



# ETON COLLEGE

## **ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2022**

Registered Charity No. 1139086

# **Eton College**

## **Contents of the Financial Statements**

### **For the year ended 31 August 2022**

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	<b>Page</b>
<b>Trustees, Officers and Advisors</b>	<b>1 – 2</b>
<b>Report of the Provost and Fellows</b>	<b>3 – 19</b>
<b>Independent Auditor’s Report to the Provost and Fellows of Eton College</b>	<b>20 - 22</b>
<b>Statement of Financial Activities - Consolidated</b>	<b>23</b>
<b>Statement of Financial Activities - Eton College</b>	<b>24</b>
<b>Consolidated and Eton College Balance Sheets</b>	<b>25</b>
<b>Consolidated Cash flow Statement</b>	<b>26</b>
<b>Accounting Policies</b>	<b>27 - 31</b>
<b>Other income and Investment income</b>	<b>31</b>
<b>Subsidiaries</b>	<b>31 – 33</b>
<b>Analysis of Expenditure</b>	<b>34</b>
<b>Staff costs</b>	<b>35</b>
<b>Fixed Assets</b>	<b>36 – 37</b>
<b>Investments</b>	<b>38</b>
<b>Pre-paid Fees Scheme</b>	<b>39</b>
<b>Debtors and Creditors</b>	<b>40 – 41</b>
<b>Funds</b>	<b>42 – 46</b>
<b>Pension Schemes</b>	<b>47 – 51</b>
<b>Financial Instruments</b>	<b>51</b>
<b>Capital Commitments</b>	<b>52</b>
<b>Leases</b>	<b>52</b>
<b>Related party transactions</b>	<b>52</b>
<b>Prior Year Statement of Financial Activities</b>	<b>54</b>

# Eton College

## Trustees, Officers and Advisors

### For the year ended 31 August 2022

The Governing Body of Eton College, known as the Provost and Fellows, are the charity trustees. The Provost and Fellows who served during the period up to the date of signing are listed below:

	Committees (see below)								
	SC	A		D	H	N			
Lord Waldegrave of North Hill PC MA – Provost	SC	A		D	H	N			
Mr Peter McKee MA- Vice-Provost	SC			D	H	N	P	R	
Professor Michael Proctor MA MMath ScD FRS FRAS FIMA									
The Duchess of Wellington OBE BA				D	H	N			
Professor Kim Nasmyth BA PhD FRS (retired 25 June 2022 )						N			
Lady Moore of Etchingam MA PhD					H		P	R	
Mr Thomas Seaman MA MBA (retired 25 June 2022)		A	E	D					S
Mr Mark Esiri LLB MBA			E			N	P		
The Rt Honourable Sir George Leggatt MA								R	
Sir Mark Lyall Grant GCMG MA		A					P		S
Baroness Morrissey DBE MA			E				P		
Mr Simon Vivian MA, MSc, FSS (appointed 1 October 2021)						N			S
Professor Ewan Birney CBE, PhD, FRS, FMedSci (appointed 8 October 2022)									
Professor Francis Brown, PhD (appointed 8 October 2022)									

During the year, the activities of the Governing Body were carried out through nine committees as listed below. The membership of these committees is shown in the table above for each Fellow.

- Standing Committee (which any Fellow is entitled to attend) (SC)
- Audit and Risk Committee (A)
- Development Committee (D)
- Endowment Committee (E)
- Heritage Committee (H)
- Nominations Committee (N)
- Partnerships Committee (P)
- Regulatory and Compliance Committee (R)
- Senior Salaries Committee and Executive Pay Committee (S)

# **Eton College**

## **Trustees, Officers and Advisors**

### **For the year ended 31 August 2022**

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#### **OFFICERS**

Key Management Personnel currently and throughout the year.

The day-to-day management of the College is delegated by the Provost and Fellows to:

- Simon Henderson MA                      Head Master
- Janet Walker MA FCA                      Bursar
- Susan Wijeratna BA                      Lower Master

#### **BANKERS AND ADVISORS**

**Bankers**                                      Barclays Bank PLC, One Churchill Place, Canary Wharf, London, E14 5HP

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

Charles Russell Speechleys, 5 Fleet Place, London, EC4A 1RS

**Auditor**                                      Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW

**Investment Managers**                      Partners Capital LLP, 5th Floor, 5 Young Street, London, W8 5EH  
Clearbell Capital LLP, 2 Harewood Place, London, W1S 1BX

**PRINCIPAL ADDRESS**                      Eton College, Eton, Windsor, Berkshire SL4 6DW

Website: [www.etoncollege.com](http://www.etoncollege.com)

# Eton College

## Report of the Provost and Fellows

### For the year ended 31 August 2022

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#### REFERENCE AND ADMINISTRATIVE INFORMATION

Eton College is a charity for the advancement of education. At its heart sits an independent boys' boarding school which leads a dynamic range of educational activities and an expanding network of educational partnerships. The College was founded as a corporation in 1440 by Royal Charter of King Henry VI, confirmed by later Acts of Parliament and by the Statutes approved by the Privy Council, most recently in October 2016. The Charity Commission registration number is 1139086 and the statutory title of the charity is "The Kynge's College of our Ladye of Eton besyde Windesore". The short title is "Eton College".

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing Body

The College Statutes provide: "The Foundation of the College shall consist of the Provost and Fellows (one of whom shall be the Vice-Provost), the Head Master, the Lower Master, the Bursar, the Master in College, the Conduct, the Precentor and the King's Scholars. The Governing Body of the College shall comprise of the Provost and Fellows".

The Provost is a Crown appointment for life. The Vice-Provost is elected by the Provost and Fellows (usually referred to as the P&F) and is normally a master or former master. The Provost attends to the good governance of the College and exercises a general superintendence over the property and affairs of the College. The Vice-Provost has the same duties under the Provost, taking care that all persons concerned in the administration or service of the College conform to the Charter and Statutes. They are both resident at the College. This unusual feature of governance at Eton provides for close awareness at governor level of issues affecting the College, and for support of the Head Master. Details of the Provost and Fellows are set out in the table below.

Date Appointed	Title and Name	Profile
2009	<b>Provost</b> Lord Waldegrave of North Hill (OE, 1965)	Distinguished Fellow of All Souls College, Oxford and a Government Minister from 1981, serving in the cabinet between 1990 and 1997 and a member of the House of Lords. Member of Holyport College. He was Chairman of Coutts & Co until December 2022. Author of 'A Different Kind of Weather' and 'Three Circles into One. Former parent.
2021	<b>Vice-Provost</b> Mr Peter McKee	Former Eton Master in the Mathematics Department from 1994, a House Master from 2000 to 2013 and Director of Admissions from 2014 to 2019. A graduate of Cambridge University and a member of Middle Temple, the Vice-Provost is a trustee of Star Academies Multi-Academy Trust and of a number of charitable trusts, including Eton Parish Educational Trust and the Prince Philip Trust, and a governor of two other schools.
2013	<b>Senior Fellow</b> Professor Michael Proctor	The Provost of King's College, Cambridge (also founded by Henry VI) is the Senior Fellow ex officio. Professor Proctor is a Fellow of the Royal Society, Royal Astronomical Society and Cambridge Philosophical Society. He is a governor of King's Ely and a trustee of Gladstone Memorial Trust and of the Cambridge Trusts.

