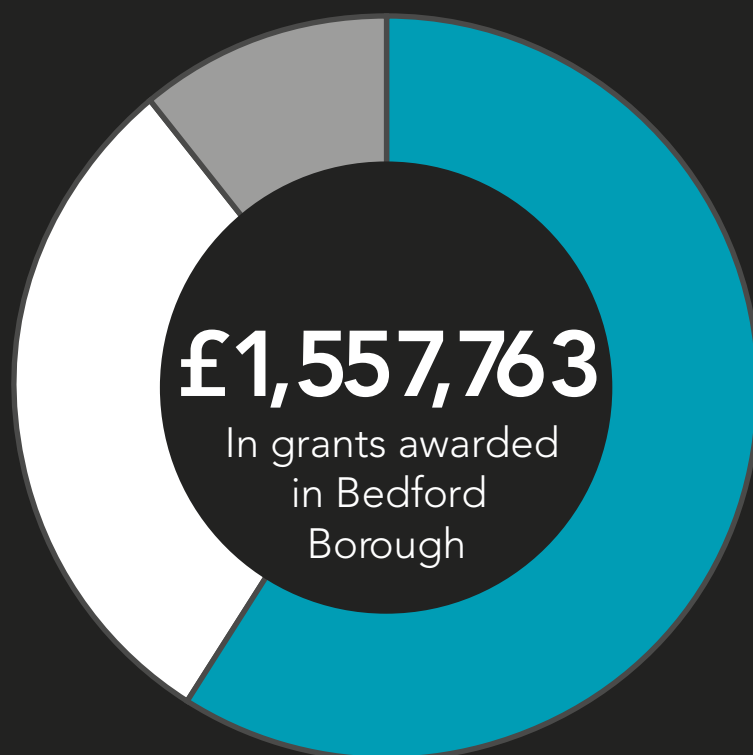
A child from one of the local state schools making full use of Pilgrims' swimming pool



Bedford Girls' School pupils are joined by local elderly residents for Lunch Club

Our year in numbers:

1 July 2014 to 30 June 2015



£1,089,065

Towards relief grants

£318,583

Towards education grants

£150,115

Towards recreation grants

£78 Million

The Endowment fund was valued at £78 million

£57,600

in university bursary awards to 16 local students

79

pupils received a free school place (full fee remission)

£2.7 Million

spent on means-tested help with their Harpur Trust school fees

1,106

people were employed by the Trust in Bedford

£25,950

towards maintained school uniform grants

245

pupils received means-tested help with their Harpur Trust school fees

3,579

pupils were educated at our schools

Plans for future periods

Future community leaders from Uprising promoting their social action campaigns



Trustees' strategic priorities for 2016 to 2020

Focus on grantmaking

The Trust's grantmaking programme will be refined and focused, in order to deliver the greatest possible benefit to the local community, within the priorities set out.

2016 Activities

- Bring together the recommendations of the evaluation and all previous work on grantmaking policy in one overarching document
- Launch 3rd Cranfield Trust capacity building programme

Social investment

The trustees will develop and implement a programme of social investment, using some of its endowment capital, to further its charitable objectives, in order to enhance its impact within the community.

2016 Activities

- Research into possible pilot investments, in order to identify possible investments for the Social Investment Group to consider, by March 2016
- First investment made by September 2016

The Trust's schools working together in education

The trustees wish to increase the cooperation between its own schools in areas of education, in order to improve the delivery of benefits to pupils and parents whilst maintaining the individual character and ethos of the schools.

2016 Activities

- Triennial whole teaching staff joint INSET

Develop the Trust's role as Sponsor of the Bedford Academy

The Trust will widen and deepen its role as Sponsor of the Bedford Academy, in order to build on the Academy's success and secure further improvements for its pupils and their families.

2016 Activities

- The Harpur Trust becomes the sole sponsor of Bedford Academy
- Develop enhanced educational partnership between the Academy and Trust schools

The Trust's schools in the community

The trustees wish to build upon the existing activities of its Schools within the local community, in order to deliver even greater impact and public benefit.

2016 Activities

- Produce a trial Lower Sixth Form joint schools project in the community
- Investigate the feasibility of a joint overseas project

Shared services

The Trust will explore areas where support services for the Schools can be shared, to improve efficiency and reduce costs, in order to maximise benefit to the beneficiaries.

2016 Activities

- Decision taken to implement shared services in appropriate areas
- Implementation of HR and Payroll software to reduce administrative burden and to support metrics-driven decision-making
- Review of procurement activity to determine potential areas in which economies of scale can be maximised. Project to include the consideration of an outsourced function

In all of these we aim to extend programmes and develop initiatives and activities which will be inspirational and set examples and models for successful social policy in other areas.

Full details of our Strategic Plan for 2016-2020 can be found on our website.

2016 marks the 450th anniversary of the Trust and to celebrate we are launching a host of events and projects for the people of Bedford. Join us in celebrating this special year.



450
YEARS OF ENRICHING LIVES
HARPUR TRUST

Annual Financial Review 2014/15



Bedford Bridge at night

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Financial overview

The Harpur Trust, a company limited by guarantee (Charity number 3475202, Company number 1066861) is a permanently endowed charity and, in accordance with charity accounting regulations, funds are classified as endowed, restricted, designated or general.

The endowed funds are the permanent endowment of the Trust and are held either as operational assets, or in a balanced portfolio of equity, property and fixed interest investments. With the adoption from July 2014 of a total return policy relating to the permanent endowment investment assets, the value of the permanent endowment is increased each year in line with inflation. Any difference between this value and the endowment investment portfolios held is retained as Unapplied Total Return in order to mitigate years where negative investment returns are experienced. A Long Term Spending Rate (LTSR) is used to determine the amount of endowment returns that will be distributed in the year, which is then used for the benefit of the community, primarily through the giving of charitable grants, and to pay the governance costs of running the charity. A spending rule is used to smooth the volatility of the amount allocated to the spend.

The Trust's schools receive no direct subsidy from the endowment income, but benefit from beneficial borrowing rates secured on the Trust's assets and through the use of the school sites.

Restricted funds are funds held that have been received for a specific purpose within the Trust's objects. They will ultimately be applied for the purpose specified; they cannot be used for any other purpose.

Designated funds arise from the Trust's income streams and are assigned to a specific purpose by the Trustees. They are not treated as "free" reserves (available to be spent freely) as a designated use has been identified. These funds may be re-designated for another purpose by the Trustees if circumstances change.

Overview of the year

Over the year, the Trust has seen the value of its permanent endowment increase from £74.3M to £77.6M; a rise of 4%. Over the same period, the FTSE 100 Share index fell by 3.3% from 6744 to 6521. In addition during the final month of the year, the Trust achieved an agreement to sell some of its land holding to the north of Bromham Road, thus recognising a revaluation in excess of £10m. With the proceeds receivable over a three year period, Trustees will be able to consider how they will best be applied in furtherance of the Trust's objectives.