**Eton College**  
**Report of the Provost and Fellows**  
**For the year ended 31 August 2022**

Date appointed	Name	Profile
2008	The Duchess of Wellington	Until 2007 a trustee and then Chairman of the Guinness Partnership, a national charitable Housing Association. The Duchess is the Patron of the Loddon School (a special needs school in Hampshire). Governor of the Royal Academy of Music and Chairman of Daneshill School. Former parent.
2010	Lady Moore of Etchingham	A past Fellow and Director of Studies in English at Peterhouse College, Cambridge University. Lady Moore of Etchingham is a journalist, book reviewer and educational author. Former parent.
2016	Mark Esiri (OE, 1983)	Co-Founder and Chairman of venture capital firm Venrex Investment Management, in which capacity he holds board positions in several companies. He is also a Director of The Football Association and Godolphin and Latymer School. Current parent.
2016	The Rt Honourable Sir George Leggatt (OE, KS,1975)	Justice of the Supreme Court of the United Kingdom. Former parent.
2017	Sir Mark Lyall Grant (OE, 1974)	Sir Mark had a distinguished career in HM Diplomatic Service. He is a former High Commissioner to Pakistan, Ambassador to the UN (until 2015), and Prime Minister's National Security Advisor. He is a Visiting Professor at King's College London, a non-executive Director at Fox Marble and holds a number of advisory positions. Former parent.
2018	Baroness Morrissey	Baroness Morrissey has over three decades' experience in investment management, including 15 years as CEO of Newton. She was appointed a Baroness in 2021. The founder of the 30% Club, Baroness Morrissey chairs the Diversity Project, AJ Bell plc and is currently Chair for Fidelity Insurance. She is a director of McKinsey Investment Office. Author of "A good time to be a girl" and "Style and Substance". Current parent.
2021 (appointed 1 October 2021)	Simon Vivian	Chartered Statistician. Fellow of the Royal Statistical Society. Former Eton Mathematics Master. Tutor in Statistics at St Anne's College Oxford.
2022 (appointed 8 October 2022)	Professor Ewan Birney (OE, 1991)	Deputy Director General of the European Molecular Biology Laboratory (EMBL) and Director of EMBL's European Bioinformatics Institute. Professor Birney is an honorary professor of bioinformatics at the University of Cambridge and a director of the European Molecular Biology Laboratory and Genomics England. Current parent.
2022 (appointed 8 October 2022)	Professor Francis Brown (OE, 1996)	Professor of Mathematics and a Senior Research Fellow at All Souls College, Oxford.

# **Eton College**

## **Report of the Provost and Fellows**

### **For the year ended 31 August 2022**

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#### **Recruitment and Training of the Provost and Fellows**

The Fellows, with the exception of the Provost, Senior Fellow and Masters' Representative, retire after no more than 15 years or at age 70 if earlier. The Masters' Representative serves for a five-year term and may be elected for further five-year terms.

The Nominations Committee identifies suitable nominees to become Fellows in accordance with the nomination requirements set out in the College Statutes and the particular skills and experience identified by the Nominations Committee as required on the Governing Body. Nominees are interviewed by the Nominations Committee.

Upon their appointment, Fellows are provided with an induction pack that brings them up to date with current business and with issues of major importance. There is also a bespoke induction day during which the incoming Fellow spends time with each of the Provost, Vice-Provost, Head Master and Bursar and their senior teams.

A rolling programme of familiarisation with the work of the College and its staff is arranged. Training opportunities provided by external organisations are taken up and in-house training is undertaken in respect of key areas (e.g. safeguarding, safer recruitment, and duties of charity trustees).

#### **Organisational management**

Strategic direction and decision-making lie with the Governing Body, the Provost and Fellows, who meet twice each term at Eton or virtually if necessary. They usually devote the previous evening to an activity that deepens their knowledge of the College and of issues of current importance, for example by means of a departmental presentation, themed discussion with a particular group of masters or boys, attendance at an event (e.g. school play) or presentation on outward facing initiatives (e.g. Eton Partnerships Programme).

The work of implementing their policies is carried out by nine committees detailed on page 6.

**Eton College**  
**Report of the Provost and Fellows**  
**For the year ended 31 August 2022**



**Standing Committee**, chaired by the Provost, oversees the administration of the College within the strategic and policy framework, and plans and reviews the agenda and papers for the Provost and Fellows’ meetings. Any Fellow may attend.

**Audit and Risk Committee**, chaired by an independent member, Mr Thomas Seaman, monitors strategic risks facing the College, and reviews and the Annual Report and Financial Statements prior to approval by the Provost and Fellows.

**Development Committee**, chaired by the Vice Provost, is responsible for overseeing the work of the development office, advising on the development strategic plan and approving donations exceeding £100k

**Endowment Committee**, chaired by Baroness Morrissey, provides investment advice from a group of experts and reviews the mandate given to Investment Managers, Partners Capital LLP. It has a sub-committee, the Investment Property Committee, which oversees the College’s investment property holdings which are managed by Clearbell Capital LLP.

**Heritage Committee**, chaired by the Provost, oversees the management of Eton’s historic buildings, environment, and collections.

**Nominations Committee**, chaired by the Provost, plans for the succession and manages the process for new appointment to the Provost and Fellows and Members of the Foundation.

**Partnerships Committee**, chaired by the Vice-Provost, monitors and oversees the governance of the Eton Partnerships programme.

**Regulatory and Compliance Committee**, chaired by the Vice-Provost, monitors and reviews non-financial regulatory compliance, particularly compliance with the Independent Schools Standards Regulations and National Minimum Standards for Boarding Schools.

**Senior Salaries and Executive Pay Committees**, chaired by Sir Mark Lyall Grant, are responsible for remuneration decisions in respect of the Provost, Vice-Provost, Head Master, Lower Master, Bursar and other senior management.

# Eton College

## Report of the Provost and Fellows

### For the year ended 31 August 2022

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The day-to-day running of the College is delegated to the Head Master, Bursar and Lower Master, as key management personnel, supported by other members of the senior management team; they attend the Provost and Fellows' meetings.

#### Group structure and relationships

Eton College has seven wholly owned subsidiaries, four of which, listed below, are consolidated into the Financial Statements. The remaining three subsidiaries are not consolidated on the grounds of immateriality.

- **Eton College Services Limited** undertakes sporting and hospitality trading activities.
- **Rowns moss Limited** manages a small portfolio of investment properties.
- **EtonX Limited** previously provided online soft skills courses to high school students. Following the extraordinary success of the public benefit programme during the pandemic, the EtonX online courses are now being used mainly as part of the Eton College public benefit offering. During the year EtonX employees were either made redundant or were transferred to Eton College and most costs are now included in Eton College. It is the intention that EtonX Limited will eventually become dormant.
- **Eton Online Ventures Limited** previously provided services to EtonX Limited but is now dormant.

The results of the subsidiaries are shown on pages 32 to 34. The dormant subsidiaries are listed on page 32.

#### Employment Policy

The College is an equal opportunities employer. Communication with employees is through a variety of channels, in a variety of forms. For example: announcements by the Head Master and Lower Master to all masters and senior support staff are followed up by an e mail to all staff, e-mail briefings to all staff about the matters discussed in the meetings of the Provost and Fellows, and informal briefings by managers to members of their teams.

#### OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

##### Charitable Objects

The College was founded by Henry VI for the worship of God and the education of young men to the service of the church and state. It is now a charity for the advancement of education with the intention to make a real, sustained and wide-ranging contribution to education in the UK

In the preamble to the amended statutes of October 2016, the charitable objects are stated as:

- The advancement of education by the provision, support and conduct of a school known as Eton College and by ancillary or incidental educational activities (including the conduct of services in its chapel or chapels) for the benefit of students (being persons enrolled on a course of study provided by Eton College) and/ or the wider community.
- For the benefit of the public, the preservation, maintenance, improvement and repair of:
  - the buildings and fabric of Eton College (including the chapels of the College) which are of architectural or historical importance; and
  - the furniture, pictures and chattels of any description having historic or artistic interest connected with the College.

# Eton College

## Report of the Provost and Fellows

### For the year ended 31 August 2022

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#### Primary Objectives

Eton is a full boarding school educating over 1,340 boys aged 13-18 committed to:

- encouraging creativity, individuality, innovation and enjoyment through a broad vision of education based on wide-ranging academic and co-curricular opportunities
- enabling boys to develop a strong understanding of themselves and their capabilities, while also empathising with others through a genuine appreciation for different people, different perspectives and different cultures
- developing enquiring minds and fostering a life-long appreciation of independent thinking and learning
- developing physical and mental health, emotional maturity and spiritual richness
- nurturing the value of leadership and service
- celebrating kindness, loyalty, gratitude, integrity and determination

The College's medium to long-term aims and short-term targets are reviewed annually by the Leadership Team and the Provost and Fellows.

#### Medium to long term aims include:

- Evolving the curriculum to ensure boys are best prepared for their adult lives
- Continuing to deliver an outstanding and comprehensive range of co-curricular activities
- Continuing to provide a supportive and safe environment for boys, staff and the wider school community
- Creating a competitive school culture in which boys are encouraged to pursue excellence in all its differing forms, to develop their strengths and to seek out new challenges, driving personal and collective achievement, with the process being valued as much as the outcome
- Growing our cross-sector contribution via the implementation of the Eton Partnerships programme as detailed in the Public Benefit Section below
- Construction of a new boarding house

# Eton College

## Report of the Provost and Fellows

### For the year ended 31 August 2022

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#### PRINCIPAL RISKS AND UNCERTAINTIES

The Audit and Risk Committee considers annually approximately 60 risks under the headings of finances, operations, regulatory and reputation, ranks them as to likelihood and impact, and reviews the control measures for each of the risks. The resulting risk register is presented to the Provost and Fellows annually. Within this context, the key risks in very brief summary are:

- Failure to safeguard the wellbeing of its boys
- Failure to comply with Charity Commission or Independent School requirements
- Risk of cyber-attack on IT systems and data
- Occurrence of a major incident such as flood, fire or irreparable damage to one of the historic building.

These risks have been reviewed by the Provost and Fellows and systems have been established to mitigate them to an acceptable level.

The key controls used to manage risk are:

- Comprehensive safeguarding procedures, as required by law, for the protection of children
- Detailed terms of reference and formal agenda for all Governing Body and Committee activity
- Multi-Factor Authentication introduced, Cyber Security Manager now in post
- Comprehensive insurance in place. Collections rescue plan. Flood Management in place.

#### FUTURE PLANS

Key elements of the College's future plans are:

- Implementation of the Eton Partnerships programme
- Introduction of a new programme in Social, Political, Economic, Health, Relationships and Environmental Education
- Construction of a new Boarding House
- Construction of the second phase of the new sports facilities

#### PUBLIC BENEFIT

##### **Progress of the Eton Partnerships programme**

During the year the College continued to implement its Partnerships programme which aims to go some way towards closing the education gap. The progress on each of the different initiatives is summarised below:

##### **New Free School Project**

In June 2021, the College signed a partnership agreement with Star Academies, a leading state school provider, with the intent of bidding for up to three selective state sixth form colleges in the next five years. Intended to be located in Dudley, Middlesbrough and Oldham, the colleges will give young people, often from deprived communities, the opportunity to go to the most academic UK universities. It will do this by blending Eton's educational philosophy,

# Eton College

## Report of the Provost and Fellows

### For the year ended 31 August 2022

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including a rigorous and academic curriculum, with the ethos and approach of Star Academies. The colleges will be modelled on the hugely successful London Academy of Excellence in Stratford, East London.

It is intended that the new colleges will each admit 240 students per year and will offer many of the educational and extra-curricular opportunities available to pupils at Eton, including knowledge-rich teaching from some of the country's most respected subject specialists, access to talks from high-profile speakers, academic essay prizes and debate clubs, and Oxbridge-style tutorial sessions. Some teaching will be delivered virtually by Eton staff and students will have a chance to attend Eton College annually for a Summer School.

Alongside this we have started to build an exciting outreach project across all three regions. We have prioritised building strong and collaborative partnerships with existing 11-16 schools in each area and are already seeing excellent results in terms of an appetite and willingness to partner with Eton College. Our new Head of Educational Opportunity is creating an outreach programme and a network of schools in all three regions that will be able to benefit from access to the high-quality resources and professional development that Eton can offer. This has shown steadfast commitment to these areas and has been warmly received by the local headteachers and teachers we have met.

We have been fortunate to meet with a number of high profile and inspirational headteachers working in extremely challenging circumstances and who can see the value Eton can bring in terms of partnership and collaboration. The potential to partner with these schools, supporting students across the age ranges and bringing innovative resources and techniques from Eton will be hugely beneficial both to the new schools in Dudley, Middlesbrough and Oldham and also here at Eton. The need to support aspiration and academic achievement is great in these areas but we have found that schools, teachers and headteachers are achieving incredible outcomes in some of the most challenging of contexts. The opportunity to contribute to even greater levels of improvement is a privilege and the faith already shown in us by these institutions, welcoming us into their schools and being genuinely open to building long-term, sustainable and unique partnerships is fantastic.

Whilst there is more to do, relationships to build, and partnerships to develop we are hugely excited by the velocity of the initiative. As we move forward, we enter into a phase of delivery with schools in our partnership network utilising the highly innovative EtonX suite of online resources and materials that we believe will enhance academic outcomes and provide valuable enrichment for young people across the cohorts.

#### **Online self-study support for state schools**

During 21/22, we continued to offer free self-study Future Skills online courses for state school students in the UK through our EtonX platform. We have significantly enhanced this provision going forwards by launching a new learning platform which enables schools to manage their own learners and easily track their progress. In addition, we have added a University Preparation course to the free offering, meaning state school students can now access 17 EtonX courses free of charge. Over the course of this academic year, we intend to add courses on Study Skills and Teamwork. We are now starting to develop A-level academic curriculum content.