2014/15 is also the first year of the operation of the Total Return policy. This was approved for implementation by Trustees in May 2014, with the aim of ensuring the maintenance of the real value of the endowment investment assets over the longer term for the benefit of the Trust's beneficiaries whilst enabling the appointed fund managers to be free of any constraints imposed by a need to generate income at the expense of the total return of the portfolio.

Income and expenditure

The majority of the Trust's activities derive from the operations of its four schools. With pupil numbers across the four Trust schools remaining broadly at the levels of the previous year, the small increase in net fees receivable results from the fee increases applied for the year. Following several years of planned increases in the level of means-tested bursaries provided, the level of overall

support this year remained broadly similar to that of last year as the fund values near the target reserve levels.

Following the adoption of the total return policy reported investment income has decreased, but this is due to changes in the nature of the investments now held. Overall total investment returns are in line with expectations and income levels have decreased from the previous year, which were substantially bolstered as a result of a large legacy received by Bedford School. However, operational income levels were very much in line with expectations.

Total expenditure for the year was consistent with prior year levels after allowing for inflationary pressures. The Trustees however continually review the cost base in order to ensure that costs are appropriate for the service levels provided and ensure that resultant fee increases for the educational services provided are kept to the minimum level necessary.

The overall operating result for the year is a decrease in the net incoming resources to £3,374,000 due to the lower level of donations received during the year. To this is then added the investment gains arising in the year of £5,178,000 (the majority of which relates to the permanent endowment assets) and the gain of £10,243,000 relating to the revaluation of the land to the north of the Bromham Road arising from the agreement for its sale. The actuarial loss in respect of the non-teaching staff final salary scheme deficit arising from the FRS17 revaluation of £316,000 is then deducted to produce a total net increase in the Trust's funds of £18,479,000 for the year.

Reserves Policy

The reserves levels as authorised by the Trustees are:

- a. the overall Trust reserves should be between 5% and 10% of the annual turnover of the Trust, and
- b. the level of the Trust's General Reserve Fund should be maintained between £2M and £3M in cash, and
- c. the schools' reserves target should be 3% to 8% of their turnover in liquid assets.

At 30 June 2015, the overall Trust's free reserves were in excess of £6M representing 11.6% of the annual turnover. The level of the Trust's General Reserve Fund was £1.9M and, future budget plans are designed to increase this figure to fall within the revised band of £2M-£3M, which was increased for the early years of operating under the total return policy. All of the Trust's senior schools reserves were within the 3% to 8% band authorised by the Trustees. However, Pilgrim's reserves continue to be in deficit, although reduced, as they have been since the school was started. The Trust continues to support the finances of the school and is monitoring the medium term business plan now in place and will be reviewing the allocation of its reserves in the coming year.

Overall investment policy

The main investment objective and risk tolerance of the Investment Policy approved by Trustees in January 2013 are expressed as:

- To achieve a total real return of 5% per annum net of fees over rolling five year periods in order to preserve capital in real terms while sustaining a spending rate of 3.5% of total asset value per annum.

- To maintain an overall total risk level that reduces to an acceptable level the likelihood of the assets falling in value by 20%.

The endowment portfolio is managed by two managers, each with broadly half of the investment portfolio. Whilst the managers are each operating to the same investment objective expressed above, they employ different strategies, which in the opinion of the Trustees reduces manager risk.

Given the investment and risk objectives, the Endowment Committee established an overall allocation of the Trust's investments to broad asset categories, and reviews this asset allocation periodically, reporting on it to the Trustees at least annually. The Endowment Committee has given the Investment Managers discretion to determine the precise asset allocation, within certain control ranges, in order to achieve each mandate's investment objectives.

The Endowment Committee believes that the investment risk arising from the investment strategy combined with the risks arising from active management are consistent with the overall level of risk being targeted.

Investment performance against objectives

Our investment performance is measured regularly against the benchmarks set out above.

Policy on ethical investment

The Trustees believe that responsible investment and good stewardship can enhance long-term portfolio performance and is therefore aligned with their fiduciary duty. Further, mitigating risk and capturing investment opportunities driven by the integration of ethical and environmental, social and governance (ESG) issues may have a material impact on investment returns across all asset classes.

The Trustees have given their investment managers full discretion when evaluating ESG issues and in exercising rights and stewardship obligations relating to the Trust's investments.

The Trust aims to ensure that the votes attaching to its holdings in all quoted companies, both in the UK and overseas, are exercised whenever practical. The Trust's voting policy is exercised by its investment managers in accordance with their own corporate governance policies, copies of which are provided to the Endowment Committee, and taking account of current best practice including the UK Corporate Governance Code and the UK Stewardship Code. The Endowment Committee will monitor its FSA registered managers' reports on their adherence to the UK Stewardship Code on an annual basis.

For those assets of the Trust invested in pooled arrangements, the Trustees accept that the assets are subject to the investment managers' own policies on corporate governance as well as environmental, social and ethical investment.

Trustees' responsibilities for the financial statements

The Trustees (who are also directors of The Harpur Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. 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.

Insofar as each of the Trustees of the company at the date of approval of this report is aware, there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The annual report of the Trustees, including the strategic report is approved by the Trustees on 21 January 2016 and signed on their behalf by:



Murray Stewart
Chairman

Reference and administrative information

Name of the Charity

The Harpur Trust

Company number

3475202

Charity registration number

1066861

Address of principal office

Princeton Court, Pilgrim Centre, Brickhill Drive, Bedford, MK41 7PZ

Patrons [3]

The Member of Parliament for the Constituency of Bedford,
Richard Fuller, MP

The Member of Parliament for the Constituency of North East
Bedfordshire, Alistair Burt, MP

The Mayor of Bedford Borough, Dave Hodgson

Names of Trustees as at 21 January 2016

Chairman: Murray Stewart

Deputy Chairman: Anthony Nutt

Nominated Universities [2]

New College, Oxford: David Palfreyman, MA MBA LLB FRSA+++
and Philip Wallace, MA FCA FBRP

Cranfield University: Dr Deirdre Anderson, BSc MSc MRes PhD
MBPS* Vacant

By School Committee

Bedford School: Anne Egan

Bedford Girls' School: Seamus Higson**

Bedford Modern School: Shirley Jackson***

Pilgrims School: Rhian Castell

Co-opted [16]

Tina Beddoes

Peter Budek****

Sue Clark, MPhil BSc

David Dixon, BA(Hons) MBA FCA AIB++

Kate Jacques, FRSA*****

Rae Levene, LLB (Hons)*****

Harriett Mather+

Stephen Mayson, LLB LLM PhD

Ian McEwen, BA B.Phil D.Phil

Anthony Nutt

Sally Peck

Justin Phillimore

George Ratcliffe+

Rajkumar Roy, PhD, MSc, CEng+

Jennifer Sauboorah Till, BSc MSc

Linbert Spencer

Murray Stewart

Rose-Marie Wellington+

David Wilson

Michael Womack, MA LLM

Representative [2]

Bedford Borough Council:

Cllr R Charles

Cllr L Reale ••

Cllr D Sawyer •

Senior Staff at 30 June 2015:

Chief Executive

David Russell, LLB (Hons) FRIN FCMl

Finance Director

Peter Milburn, BSc DChA ACA

Heads

Bedford School: James Hodgson, MA

Bedford Modern School: Michael Hall, BA (Hons), MA

Bedford Girls' School: Jo MacKenzie, BSc MSc

Pilgrims Pre-Preparatory School: Jo Webster, BEd NPQH EYPS

Bursars

Bedford School: Caroline Godfrey, MA FCA

Bedford Modern School: Steve Willis, BSc (Hons), MSc, CDipAF

Bedford Girls' School: Jean-Marc Hodgkin, BSc (Hons) FCA FSI

ACIS DChA

Pilgrims Pre-Preparatory School: Charlotte Wallace, BSc (Econ)

ACMA

Professional advisers during the reporting period:

Auditors

Crowe Clark Whitehill LLP, St Bride's House, 10 Salisbury
Square, London, EC4Y 3EH

Bankers

HSBC PLC, South Midlands and Warwickshire Corporate
Banking Centre, Level 6, Metropolitan House, CBX3, 321
Avebury Boulevard, Milton Keynes, MK9 2GA

Insurance Brokers

Marsh Brokers Limited, Rockwood House, 9-17 Perrymount
Road, Haywards Heath, West Sussex, RH16 3DU

Investment Brokers

BlackRock, 12 Throgmorton Avenue, London, EC2N 2DL
Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard,
London, EC4M 8BU

Solicitors

Veale Wasbrough Vizards, Orchard Court, Orchard Lane,
Bristol, BS1 5WS

The external advisers' appointments are reviewed from time
to time.

* Resigned 31 December 2014

** Appointed 5 May 2015

*** Appointed 16 June 2015

**** Resigned 28 January 2015

***** Resigned 10 July 2015

***** Resigned 20 July 2015

• Term expired 1 June 2015

•• Appointed 8 June 2015

+ Appointed 24 September 2015

++ Resigned 31 December 2015

+++ Resigned 1 October 2015

Composition of standing committees at 30 June 2015

Policy Committee

Murray Stewart (Chairman)

Tina Beddoes

Sue Clark

David Dixon

Rae Levene

Stephen Mayson

Ian McEwen

Justin Phillimore

David Palfreyman

Endowment Committee

David Palfreyman (Chairman)

Murray Stewart (Deputy Chairman)

Stephen Mayson

Anthony Nutt

Philip Wallace

Grants Committee

Rae Levene (Chairman)

Ian McEwen (Deputy Chairman)

Rhian Castell

Jennifer Sauboorah Till

Linbert Spencer

Mark Everett (Co-opted)

Deborah Inskip (Co-opted)

Vina Mayor (Co-opted)

Sally Monkman (Co-opted)

Trevor Sinclair (Co-opted)

Carol Solaiman (Co-opted)

Administration and Audit Committee

Justin Phillimore (Chairman)

Philip Wallace (Deputy Chairman)

Randolph Charles

David Wilson

Michael Womack

Bedford School

Stephen Mayson (Chairman)

David Dixon (Deputy Chairman)

Anne Egan

Philip Wallace

Michael Womack

Charles Allen (Co-opted)

Chris Johnson (Co-opted)

Clive Loader (Co-opted)

Ali Malek (Co-opted)

Hugh Maltby (Co-opted)

Richard Miller (Staff Elected)

Amanda Rea (Parent Elected)

Bedford Modern School

Ian McEwen (Chairman)

Sally Peck (Deputy Chairman)

Randolph Charles

Shirley Jackson

David Wilson

James Black (Co-opted)

Liz Carrighan (Co-opted)

Chris Hall (Co-opted)

Monica Hetherington (Staff Elected)

John Watson (Co-opted)

Bedford Girls' School

Tina Beddoes (Chairman)

Anne Egan

Rae Levene

Seamus Higson

Anthony Nutt

Justin Phillimore

Catherine McCarthy (Parent Elected)

Valerie Stattersfield (Co-opted)

Pilgrims Pre-preparatory School

Sue Clark (Chairman)

Tina Beddoes

Rhian Castell

David Dixon

Kate Jacques

Margaret Blythman (Staff Elected)

Jo Dickson (Co-opted)

Neil Harris (Parent Elected)

Hanif Patel (Co-opted)

Independent Auditor's Report

to the Trustees of The Harpur Trust

We have audited the financial statements of The Harpur Trust for the year ended 30 June 2015 set out on pages 42 to 59 which comprise the Statement of Financial Activities, the Company Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 20.

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the company's members 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 (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 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 charitable company'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 non-financial information in the Strategic report and the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 charitable company's affairs as at 30 June 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



Tina Allison

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor
London

2 February 2016

Statement of Financial Activities

(Including the income and expenditure account for the year ended 30 June 2015)

		UNRESTRICTED FUNDS						
		The Schools	Community Activities	Endowment Income	Restricted Funds	Endowed Funds	2015 Total	2014 Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
INCOMING RESOURCES	Note							
Income from Charitable activities								
School fees receivable	2	46,332	-	-	-	-	46,332	45,474
Other income	2	1,999	227	102	-	-	2,328	2,374
Resources from generated funds								
Donations		81	-	10	482	97	670	4,218
Activities for generating funds								
- Investment income	3	18	-	767	1	1,529	2,315	2,960
- Other income	4	222	-	-	-	-	222	180
Other incoming resources	4	52	-	-	-	-	52	64
Total Incoming Resources		48,704	227	879	483	1,626	51,919	55,270
RESOURCES EXPENDED								
Costs of generating funds								
Financing costs		38	-	11	-	-	49	(10)
Investment management		-	-	168	-	142	310	282
		38	-	179	-	142	359	272
Direct Charitable activities								
Education		45,733	228	257	92	-	46,310	45,513
Relief		-	1,159	-	-	-	1,159	985
Recreation		-	194	-	-	-	194	115
		45,733	1,581	257	92	-	47,663	46,613
Governance costs		-	-	523	-	-	523	428
Total Resources Expended	5, 6	45,771	1,581	959	92	142	48,545	47,313
Net Incoming/(Outgoing) resources before transfers		2,933	(1,354)	(80)	391	1,484	3,374	7,957
Transfers between funds, including distribution of endowment income	7	1,338	1,343	1,959	(1,191)	(3,449)	-	-
Net incoming resources		4,271	(11)	1,879	(800)	(1,965)	3,374	7,957
Investment gains		-	54	(125)	-	5,249	5,178	3,647
Revaluation of fixed assets	8	-	-	10,243	-	-	10,243	-
Pension scheme actuarial (loss)	15	(316)	-	-	-	-	(316)	(1,208)
Net Movement in Funds		3,955	43	11,997	(800)	3,284	18,479	10,396
Balances brought forward 1 July		44,986	2,444	4,896	3,444	74,274	130,044	119,648
Balances carried forward at 30 June		48,941	2,487	16,893	2,644	77,558	148,523	130,044

The notes on pages 45 to 59 form part of these financial statements.