#### **Cross-sector links to benefit all children**

Beyond the considerable public benefit of providing a high-quality education to its own pupils, equipping them with good academic qualifications and a sense of responsibility and service to others, the College recognises its charitable duty to provide educational benefit to children and young people who are not pupils of the College. The College's wider educational contribution is recorded on the Schools Together website.

#### Particular highlights from the 21/22 academic year

Eton is the sole educational sponsor of **Holyport College**, which opened in September 2014 as the first boarding school established under the Government's free schools' scheme. Eton plays a significant role in its governance providing Governors. The school's sixth set of GCSE results was very strong, with 81.5% of all grades being grade 4 or higher, compared to the national average of 73.2% and the standard pass rate in English and Maths being 82.7% and Eton supports Holyport College through professional guidance and mentoring, offering support with university preparation

# Eton College

## Report of the Provost and Fellows

### For the year ended 31 August 2022

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and interview guidance. We were delighted that nearly 100% of Holyport applicants in this fourth cohort achieved places at university, with 75% securing places at Russell Group institutions or equivalent, including two at Oxbridge.

Eton and Holyport work together very closely within a framework that encourages innovation and partnership. Both schools follow a partnership development plan which seeks to set out a process for continuous evaluation and improvement, especially regarding its reciprocal elements. In addition to secondment of staff and sharing of facilities, the partnership involves meaningful collaboration between academic departments, students attend a broad range of joint society meetings, and the full Eton Societies programme is now open to all Holyport students (with around 60 students attending in a typical week). Year 12 Eton boys act as mentors to Holyport Y8 pupils and the development of a joint Combined Cadet Force remains a significant success. Facilities, notably the Dorney rowing lake and the Eton playing fields, are shared between both schools. Financial donations made to Holyport during the year totalled £65,312 (2020/21: £7,300). Both institutions aspire to make this partnership the Gold Standard in cross-sector partnerships at a national level, and to be proactive in sharing lessons learned with the rest of the sector. The College does not consolidate Holyport into its results as it does not have control for the benefit of the College.

During 2021/22 Eton continued its partnership with **London Academy of Excellence ('LAE')**, a selective free school for sixth formers in Stratford, East London, which opened in September 2012. Eton sponsors its English Department by providing one master on part time secondment and plays a significant role in its governance, providing a governor and two committee members. In 2021/22, LAE students went on to study almost 120 different courses at more than 45 different universities in the UK and United States. 36% of all grades achieved were A\*, 72% were A\* or A and 90% were A\* to B. Eton provides £50k annually to the LAE to support its work. In October 2021 30 Year 12 LAE students visited Eton and spent the day in lessons and workshops with Eton staff and pupils. The return trip to LAE for 30 Eton pupils was hosted in June 2022. Another 30 Year 12 pupils from both LAE and Eton, participated in the Eton & LAE Leadership Institute (ELLI) which ran monthly online sessions, a joint day trip to London and a weekend residential at Eton College.

The **Thames Valley Learning Partnership (TVLP)**, launched in September 2019 and based at Eton, has developed a strong programme of activity, bringing staff and students from eleven schools together to mutual benefit. Our collaborative and informative student experiences span a range of subjects, as do our staff networks which are used to share information, resources and best practice, and to guide future events. A TVLP Events Programme is produced each year. In this academic year it included a Student Leadership Conference, a Model United Nations event, an Orwell Youth Prize writing workshop, a French and Spanish languages event, an environmental event, and numerous speaker events, as well as a Psychology staff network. A TVLP end of year video, and Annual Report for the year ending 31 August 2022, are both available to view on the TVLP website: <https://tvlp.org.uk/2021-2022>.

Eton's engagement with the **Slough and East Berkshire Church of England Multi Academy Trust (SEBMAT)** has been established to form a group of schools who can support each other to ensure the best possible outcomes for young people in Slough and nearby areas. Slough and Eton Business and Enterprise College, Colnbrook Primary and Eton Porny School were the first three schools under the Trust, joined in 2019 by Lynch Hill Primary School and Lynch Hill Enterprise Academy. The Deputy Head (Partnerships) serves as a Member of the Trust and the Director of Local Partnerships as a Director. In addition, seven masters are on governing boards of four of the SEBMAT schools with two serving as either chair or co-chair of governors. In addition, eighteen members of staff are on the governing boards of state schools in a variety of roles.

The new **Eton Summer University Preparation Course (ESUPC)** ran during July 2022. Over 250 Year 12 pupils, from 40 local state schools, travelled to the College for three to five days to study one of nine subjects (Mathematics, English, Economics, French, Biology, Chemistry, Physics, Theology and Philosophy, and Classics) taught and curated by Eton's teachers. State schools were asked to nominate students who would not otherwise have the opportunity to gain extra university application support. These students were then asked to make a direct application to the course. A team of Eton staff reviewed around 400 applications and allocated places based on both the students' predicted grades and level of need. The courses showed participants what it might be like to study the subject at degree level, with course content extending beyond the A Level curriculum. The primary appeal of the summer school was to enable like-minded students to work and socialise together alongside dynamic teaching. Part of the course included university preparation

# Eton College

## Report of the Provost and Fellows

### For the year ended 31 August 2022

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talks led by Oxford, Cambridge and Reading universities, covering topics such as student life at university, how to write a personal statement, understanding student finance, and the support available for students at university (including mental health support).

In July 2022, Eton ran the second **Eton Connect Summer School (ECSS)**, a free five-day residential summer school for Year 10 state-sector students hosted at Eton College. The course ran as three cohorts over three consecutive weeks. Partnership schools were asked to nominate four students each to attend the summer school, focusing particularly on students who otherwise would be unable to attend a summer school and who might profit from the independence and aspiration implicit in spending a week in a boarding school. Using the EtonX online platform, the summer school ran a 'Skills for Success' course teaching students through skills-based learning and covering topics such as public speaking, verbal communication, resilience and creative problem solving. Students also took part in tennis, swimming, delivering presentations, making an Eton Mess, a careers lecture, performing in a talent show and celebrating everything they had achieved during the week at the final night's BBQ and disco.

In July and August 2022 two non-residential **Eton Dorney Rowing Instructional Courses (EDRIC)** took place at Dorney Lake, Eton College's Rowing Centre and venue for the 2012 Olympics. With experienced coaches, the courses were tailored to cater for both 'learn to row' and advanced rowers. Bursary funding was available and these free places were taken up by 30 UK state school students. The EDRIC works with over 10 different state schools providing enrichment rowing sessions, GCSE practical delivery and assessment. In the summer term over 250 local school children per week made use of the lake. For anyone who wants to row there is the Dorney Boat Club. The club regularly sees attendance of 50 members weekly across the junior and adult sections. The Rowing Manager led over 120 sessions for state school students through the Dorney Boat Club, as well as one-off visits from Ditton Park, Langley Academy and Holyport College.

Eton hosts over 70 different Societies at the College, which cover a vast range of interests and topics. Society meetings typically run at 8.30pm each evening and cover academics, career pathways, sports, philosophy, arts, music, social and environmental action and much more. As well as student-led discussion meetings, societies also invite guest speakers who are current experts in their field. Although many talks were still held online, as Covid restrictions were lifted over the year, around 50 students from Holyport attended Societies in person each week. Society meetings are also shared with TVLP and local schools, whose students attend on an ad hoc basis.

For the last six years Eton has coordinated mock Oxbridge interviews for local and partner schools. Previously, interviews were hosted at Eton College, however due to Covid restrictions in 2020, the interviews are now held online through Zoom. This format best reflects official Oxbridge interviews which currently remain virtual. In 2021, online interviews were given to 116 students from 8 different schools, applying for 33 different degree courses at either Oxford or Cambridge. These subject-specific interviews were held by 21 Eton teachers and 21 external interviewers made up of Eton College alumni, parents, and partner school staff. The mock interviews took place in the evenings alongside five free webinars for students and teachers on the Oxbridge application process. Offers were made to 30% of the students who participated in the mock interviews and attended an official Oxbridge interview.

We offer use of the Eton Willowbrook Astro Turf pitches to Slough and Eton CE School and to charities nominated by Slough Borough Council without charge, with 21 hours a week available for free use by educational charities and schools.

The new swimming pool and sports hall opened in the year. In January 2022 we launched our primary school swimming programme. Initially, this involved children from a few local state primary schools being taught by Eton swimming teachers during February through to May. This allowed us to refine the details of the programme in preparation for more primary schools joining from September 2022. Alongside this, the pool will be available for use by the local community at various times during the week and school holidays.

Further details of the College's public benefit activity in 2021/22 and beyond can be found on the College's website [www.etoncollege.com](http://www.etoncollege.com) and Schools Together [www.schoolstogether.org](http://www.schoolstogether.org).

# Eton College

## Report of the Provost and Fellows

### For the year ended 31 August 2022

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#### **Making Eton accessible through scholarships and bursaries**

Eton's central purpose is the provision of education. The Provost and Fellows are committed to the provision of scholarships and bursaries designed to continue to widen access to the education that Eton provides.

Scholarships are fee reductions awarded through competition on academic or musical merit; bursaries are fee reductions awarded according to need. Assessments of financial need are made through detailed means testing, with awards being decided by the Bursaries Committee. New Foundation Scholars, who are outstanding academic boys educated in UK state-funded schools at primary level, pay only what can be afforded. The 12 annual Orwell Awards offer free transformative sixth form education to boys who have previously had limited opportunities.

The total amount spent on scholarships and bursaries during the year was £8,336k (2020/21: £7,081k, which included £111k spent on discretionary awards given in the Lent term to parents who found themselves in financial difficulty as a result of the pandemic).

267 or 21% of boys received fee reductions (2020/21: 264 boys or 19%); of these boys 100 paid no fees at all (2020/21: 90); 61 received a 10% scholarship related fee reduction only (2020/21: 67). The average award was 71% (2020/21: 67%) of the fee. This increases to 89% (2020/21: 87%) of the full fee if boys who receive only 10% fee remission for academic or musical merit are excluded.

#### **Engagement and Research**

The Tony Little Research Centre (CIRL) regularly makes its facilities available to staff and students from other schools. Particular highlights in the year included:

- Hosting several webinars per term presented by a series of distinguished speakers. Subjects have included mental health, motivation and empathy in the classroom, emotional agility, and study skills required at university.
- Hosting a successful conference for Primary School Heads on the science of learning.
- Running a Leadership Institute with the London Academy of Excellence.
- Creating online academic enrichment courses on Physics and English Literature.
- Christ the King Aquinas school, in Brockley, runs a programme devised by CIRL relating to academic resilience at Sixth Form. CIRL has written a report which includes a literature review of academic resilience which is publicly available on the CIRL website.
- Publishing research on a small-scale collaboration exploring commonalities with Falinge Park High School in Rochdale, a review of the evidence about Peer Mentoring, and a paper on Building Expertise in Online Delivery.
- Publishing a weekly blog that is publicly available on Twitter and on the school's website and an annual Eton Journal for Innovation and Research in Learning that is also available on the website.

#### **Community Engagement and Social Action**

Over the past year, we were able to rebuild the student volunteering programme post-pandemic, giving service to 10 local schools, 4 charity shops, 2 care homes, and a range of other community focused organisations such as cultural and tourist information centres, a library, and Slough Mencap. Students also volunteered to help with College Collections, opening our collections to the wider community through interpretive and educational activities. Over 150 students in Year 12 were directly involved in this volunteer programme. Students from all years took part in various other social action projects including supporting Slough Mencap's 70<sup>th</sup> anniversary through a fundraising drive, delivering Christmas goodie bags to seniors in the local community, a Sleep Out to raise funds for the homeless in Windsor and Slough, and a large, school-wide fundraising effort in support of Ukraine.

Social Action and Career Education came together for the student consultancy programme, where pupils act as consultants for a charity. Last year, 10 pupils worked with Project Luangwa, a charity that sponsors education in the Luangwa Valley in Zambia, and with Honey Pot Children's Charity, which supports young carers in the UK. Pupils were taught how to research and compile a report about a project put forth by the charities, not only gaining some work experience but also knowledge about the charitable sector works. We continued to support and be involved with the

# Eton College

## Report of the Provost and Fellows

### For the year ended 31 August 2022

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work of IntoUniversity and Eduspots, a charity that advances education through collaboration between the UK and Ghana.

**Eton Action** is a charity founded by Eton's students with the aim of raising funds for other charities. In the year to December 2021, the boys raised significant funds for five key charities (Project Luangwa, Samaritans of Windsor, Slough, and Maidenhead, St Giles Hospice, The Honey Pot Children's Charity, and World Land Trust), engaged in a wide variety of volunteering projects for the individual charities and led many society meetings dedicated to thinking about effective social action through the selected charities. Additionally, boys organised other fundraisers for causes close to their hearts. Various sports tournaments, such as football, table tennis, and swimming, have taken place to raise much-needed funds for charities such as Macmillan Cancer Support and Alzheimers Research UK.

**The Eton Action Fair**, which took place in September 2021, is the largest annual fundraising event for Eton Action. Eton College's grounds are transformed into a charity fair with games, stalls and performances are organised by pupils and staff of Eton College, all to raise money for the five charities supported by Eton Action. In its 48th year, the fair drew thousands of visitors from the local area, as well as parents and friends of Eton pupils. On the day, over £30,000 was raised for Eton Action. The income from all these events is pooled and divided between charitable foundations and projects chosen by the committee and voted on by every boy in the school.

#### Environmental Action

Environmental Education provides pupils with a greater respect for and understanding of the significance of nature. It prepares pupils for a workplace that increasingly requires skills and understanding in sustainability. Finally, above all else, it is a fun and satisfying way to spend time working on projects, lobbying for change, and working outdoors by tending to Eton's grounds and protecting its wildlife.