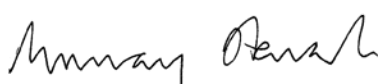
Balance Sheet

at 30 June 2015

	Note	2015		2014 RESTATED	
		£'000	£'000	£'000	£'000
FIXED ASSETS	8				
Properties used for charitable activities					
- Schools and Almshouses			64,618		49,371
Investment properties					
- London Commercial Estate		4,717		3,954	
- Bedford Commercial Estate		4,500		4,625	
			9,217		8,579
			73,835		57,950
Investments	9		75,641		71,170
CURRENT ASSETS					
Stocks		109		158	
Debtors	10	5,700		4,497	
Cash at bank and in hand		9,937		20,238	
		15,746		24,893	
Creditors: due within one year	11	(14,805)		(15,999)	
Net current assets			941		8,894
Total assets less current liabilities			150,417		138,014
Creditors due after more than one year	12		(932)		(6,226)
Net assets excluding pension liability			149,485		131,788
Defined benefit pension scheme liability	12		(962)		(1,744)
NET ASSETS OF THE CHARITY			148,523		130,044
PROVIDED FROM:	13				
Endowed Funds	13, 20		77,558		74,274
Restricted Funds	13		2,644		3,444
Unrestricted Funds					
- Designated Funds	13		49,733		44,241
- General Funds	13		18,588		8,085
			148,523		130,044

The notes on pages 45 to 59 form part of these financial statements.

The financial statements were approved by trustees on 21 January 2016 and signed on their behalf by:



Murray Stewart

Chairman of the Trust



Justin Phillimore

Chairman of Administration and Audit Committee

Cash Flow Statement

for the Year Ended 30 June 2015

	Note	2015		2014 RESTATED	
		£'000	£'000	£'000	£'000
NET CASH INFLOW FROM OPERATIONS	18		1,575		7,662
Returns on Investment and Servicing of Finance Charges					
Investment income		2,315		2,960	
Finance (charges)/income		(49)		10	
			2,266		2,970
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT					
Purchase of tangible fixed assets		(7,925)		(4,733)	
Proceeds of sale of tangible fixed assets		-		3,250	
Purchase of investments		(1,210)		(290)	
Proceeds of sale of investments		1,280		170	
			(7,855)		(1,603)
NET CASH (OUTFLOW)/INFLOW			(4,014)		9,029
Cash outflow from financing					
Secured loan repayment			(6,287)		(1,410)
Net Cash (Outflow)/Inflow for the Year			(10,301)		7,619

The notes on pages 46 to 59 form part of these financial statements.

Notes to the Financial Statements

1. Accounting policies

1. (a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, subject to carrying fixed asset investments at market value, and in accordance with the Companies Act 2006 and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in October 2005 (SORP 2005), and with applicable accounting standards and current statutory requirements

The charity was incorporated as a company limited by guarantee on 1 July 2012.

All the undertakings of The Bedford Charity were transferred across to the incorporated entity, 'The Harpur Trust' (formerly known as 'Harpur Pre-Preparatory Schools Limited') on 1 July 2012, with the exception of endowed properties ('specie' land) and assets. These continue to be held in the original Bedford Charity, which was amended and renamed as The Harpur Foundation. The Harpur Trust is the sole corporate trustee of The Harpur Foundation and a 'Uniting Order' was obtained from the Charity Commission, removing the need to prepare separate accounts for both company and trust in future.

1. (b) Basis of Preparation

Having reviewed the funding facilities available to the charity together with the expected ongoing demand for places at the schools and future projected cash flows, the Trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities for the financial statements on page 37.

1. (c) Tangible Fixed Assets

i. Properties used for charitable activities

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Operating land under continuing use is included at a Trustees' valuation based on recreational usage. Land intended for sale is included at open market valuation.

Plant and equipment acquired since 1 September 1995 are capitalised where the cost of the asset exceeds £5,000.

ii. Investment properties

The London Estate properties are included in the accounts at an open market valuation carried out on 30 June 2015 by Farebrother, Chartered Surveyors, and the Pilgrim Centre Estate property is included in the accounts at an open market valuation on 30 June 2015 carried out by Kirkby & Diamond, Chartered Surveyors.

1. (d) Depreciation

Depreciation is provided on operational fixed assets to write off their cost less estimated residual value over their estimated useful economic life by equal annual instalments as follows:

Plant and equipment - 3 to 10 years.

Operational buildings – 10 to 50 years.

1. (e) Investments

Quoted Investments held for the long term to generate income or capital growth are carried at market value, and any change in value reflected through the Statement of Financial Activities.

Investments in subsidiary undertakings are stated at cost less any provision for impairment.

1. (f) Stocks

Stocks are carried at the lower of cost or net realisable value.

1. (g) Taxation

The Harpur Trust is a registered charity, and as such is exempt from taxation on its income and gains to the extent that they are applied to its charitable objectives.

1. (h) Fees and Similar Income

Fee income is recognised in the year to which it relates, with arrears or payments in advance being shown under debtors and creditors as appropriate. Fees receivable are stated after deducting allowances, bursaries, scholarships and other remissions granted by the schools from their unrestricted funds.

Investment income is recognised on a received basis, with the exception of bank interest, which is recognised on an accruals basis.

Rental income from investment property is recognised on an accruals basis.

1. (i) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Support costs include the central functions and have been allocated to activities on a basis consistent with use of the resources.

Governance costs include those incurred in the governance of its assets and are associated with constitutional and statutory requirements

1. (j) Central Management Costs

The allocation and apportionment of central management costs of the Trust and the endowment to the individual operating units are based on an estimate of actual usage, as periodically reviewed by the Trustees.

1. (k) Pension Schemes

Teaching staff are eligible to join the Teachers' Pension Scheme administered by The Teachers' Pensions, and contributions are made at rates set by the Scheme Actuary. The Trust runs a defined contribution stakeholder pension scheme for non-teaching staff.

The amounts charged to the SOFA in respect of pension costs to these two schemes are the contributions payable in the year.

Prior to April 2002 non-teaching staff were eligible to join the Non-teaching Staff Pension Scheme, administered by The Pensions Trust.

The difference between the fair value of the assets held in the Trust's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the Trust's balance sheet as a pension scheme asset or liability as appropriate.

Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contributions by the Trust are charged to the SOFA in accordance with FRS17 "Retirement Benefits".

1. (l) Operating Leases

Rentals paid under operating leases are charged to the SOFA on a straight line basis over the lease term.

1. (m) Grants Payable

Grants payable are recognised when a legal or operationally binding commitment has been made to make the grant.

1. (n) Fund Structure

Endowment funds are held on trust to be retained for the benefit of the Trust as capital funds.

Restricted funds may only be applied for a particular purpose, as specified by the donor.

Unrestricted funds

General funds are those which are available to be applied for the general purposes of the Trust.

Designated funds are unrestricted funds which have been set aside by the trustees for a particular purpose.

1. (o) Total Return Investment Policy

The Trustees have adopted a total return approach to investment and spending, as permitted under the Trusts (Capital and Income) Act 2013 and the Charity Commission regulations associated with it. This was approved by the Trustees in May 2014 and brought into effect from 1 July 2014 using a base date for the commencement of the policy of 30 June 2012.