- **Charitable work:** The World Land Trust and Berkshire, Buckinghamshire and Oxfordshire Wildlife Trust (BBOWT) were voted by pupils at the Eton Action AGM in February 2022 as two of the five charities to raise money for in the year ending December 2022. Another environmental fundraising endeavour included raising funds for the Solar Collaborative School Project, to help ensure continuous and sustainable electricity supply for a school in South Africa, which suffers from blackouts. This project was short listed for the prestigious Earth Prize competition, an international environment competition that several of our boys took part in.
- **Biodiversity enhancement:** Alongside the College's efforts to increase biodiversity across our estate, boys have been directly involved in managing the water way upstream of Barnes Pool for biodiversity.
- **The Florentina:** Summer 2022 saw the launch of The Florentina, a completely boy led environmental online public publication.
- **Community Engagement:** Boys regularly took part in litter picks organised by either the College or the Eton Community Association.
- **Outreach:** In Spring 2022, we ran the College's first environmental symposium involving 150 students from Partnership Schools to raise awareness on sustainability and encourage networking between our local partners and our community through a large exhibition in upper school.
- **Planet Mark:** In Spring 2022 the College held its first Environment Summit to review sustainability across the school. One of the outcomes was to appoint an external auditor. Planet Mark, a sustainability certification body was appointed to facilitate and advise us on our sustainability strategy.

#### The College Collections

The College Collections are of national importance. In 2021/22 the College has continued the outreach and engagement programme undertaken to bring these Collections to wider audiences. The dedicated team ensures that access is granted to the general public. The Natural History Museum, Verey Gallery, Tower Gallery and the Eton Museum of Antiquities are open on Sunday afternoons, while the Museum of Eton Life is now open on both Saturday and Sunday afternoons.

# Eton College

## Report of the Provost and Fellows

### For the year ended 31 August 2022

In addition to services available for researchers, on site museum learning sessions resumed in September 2021, and the Education Officer welcomed many classes who were making their first school trip. Overall, there were 122 on site sessions, for 3,305 students from Reception to Year 11, coming from both local schools and further afield. Some schools still chose online sessions, with 39 virtual sessions delivered to 1,579 students. A group of Eton boys, as part of the College’s Community Engagement Programme, developed and presented their own sessions to local primary schools. For the first time the Collections participated in the Eton Action Fair, opening exhibition spaces and providing craft activities for families. Additionally, there was a family learning event held in October half term.

Overall, over 60,000 users engaged with our digital content, including live online events, virtual exhibitions, a trail, the virtual reading room, the blog, the online catalogue and the website (collections.etoncollege.com), which includes resources for schools as well as other digital resources for use by researchers and the general public.

#### ACHIEVEMENTS AND PERFORMANCE

##### Academic performance

The College continues to deliver a high standard of education. The 2021/22 results are summarised below:

GCSE results		A Level results		Pre-U results	
9-7	94.2%	A*-A	83.5%	D1 (above A*)	27.8%
9-6	98.4%	A*-B	95.4%	D2 (A*)	64.9%
9-5	99.5%	A - C	98.7%	D3 (A)	88.7%

Eton’s view of education encompasses much more than just intellectual achievement, important though this is. A strong, broad and extensive curriculum, including a vast range of co-curricular activities, enables the boys to discover and develop their strengths wherever they lie, whether in academic, aesthetic, technical or sporting pursuits.

##### Fund raising performance

The College has an in-house fundraising team to run a programme with a view to providing bursaries, raising money towards the Eton Partnerships programme, developing the school’s facilities and maintaining the College’s heritage properties. Income generated from donations was £7.9m (2021: £5.6m). The College does not use any external agents for fundraising activities. All fundraising activities are managed by the Development Department overseen by the Provost and Fellows. The College is registered with the Fundraising Regulator and has signed up to the Fundraising Code, paid the fundraising levy and trained staff to comply with the code. No complaints have been raised in the year. The College is mindful of privacy issues and has a Customer Relationship Management System in order to manage the areas of charitable activity about which our contacts wish to be informed.

##### Investment policy and performance

The Eton College Common Investment Fund (“the CIF”) was established in July 2006 and is the pooling scheme through which the College’s various funds (the endowed funds, restricted funds, designated funds and some pension funds) are invested.

Pursuant to the Total Return Order dated 27 July 2008, the College has adopted a total return approach for the investment of its permanently endowed funds. Under the Total Return Order, the College can invest those funds without regard to whether the investment return is in the form of capital appreciation or income and with discretion to apply any part of the total investment return as income for spending each year. Until this power is exercised, the investment return forms a component of the endowed fund known as the “unapplied total return”. The Provost and Fellows have decided that it is in the best interests of the College to account for all its invested funds (both permanent and expendable endowments) in the same way.

# Eton College

## Report of the Provost and Fellows

### For the year ended 31 August 2022

The return, in terms of both income receivable and capital appreciation and depreciation, whether realised or unrealised, is credited or charged to the funds.

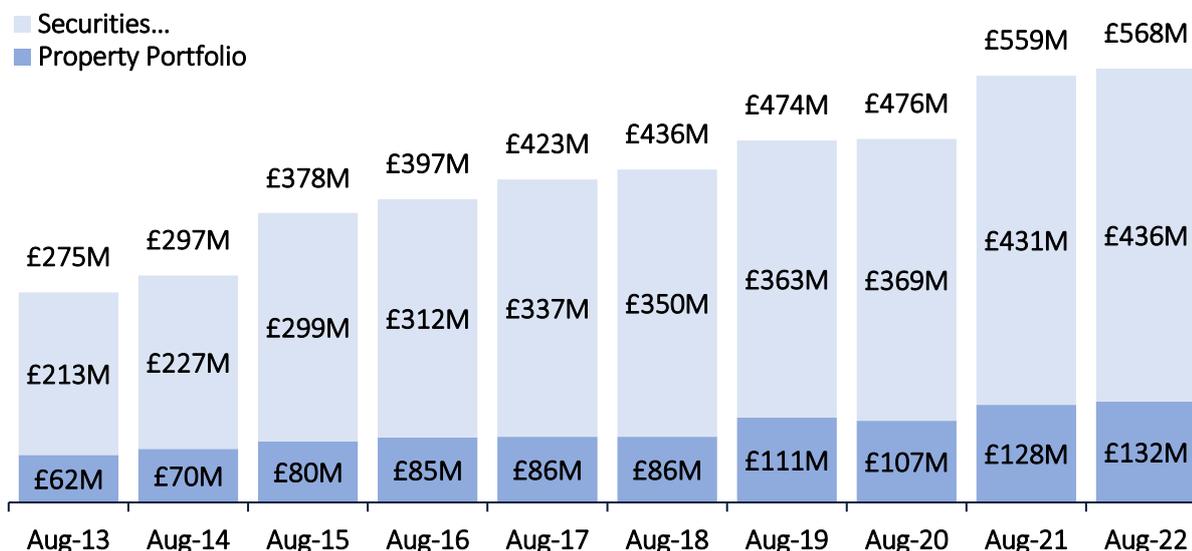
The endowment has been built up over many years through the significant generosity of many Old Etonians and their families along with strong investment performance. Increasingly the parents of boys currently and recently at the school who themselves had no previous connection with Eton have made major contributions. The endowment is fundamental to the long-term future of the school, providing funds for Eton's substantial and growing bursary programme, Eton Partnerships programme and capital expenditure on both existing and new buildings infrastructure such as the new sports facilities.