1. (p) Consolidated Accounts

The Trustees of the Harpur Trust are also the Trustees of The Randall Cottage Homes Charity, which operates a group of almshouses in the Harpur Trust's area of benefit. During 2004, the Charity Commission granted a uniting direction, and therefore the results for the year are included with those of the Harpur Trust.

The charity owns 100% of the ordinary shares of Truesand Limited, which was used to lease some operational buildings to schools of The Harpur Trust. The remaining leases were all terminated during 2012/13 and the carrying value of the investment written down to nil in that year. During 2013/14 the Harpur Trust released Truesand from a previous grant obligation to the Harpur Trust, thus enabling Truesand to settle all remaining liabilities. It has remained dormant during 2014/15 and the Directors have applied to have the Company struck off the register of companies. On account of these facts, no consolidated accounts have been prepared as there have been no accounting entries during the year.

2. Income from Charitable Activities

	2015	2014
FEES RECEIVABLE	£'000	£'000
Gross fees	50,387	49,597
Less: paid from Trust Bursary Funds	(2,749)	(2,827)
	47,638	46,770
Less: grants and allowances	(1,328)	(1,318)
Add back: Bursaries and other awards paid for by restricted funds	22	22
	46,332	45,474

Scholarships, bursaries and other awards were paid to 327 pupils (2014: 402). Within this means-tested bursaries totalling £2,564,755 were paid to 245 pupils (2014: £2,555,279 to 297 pupils).

	2015	2014
OTHER INCOME	£'000	£'000
Entrance and registration fees	210	410
Courses	146	188
Lettings	516	374
Almshouses	227	224
School uniforms	179	160
Trips	1,050	1,018
	2,328	2,374

3. Investment income

	2015	2014
	£'000	£'000
Quoted investments	1,541	2,040
Property	686	895
Bank interest	88	25
	2,315	2,960

4. Other income

	2015	2014
ACTIVITIES TO GENERATE FUNDS	£'000	£'000
Catering	222	180
	222	180

	2015	2014
INCOMING RESOURCES	£'000	£'000
Sale of fixed assets	14	3
Sundry	38	61
	52	64

5. Total Resources Expended

	Staff costs	Other	Depreciation	2015 Total	2014 Total
	£'000	£'000	£'000	£'000	£'000
COSTS OF GENERATING FUNDS					
Financing costs	-	49	-	49	(10)
Investment management	91	219	-	310	282
	91	268	-	359	272

CHARITABLE ACTIVITIES

Education					
Teaching	24,389	3,710	443	28,542	27,767
Welfare	928	2,547	77	3,552	3,487
Premises	2,061	4,420	2,139	8,620	8,346
Grants, awards & prizes		247	-	247	441
Support costs	4,567	579	203	5,349	5,472
Relief					
Grants, awards & prizes	-	656	-	656	583
Almhouses	-	216	44	260	258
Support costs	175	68	-	243	144
Recreation					
Grants, awards & prizes	-	160	-	160	44
Support costs	25	9	-	34	71
Total charitable activities	32,145	12,612	2,906	47,663	46,613

GOVERNANCE

	246	277	-	523	428
Total resources expended current year	32,482	13,157	2,906	48,545	-
Total resources expended prior year	31,942	12,727	2,644	-	47,313

Support costs have been allocated on a basis consistent with the use of resources.

6. Expenditure

	2015 £'000	2014 £'000		2015 No.	2014 No.
TOTAL RESOURCES EXPENDED INCLUDES:					
Auditors' remuneration:			Average number of full time equivalent employees:		
For audit	46	45	Teaching	379	376
For audit under-accrued in prior year	(2)	8	Clerical, administration and maintenance	439	440
For other services	1	2		818	816
Staff costs:					
Wages and salaries	26,314	25,991			
Social security costs	1,916	1,871			
Pension costs	3,435	3,313			
Other costs	817	767			
	32,482	31,942			

The number of employees whose emoluments (including benefits in kind) exceeded £60,000 were:	2015	2014
	No.	No.
£60,001 - £70,000	12	8
£70,001 - £80,000	5	6
£80,001 - £90,000	2	3
£90,001 - £100,000	2	2
£100,001 - £110,000	-	-
£110,001 - £120,000	-	-
£120,001 - £130,000	2	2
£130,001 - £140,000	-	-
£140,001 - £150,000	1	2

Contributions were made to the Government's Teachers' Pension Scheme for sixteen higher paid employees (2014: 16 employees), to a defined benefit scheme administered by the Pensions Trust for one higher paid employee (2014: 2 employees) and contributions were made to a defined contribution scheme for seven employees amounting to £55,070 (2014: £ 47,513 relating to 5 employees).

Neither the Trustees nor persons connected with them received any remuneration or other benefits from the Trust or any connected organisation. Trustees are entitled and encouraged to reclaim reasonable expenses in attending meetings, and during the year, 4 Trustees claimed in total £1,797 (2014: 7 Trustees claimed a total of £ 2,727).

7. Transfers between Funds

	2015				
	Schools	Charitable	Endowment Income	Restricted	Endowment Capital
	£'000	£'000	£'000	£'000	£'000
Interest reallocation	(8)	7	1	-	-
Allocation transfers relating to total return policy:					
Returns on Permanent Endowment investments	-	1,336	918	-	(2,254)
Returns on Elger investments	46	-	-	-	(46)
Returns on Luff investments	80	-	-	-	(80)
Returns on Expendable Endowment investments	-	-	365	-	(365)
Returns on Prize Fund investments	-	-	-	29	(29)
Application of Restricted Funds	1,220	-	-	(1,220)	-
Reclassification of land from Permanent endowment	-	-	675	-	(675)
	1,338	1,343	1,959	(1,191)	(3,449)

Interest reallocation transfers reflect the apportionment of interest earned on overall cash balances to the relevant funds.

Transfers relating to the total return policy are made to reflect the apportionments of the investment income and capital returns made on the pooled investment portfolios to the constituent funds.

The transfer of restricted funds in the year related to the sums held for the purpose of the development of the Quarry Theatre at Bedford School. Following its completion in March 2015, these funds were transferred to the unrestricted school funds.

The transfer from the permanent endowment relates to the land valuations, previously incorrectly classified as permanent endowment land.

8. Tangible Fixed Assets

	Investment Property	Operational Land and Buildings	Assets under construction	Plant and Equipment	Total
COST OR VALUATION	£'000	£'000	£'000	£'000	£'000
Balance brought forward	8,579	69,415	-	9,262	87,256
Additions	-	6,025	1,056	844	7,925
Revaluations	638	10,243	-	-	10,881
Disposals	-	-	-	(224)	(224)
Carried forward	9,217	85,683	1,056	9,882	105,838
DEPRECIATION					
Balance brought forward	-	22,194	-	7,112	29,306
Charge for year	-	1,929	-	977	2,906
Disposals	-	-	-	(209)	(209)
Carried forward	-	24,123	-	7,880	32,003
NET BOOK VALUES					
at 30 June 2015	9,217	61,560	1,056	2,002	73,835
at 30 June 2014	8,579	47,221	-	2,150	57,950
HISTORICAL COST					
at 30 June 2015	5,697	51,317	1,056	2,002	60,072
at 30 June 2014	5,697	47,221	-	2,150	55,068

At year end, the Trust had reached agreement for the sale of operational land to the north of Bromham Road, and a revaluation gain on of £10.2m is reflected in the accounts for 2014/15. Operational land and buildings therefore includes freehold land of £11,523,540 (2014: £675,000).

Additions during the year all related to school developments, with the Quarry Theatre and phase 1 of the Science Building improvements at Bedford School, and the PE/Gym improvements at Bedford Girls' School all being completed during the year.

Assets still under construction relate to phase 2 of the Science Building improvements at Bedford School, the reprovision of playing fields for Bedford Girls' School at Cople, and the commencement of the new Science building at Bedford Modern School.

9. Investments

	Unrestricted	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000
Balance brought forward (restated)	5,800	564	64,806	71,170
Additions	1,036	5	169	1,210
Disposals	(37)	-	(1,243)	(1,280)
Revaluations	255	16	4,270	4,541
Balance Carried forward	7,054	585	68,002	75,641
Held as				
Quoted investments	5,193	342	67,596	73,131
Cash	1,861	243	406	2,510
	7,054	585	68,002	75,641
Historical cost				
At 30 June 2015	6,126	578	67,850	74,554
At 30 June 2014 (restated)	4,536	528	58,008	63,072

In addition, investment properties of £9,217,000 (2014: £8,579,000) have been included in note 8.

The Trustees approved the use of a Total Return Policy with effect from July 2014 in respect to its permanent endowments in May 2014.

10. Debtors

	2015	2014
	£'000	£'000
Fees	2,489	2,447
Trade debtors	508	580
Sundry debtors	1,354	370
Prepayments	1,349	1,100
	5,700	4,497

11. Creditors falling due within one year

	2015	2014
	£'000	£'000
Fees received in advance (see note 11(a))	777	741
Bank loans (note 12)	-	1,017
Deposits	3,180	3,020
Trade creditors	1,126	1,215
Taxation and social security	1,225	1,037
Charitable grants	2,830	2,794
Other creditors and accruals	5,667	6,175
	14,805	15,999

11a. Fees received in advance

Parents may enter into a contract whereby, on payment of a lump sum, the Trust guarantees a sum to be set against future school fees. The sum deposited, in so far as it has not been utilised, is repayable on demand. Deposits received by the Trust under this scheme are held as cash, with the interest earned accruing to meet the guaranteed liabilities.

	2015	2014
	£'000	£'000
Balance of deposits and accrued income held at 1 July	1,697	1,929
New deposits received	1,187	1,241
Investment income allocated	25	21
	2,909	3,191
Amounts utilised in payment of fees	(1,200)	(1,494)
Balance of deposits and accrued income held at year end	1,709	1,697

11a. cont...

The sum held is shown as a current liability due to the nature of the agreements. However, assuming that the sums deposited are held until maturity, the amounts guaranteed to be applied against future fees fall due as follows:

	2015	2014
	£'000	£'000
Within 1 year	777	741
Within 1 to 2 years	359	434
Within 2 to 5 years	468	387
After 5 years	105	135
	1,709	1,697

12. Creditors due after more than one year

	2015	2014
	£'000	£'000
Secured Bank loans	-	5,270
Fees received in advance (see note 11(a))	932	956
	932	6,226
Non-teaching staff pension scheme deficit (see note 15b)	962	1,744
	1,894	7,970

Loans secured against endowed assets had been used to fund major capital expenditure, with the repayment term for all such loans being 20 years. At 30 June 2015, the outstanding loan was repaid.

	2015	2014
	£'000	£'000
Repayments are scheduled as follows:		
Within 1 year (in creditors)	-	1,017
Within 1 to 2 years	-	1,035
Within 2 to 5 years	-	2,577
After more than 5 years	-	1,658
	-	5,270
TOTAL	-	6,287

13. Funds

13. (a) Allocation of the Trust's net assets

	Unrestricted Funds			Restricted Funds	Endowed Funds	Total
	School	Community Activities	Endowment Income			
	£'000	£'000	£'000	£'000	£'000	£'000
Operational fixed assets	48,855	733	11,128	-	3,902	64,618
Investment properties	-	-	4,500	-	4,717	9,217
Investments	-	985	6,069	585	68,002	75,641
Net current (liabilities)/assets	1,980	769	(4,804)	2,059	937	941
Long term liabilities	(1,894)	-	-	-	-	(1,894)
	48,941	2,487	16,893	2,644	77,558	148,523

13. (b) Movement of funds

UNRESTRICTED FUNDS

	Opening Balances	Incoming Resources	Resources Expended	Transfers, Investment Gains/ (Losses)	Closing Balance
	£'000	£'000	£'000	£'000	£'000
The schools					
Designated Funds					
Operational Land and Properties	30,957	-	(1,977)	4,075	33,055
Bursary Funds	6,109	-	-	(16)	6,093
Maintenance Funds	731	3	(150)	(21)	563
Development Funds	4,260	16	(675)	775	4,376
	42,057	19	(2,802)	4,813	44,087
Income Reserves					
School Income Reserves	4,673	48,685	(44,067)	(3,475)	5,816
Pension Fund Deficit	(1,744)	-	1,098	(316)	(962)
	44,986	48,704	(45,771)	1,022	48,941

Community Activities

Designated Funds					
Major Projects Fund	496	-	-	(193)	303
450th Events Fund	100	-	(14)	-	86
Almshouse Replacement	967	-	(38)	55	984
Maintenance Funds	69	-	-	6	75
Operational Properties	310	-	(43)	450	717
	1,942	-	(95)	318	2,165
Income Reserves					
Community Activities Income Reserves	502	227	(1,486)	1,079	322
	2,444	227	(1,581)	1,397	2,487

Endowment Income

Designated Funds					
Property development fund	242	102	(3)	(35)	306
Operational land	-	-	-	675	675
School playing field reprovion	-	-	-	2,500	2,500
	242	102	(3)	3,140	3,481
Income Reserves					
Endowment Income Reserves	4,654	777	(956)	8,937	13,412
	4,896	879	(959)	12,077	16,893

RESTRICTED FUNDS

Prize Funds	556	-	(9)	(1)	546
Appeals	2,888	483	(83)	(1,190)	2,098
	3,444	483	(92)	(1,191)	2,644

ENDOWED FUNDS

Endowment Investment Fund (protected)	54,930	-	-	878	55,808
Elger Fund (protected)	989	-	-	18	1,007
Luff Fund (protected)	1,820	-	-	31	1,851
Unapplied Total Return	6,998	1,526	(142)	785	9,167
Cattleya Fund	68	100	-	-	168
Quoted Schools Investments	6	-	-	-	6
London Commercial Estate	3,954	-	-	763	4,717
Operational Land and Buildings	5,509	-	-	(675)	4,834
	74,274	1,626	(142)	1,800	77,558