The Endowment Committee is mandated by the Provost and Fellows to oversee the management of the endowment in line with strategic and tactical guidelines which are reviewed regularly by the Endowment Committee and its adviser, Partners Capital LLP. The Investment Property Committee is an offshoot of the Endowment Committee and oversees the College's investments in property only. The Property Portfolio is managed by Clearbell Capital LLP.

The securities portfolio is diversified across a range of different asset classes and geographies and managed within the guidelines referred to above. The property portfolio is UK based and structured with an emphasis on diversity across property type.

The value of the investments was £568m on 31 August 2022. This comprised £436m in the securities portfolio and £132m in directly-held property. This is an increase of £293m over the past decade, of which £233m was attributable to underlying performance. The remaining £60m came from two private placements of bonds – one for £45m with a 45-year term issued in 2015 and one for £15m (part of a total of £25m) with a 45-year term issued in 2019. The Endowment Committee, supported by the Provost and Fellows, believes that the additional funds will earn returns in excess of the cost of borrowing, enhancing Eton's capacity to provide bursaries and support the capital expenditure programme.

#### Endowment historical year-end values:



#### Securities portfolio performance

The investment approach deployed by the Endowment Committee working in conjunction with the securities portfolio advisor, Partners Capital LLP, has seen the securities portfolio return +11.1% p.a. over the last 5 years and +11.4% p.a. over the last 10 years ending 31 August 2022. This performance has far exceeded the securities portfolio's target growth rate of the UK Consumer Price Index + 4.5% p.a. and the Eton Benchmark, which is a multi-asset class benchmark that reflects the securities portfolio's strategic asset allocation, over both the 5-year and 10-year periods. The securities

# Eton College

## Report of the Provost and Fellows

### For the year ended 31 August 2022

portfolio has outperformed global equities over the 5-year period. It has slightly underperformed global equities over the 10-year period, however it has only 75% of the risk of global equities. Strong performance in recent years has been driven by, among other things, a large (approximately 40%) allocation to private market asset classes like private equity and private debt, and an absence of exposure to UK Gilts.

Year Ending 31 August:	2018	2019	2020	2021	2022	5-Year Annual Growth Rate	10-Year Annual Growth Rate
Eton Securities Portfolio	9.5%	8.9%	6.9%	28.9%	2.4%	11.1%	11.4%
Eton benchmark (1)	8.3%	8.4%	4.7%	19.2%	-0.9%	8.2%	9.3%
UK CPI + 4.5%	7.2%	6.3%	4.7%	7.9%	14.7%	8.1%	7.1%
Global Equities (2)	10.4%	6.4%	6.0%	25.2%	-0.5%	9.2%	12.1%

<sup>(1)</sup> A composite of market benchmarks which reflect the strategic asset allocation.

<sup>(2)</sup> Represented by the MSCI All Country World Index Net Return GBP.

#### Property Portfolio

The Property Portfolio has been managed by Clearbell Capital LLP since March 2018. The strategy since then has been to diversify and consolidate the investment portfolio into larger assets in the industrial and office sector whilst retaining a smaller exposure to retail and residential to improve the sector and geographical diversification of the portfolio. This year, values in the industrial portfolio have risen 13% due to active asset management initiatives. The portfolio has generated an 8.25% total return, mainly driven by strong capital and rental growth in the industrial and office properties. The portfolio was valued at £132.4m at 31 August 2022, a 3% increase on 2021. In 21/22 five properties were sold for £6m, 8% above valuation.

#### FINANCIAL REVIEW

##### Summary of results

- The College's consolidated net expenditure for the year ended 31 August 2022 was £2.2m (2021: £1.4m)
- School fee income increased by 11.1% from £53.2m to £59.1m. Fees were reduced by 20% in the Lent term of the previous year.
- The funding of scholarships and bursaries (fee remission) increased by 16.9% from £7.1m to £8.3m.
- Donations to the College were £7.9m, compared to £5.6m in the previous year. The College is very grateful for the continued generosity of its donors.
- Investment income was £33.3m compared to £28.1m in the previous year. The College operates its investment portfolio on a total return basis, so investment income can vary greatly year on year and is difficult to predict. It has no bearing on the operational cashflow of the College. The cash available to the College for spending from the endowment is calculated in accordance with the College's self-imposed internal spending rules. The cash amount available to drawdown for expenditure in any one year is calculated as 3.5% of the average of the last five years' year-end valuations of investments.
- Total charitable expenditure rose by 19.8% from £74.3m to £89.0m. The bulk of this comprises the costs of running the College; 51% of these costs are employment costs.
- The cost of raising and managing funds increased by 12.4% from £12.1m to £13.6m, investment managers costs increased by £1.1m and interest costs rose by £0.4m as a result of entering into a £30m private placement. Details of this can be found on page 42.
- The College will always have to spend significant amounts of money on maintaining its buildings including its many listed buildings, some of which are of national importance. In doing this the College receives no financial

# Eton College

## Report of the Provost and Fellows

### For the year ended 31 August 2022

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support from local or central Government. In 2021/22 the College has spent £8.2m on maintenance of its buildings.

- Trading income is mostly made up of the aggregation of the turnover of the College's subsidiaries. Income was £1.5m (2020/21: £1.1m). Please refer to note 4 for more detail relating to the trading subsidiaries of the College.
- Net Investment loss of £3.6m (2021: gain of £91.6m) consists of £4.0m realised profit in the securities portfolio and £0.5m realised profit in the property portfolio, unrealised loss in the securities portfolio of £17.2m and an unrealised gain in the property portfolio of £9.1m.
- FRS102 Pension Gain of £25.1m (2020/21 loss of £864k). This is mainly due to a significant increase in bond yields over the year, which has led to a higher discount rate assumption and therefore a lower value being placed on the Scheme's liabilities.

#### Reserves Policy

The College needs to have sufficient unrestricted reserves to enable it to meet its charitable objects in the event of an unexpected revenue shortfall. The College is fortunate to have significant endowed funds and has regard to the need to build up unrestricted reserves out of any annual operating surpluses, investment returns and fund-raising to a level which is considered adequate to meet the future needs of the College, to allow further capital expenditure and major refurbishment and to equip the College with the facilities needed to maintain the high standard of education currently provided. The charitable funds of the College and its subsidiaries are accounted for as restricted or unrestricted funds.

At 31 August 2022, the College's Consolidated Reserves were £562.1m (2021: £542.4m). This comprised £376.6m (2021: £383.2m) restricted funds and £185.5m (2021: £159.3m) unrestricted funds.

**Restricted funds** are made up of Endowed Funds of £364.5m (2021: £371.2m) and Income funds of £12.2m (2021: £12.0m). The Restricted Income Funds are fully expendable and wherever possible College expenditure is charged to a restricted fund in precedence to being charged against the General Fund.