14. Charitable Grants

Listed below are the grant commitments (all made by The Harpur Trust) of £1,000 and above made to institutions during the financial year:

Grant Recipient	Purpose of Grant Contribution	£
Bedford Citizens Housing Association (BCHA)	The Club House	350,000
Faith in Queens Park	Queens Park Thriving	124,250
Centre For All Families Positive Health	Outreach Community Support	108,061
CAN	Specialist Complex Needs Worker Service	100,000
The ReUse Centre	Strengthening the organisation to better meet the needs of volunteers and demands for Reuse services	93,600
Bedford and District Citizens Advice Bureau	Welfare Benefits Specialist	81,482
Uprising	Uprising Leadership Programme 2015	75,000
Project 229	P229	72,864
Community and Voluntary Service (Mid and North Bedfordshire)	Service Level Agreement Year 2	50,000
Friends of Chums	CHUMS Non-Bereavement Trauma Service	39,990
Full House Theatre	Instigate! A project to take the arts to children and young people and to develop Bedford's young audiences.	39,650
Family Groups Bedford	Caudwell Workshops	38,657
Keech Hospice Care	Community Support Services for Children with Life-Limiting Conditions	28,253
Sustrans	Bike It and Active Families in Bedford	25,000
Goldington Family Centre (GFC)	Liberty Programme - to enable women to live free from domestic abuse in healthy relationships	25,000
Amicus Trust	Supporting Homeless Veterans Back to Independence	24,831
Sue Ryder	St John's Hospice Palliative Befriending Service	24,000
St John's Special School & College	Music Therapy	21,250
Groundwork Luton and Bedfordshire	Parents as Partners in Play	20,348
Bedford Open Door	Project Administrator	16,000
Oakley Lower School	Big Oakley Lower School Build (Big Ol' Build)	15,000
Relate Bedfordshire and Luton	Family Counselling	10,551
John Bunyan Museum and Library	Full-Time Curator for the John Bunyan Museum	10,000
The Regency Training Foundation	Inclusion Plus	9,233
Friends for Life	Care home resident befriending scheme within Bedford Borough	8,000
Kings Oak Primary School	King's Oak Farm	5,000
Sharnbrook Playing Field Association	New Bowls Pavilion and Community Centre	5,000
Great Barford Bowls Club	Pavilion Refurbishment	4,750
Bedford Sea Cadets	Bedford Sea Cadets- Boat Station Fleet. Offering new opportunities on the water	4,228
The Friends of the Old School, Oakley	To Convert the old store and outbuildings into flexible space available for hire by community groups	3,987
Bedford College	Sensory room for students with learning difficulties at Bedford College	3,978
4Children	two multi sensory rooms and mobile sensory equipment	3,000
Bedford Priory Bowling Club	Bedford Priory Upgrading 2014/2015	2,400
Bedford Local Meeting of the Religious Society of Friends (Quakers)	Installation of Chair Lifts	2,000
Sport Bedford	Education and Training of Coaches	2,000
Biddenham International School and Sports College	STEM Science Fair	2,000
Project 229	Holiday activities over the October Half Term period	1,500
		1,450,863

Note 14. Cont...

Grants to institutions (from previous page)	1,450,863
Five grants to individuals	3,350
College bursary programme (individuals)	20,000
University bursary programme (individuals)	57,600
School uniform grants (individuals)	25,950
	1,557,763
Less grants written back in year	(129,077)
Less grants reclassified as designated property holding	(450,000)
Net grants made under the general charitable activities object	978,686

ANALYSIS OF TOTAL GRANTS, AWARDS AND PRIZES BY CHARITABLE ACTIVITY:

	2015	2014
	£'000	£'000
General charitable grants awards and prizes (as detailed above)	979	941
450th Events	10	-
Grants to school related entities	68	101
Scholarships, awards and prizes	6	26
Total grants, awards and prizes	1,063	1,068

	Community Activities	Schools / other	2015	2014
	£'000	£'000	£'000	£'000
Education	163	84	247	441
Relief	656		656	583
Recreation	160		160	44
	979	84	1,063	1,068

15. Pension Costs

15. (a) Teaching staff

The Trust participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2,223,439 (2014: £2,159,000) and at the year-end £315,886 (2014 : £308,771) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 and, from 1 April 2014, the Teachers' Pension Scheme Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report in respect

of the TPS was prepared at 31 March 2012 and was published in June 2014. This report confirmed that the employer contribution rate for the TPS will increase from 14.1% to 16.4% although, recognising that teaching establishments work on an academic and not financial year, the Government has deferred the implementation of this increase to 1 September 2015.

The Department of Education is also proposing that scheme administration costs will be devolved to scheme employers in the form of an administration charge. The Department provisionally estimates that the administration charge will be 0.08% of the employers' salary costs which would increase the employer payment rate from 16.4% to 16.48%.

The next revision to the employer contribution rate is not expected to take effect until 1 April 2019. This will follow on from the next actuarial valuation which is due at 31 March 2016. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

15. (b) Non-teaching staff final salary scheme

Although now closed to new members, the Trust operates a defined benefit pension scheme for permanent non teaching staff, which is administered by The Pensions Trust, the assets of which are held in separate trustee administered funds. The pension cost is assessed in accordance with the advice of professionally qualified actuaries. Details of the most recent valuation, which was carried out using the attained age method, are as follows:

Main assumptions

Rate of price inflation (CPI)

2.0% p.a.

Return on investments - pre retirement

6.1% p.a.

Return on investments - post retirement

3.4% p.a.

Increase in earnings

4.1% p.a.

Market valuation of investments at last valuation date
£19,831,000

Level of funding

79.5%

Date of valuation

30 September 2012

As a result of the actuarial valuation, fixed annual contributions of £780,750 are payable with effect from 1 October 2014 (increased from £750,000). This sum will be further increased by an inflation factor each October. In addition, the future service contribution rate (FSCR) was required to increase by 4.8% with effect from 1 April 2014 to a total of 27.9%. Currently the FSCR is 23.1% of which 8% is paid by employees. The Trustees are engaging in a consultation with the affected employees over the benefit structure for future service and how applicable contributions will be split between employees and employer. These contribution arrangements are described in a schedule of contributions dated November 2013, and assume an 8 year recovery plan from the valuation date to eliminate the deficit.

An FRS17 actuarial valuation was carried out at 30 June 2013 by a qualified independent actuary using revised assumptions that are consistent with the requirements of FRS 17. Investments have been valued, for this purpose, at fair value.

15. (i) The amounts recognised in the balance sheet are as follows:

	2015	2014
	£'000	£'000
Present value of funded obligations	(26,485)	(25,280)
Fair value of plan assets	25,523	23,536
Deficit	(962)	(1,744)
Amounts in the balance sheet:		
Net liability	(962)	(1,744)

15. (ii) Changes in the present value of the defined benefit obligation are as follows:

	2015	2014
	£'000	£'000
Opening defined benefit obligation	25,280	23,365
Service cost	241	265
Interest cost	1,042	1,103
Employee contributions	125	100
Actuarial loss	1,100	1,571
Benefits paid	(1,303)	(1,124)
Defined benefit obligation at end of year	26,485	25,280

15. (iii) Changes in fair value of the scheme assets are as follows:

	2015	2014
	£'000	£'000
Opening fair value of the scheme assets	23,536	21,826
Expected return	1,368	1,390
Actuarial gain	784	363
Employer contributions	1,013	981
Employee contributions	125	100
Benefits paid	(1,303)	(1,124)
Fair value of scheme assets at the end of the year	25,523	23,536

15. (iv) The amounts included within the Statement of Financial Activities are as follows:

	2015	2014
	£'000	£'000
Current service cost	241	265
Expected return on scheme assets	(1,368)	(1,390)
Interest on pension liabilities	1,042	1,103
Total amount charged within net outgoing resources	(85)	(22)
Actuarial gains and losses	316	1,208
Total amount charged to the Statement of Financial Activities	231	1,186

The Trust expects to contribute approximately £1,033,000 for the year ending 30 June 2016

15. (v) The major categories of scheme assets as a percentage of total Scheme assets are as follows:

	2015	2014
Equities	51.2%	52.2%
Fixed interest gilts/bonds	41.2%	40.3%
Property	6.8%	6.8%
Cash/other	0.8%	0.7%

The overall expected rate of return on the scheme assets has been based on the average expected return for each asset class, weighted by the amount of assets in each class.

	2015	2014
	£'000	£'000
The actual return on the scheme assets in the year	2,152	1,753

15. (vi) Principal assumptions at the balance sheet date (expressed as weighted averages):

	2015	2014
	£'000	£'000
Discount rate at 30 June	3.70%	4.20%
Expected return on scheme assets at 30 June	5.83%	6.38%
Rate of increase in salaries	4.20%	3.30%
Rate of increase of pensions in payment – CPI 5%	2.20%	2.40%
Rate of increase of pensions payment – CPI 2.5%	1.80%	2.00%
Rate of increase of pensions in deferment	3.20%	3.30%
Inflation assumption (RPI)	3.20%	3.30%
Inflation assumption (CPI)	2.20%	2.40%
	Assumed life expectancy at age 65:	Assumed life expectancy at age 65:
Pre retirement mortality	Males: 25.1 years	Males: 25.3 years
	Females: 26.5 years	Females: 27 years
Post retirement mortality for non pensioner members	Males: 23.3 years	Males: 23.1 years
	Females: 25.0 years	Females: 25.1 years

15. (vii) The amounts for the current and previous periods are as follows:

	2015	2014	2013	2012	2011
	£'000	£'000	£'000	£'000	£'000
Defined benefit obligation	(26,485)	(25,280)	(23,365)	(21,559)	(19,797)
Scheme assets	25,523	23,536	21,826	19,342	19,212
Scheme (deficit)	(962)	(1,744)	(1,539)	(2,217)	(585)
Experience adjustments on scheme liabilities	167	120	(1,836)	181	65
Experience adjustments on scheme assets	784	363	1,426	(1,164)	1,130

15. (c) Non-teaching staff defined contribution scheme

The Trust also runs a stakeholder compliant scheme for non-teaching staff, which opened to members on 1 April 2001 and is a defined contribution scheme. The cost for the year represents the Trust's contributions to the scheme of £367,889 (2014: £328,000).

16. Commitments under Operating Leases

At 30 June 2015 the Trust has annual commitments under non-cancellable operating leases as follows:

	2015	2014
Expiry date	£'000	£'000
Within one year	12	7
Between two and five years	129	100
More than five years	15	20

These operating leases relate to some operational buildings, photocopiers, school vehicles and other office equipment.

17. Capital Commitments

At 30 June 2015, there were outstanding contractual commitments totalling £4,799,015 (2014 - £ 7,166,960) in respect of four building/refurbishment projects worth £6,115,250 (2014 - £10,594,506).

18. Reconciliation of net incoming resources to net cash inflow from operations

	2015	2014
	£'000	£'000
NET INCOMING RESOURCES	3,374	7,957
Non-operating cashflows eliminated		
Investment income	(2,315)	(2,960)
Investment disposal / revaluation	(638)	-
Financing costs / (income)	49	(10)
Depreciation charges added back	2,906	2,644
Decrease / (Increase) in stocks	49	(26)
(Increase) / Decrease in debtors	(101)	224
(Decrease) / Increase in creditors due within one year	(627)	935
(Decrease) in creditors due after more than one year (excl. Pension fund deficit)	(24)	(99)
Pension fund FRS17 charges	231	1,186
adjusted for employer pension fund contributions	(1,013)	(981)
(Decrease) in pension fund deficit from investment losses/gains	(316)	(1,208)
Net Cash Inflow from Operations	1,575	7,662

19. Analysis of Changes in Net Debt

	Cash	Debt due Under 1 year	Debt due over 1 year	Total
	£'000	£'000	£'000	£'000
Balance at 1 July 2014 (restated)	20,238	(1,017)	(5,270)	13,951
Net cash outflow for year	(10,301)	1,017	5,270	(4,014)
Balance at 30 June 2015	9,937	-	-	9,937

20. Statement of Total Return

	Balance at 30 June 2014	Income, gains and transfers during year	Allocation of UTR to protected funds	Application of UTR for spending	Balance at 30 June 2015
	£'000	£'000	£'000	£'000	£'000
Endowment Funds operating under the Total Return Policy					
Protected Funds					
Investment Fund	54,930	-	878	-	55,808
Elger Fund	989	-	18	-	1,007
Luff Fund	1,820	-	31	-	1,851
Unapplied Total Return					
Investment Fund	6,698	5,181	(878)	(2,254)	8,747
Elger Fund	138	108	(18)	(46)	182
Luff Fund	162	187	(31)	(80)	238
Income and gains attributable to unprotected funds					
Prize funds	-	29	-	(29)	-
Expendable endowment	-	365	-	(365)	-
	64,737	5,870	-	(2,774)	67,833
Other permanent Endowment Funds					
London Estate	3,954	763	-	-	4,717
Pilgrims School land & buildings	4,462	0	-	-	4,462
Operational land	675	(675)	-	-	0
Almshouses	372	0	-	-	372
Cattleya Fund	68	100	-	-	168
Sundry Investments	6	0	-	-	6
	74,274	6,058	-	(2,774)	77,558

As permitted by the Charity Commission the trustees have opted to invest the endowment on a total return basis which means they can spend from capital or income whichever seems most efficient. In exercising this power, the Trustees have optionally resolved to seek to protect the real value of the endowment by transferring an amount from the available unapplied total return (UTR) each year equivalent to an inflationary figure calculated by reference to the annual increase in the retail prices index. They have also resolved that the trust's total expenditure in each year shall be calculated in accordance with a spending rule that assumes a long term spend rate of 3.25% of the permanent endowment fund.

In the current year the formula gives permitted expenditure of £2,557,000 and of that £1,457,000 was derived from income arising from the portfolio. The balance of £1,100,000 has been taken from capital and is deducted from the end of period portfolio valuations.



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