**Endowed funds** are capital funds with a restricted purpose and are sub-divided into permanent and expendable endowed funds depending upon the terms of the relevant fund's governing document. Permanent Endowed Funds are capital funds where the original capital value is to be preserved permanently for the College's financial benefit. The College has a Total Return Order (dated 27 July 2008) which stipulates that any investment returns will accrue as a capital supplement (the Unapplied Total Return) to the permanently endowed capital. Any part of the Unapplied Total Return can be converted into income for allocation against spending at the discretion of the Provost and Fellows and will be transferred to the appropriate Restricted Income Fund. Expendable Endowed Funds are accounted for similarly, except that all capital can be converted into income for spending either in accordance with any restrictions imposed by the fund's governing document or, where there are no such restrictions, at the College's own discretion.

**The Income Funds** corresponding to each of the Endowed Funds represent the amount of income available for allocation against spending on those restricted purposes in accordance with the College's own internal spending rule. The Other Restricted Income Funds, which comprise around 100 separate funds, are to be used in accordance with the wishes of the donor. Examples of such purposes are Bursaries, College Collections, Student Enrichment, Teaching and Research. We have robust financial controls to ensure that all restricted income funds are spent in line with the donors' wishes.

**Unrestricted Funds** comprise £163.4m (2021:£159.0m) Designated Funds and £22.1m (£2021:£0.3m) General Fund. £97.9m (2020/21: £94.2m) of the Designated Funds are represented by Fixed Assets. These funds are available for use at the discretion of the College in furtherance of its objects.

**Designated Funds** are funds which have been set aside by the College for specific purposes.

**The General Fund** is unrestricted and represents the accumulated net income from the College's activities and other sources for the general purpose of the College. Further details relating to the funds can be found in note 13.

# Eton College

## Report of the Provost and Fellows

### For the year ended 31 August 2022

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#### **Pension Liabilities**

The College has recognised on its balance sheet a pension liability of £11.8m in respect of the 1972 Defined Benefit Scheme (2021: £36.9m). The pension liability is calculated at a point in time even though it will not crystallise for many years. Details of the pension scheme can be found in note 16 to the Financial Statements. The latest tri-annual actuarial pension valuation was completed as at August 2019. The results showed a deficit of £7.1m, corresponding to a funding level of 85%. To eliminate this the College made an additional contribution of £1.2m to the scheme in the year and will continue to do so until 2026. On 1 September 2021, the employer's contribution level increased from 18.8% to 22.0%.

#### **Charity Code of Conduct**

The Provost and Fellows undertook a self-assessment of their governance in 2018 by specific reference to the principles of the Charity Governance Code. There were no deviations from the principles of the code. A further review will take place in 2022/23.

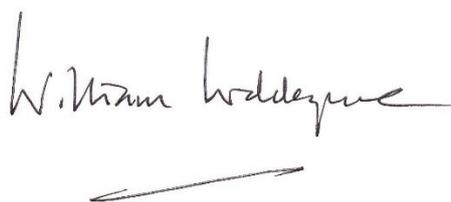
#### **PROVOST AND FELLOWS' RESPONSIBILITIES STATEMENT**

The Provost and Fellows are responsible for preparing the Report of the Provost and Fellows and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Provost and Fellows to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the charity and group and of the income and application of resources of the charity for that period. In preparing these Financial Statements, the Provost and Fellows 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 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 charity will continue in business.

The Provost and Fellows are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and group and enable them to ensure that the Financial Statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Statutes. 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.



The Lord Waldegrave of North Hill  
Provost  
4 February 2023

# Eton College

## Independent Auditor's Report to the Provost and Fellows of Eton College

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### Opinion

We have audited the Financial Statements of Eton College for the year ended 31 August 2022 which the Consolidated and College Statement of Financial Activities, the Consolidated and College Balance Sheet, the Consolidated Cash Flow and notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the Financial Statements:

- give a true and fair view of the state of the group's and the of the parent charity's affairs as at 31 August 2022 and of the group's incoming resources and application of resources, the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

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

### Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate.

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

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

### Other information

The Provost and Fellows are responsible for the other information contained within the Annual Report. The other information comprises the information included in the Annual Report, other than the Financial Statements and our auditor's report thereon. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

- We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion: adequate and proper accounting records have not been kept or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;

### **Responsibilities of Provost and Fellows**

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

In preparing the Financial Statements, the Provost and Fellows are responsible for assessing the group's and the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Provost and Fellows either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the Financial Statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the Financial Statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the group and the parent charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the Financial Statements. The laws and regulations we considered in this context were the Charities Act 2011, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the Financial Statements but compliance with which might be fundamental to the group's and the parent charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the group and the parent charity for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and safety legislation and Employment legislation.

## Independent Auditor's Report to the Provost and Fellows of Eton College

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Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Provost and Fellows and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the Financial Statements from irregularities, including fraud, to be within the timing of recognition of voluntary income, capital and major works expenditure, and the override of controls by management which includes estimated and judgements in relation to the pension liability and investment valuations. Our audit procedures to respond to these risks included enquiries of management, and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on voluntary income, capital and major works expenditure and the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and any other regulators where applicable, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the Financial Statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the Financial Statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

### Use of our report

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

*Crowe U.K. LLP*

Crowe U.K. LLP  
Statutory Auditor

London

3 March 2023

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# Eton College

## Statement of Financial Activities – Consolidated For the year ended 31 August 2022

	Note	Unrestricted Funds		Restricted Funds		Total 2022	Total 2021
		General Funds	Designated Funds	Restricted income funds	Endowed funds		
		£'000	£'000	£'000	£'000	£'000	£'000
<b>INCOME FROM</b>							
<b>Charitable activities</b>							
School fees		59,086	-	-	-	<b>59,086</b>	53,223
Scholarships and bursaries		-	(1,679)	(6,657)	-	<b>(8,336)</b>	(7,081)
Discount on pre-paid fees	9	(101)	-	-	-	<b>(101)</b>	(74)
<b>Net school fees</b>		<b>58,985</b>	<b>(1,679)</b>	<b>(6,657)</b>	<b>-</b>	<b>50,649</b>	46,068
Other income	2	6,858	-	72	-	<b>6,930</b>	4,072
Donations	2	1,794	-	3,961	2,193	<b>7,948</b>	5,644
Investment income	3	1,552	8,135	7	23,619	<b>33,313</b>	28,074
Trading income	4	1,528	-	-	-	<b>1,528</b>	1,093
<b>Total income</b>		<b>70,717</b>	<b>6,456</b>	<b>(2,617)</b>	<b>25,812</b>	<b>100,368</b>	84,951
<b>EXPENDITURE ON</b>							
Charitable activities	5	(73,148)	(1,162)	(14,669)	-	<b>(88,979)</b>	(74,265)
Raising and managing funds	5	(5,379)	(3,614)	-	(4,606)	<b>(13,599)</b>	(12,128)
<b>Total expenditure</b>		<b>(78,527)</b>	<b>(4,776)</b>	<b>(14,669)</b>	<b>(4,606)</b>	<b>(102,578)</b>	(86,393)
Net (expenditure) /income before investment gains and transfers		<b>(7,810)</b>	<b>1,680</b>	<b>(17,286)</b>	<b>21,206</b>	<b>(2,210)</b>	(1,442)
Net investment (loss)/gain		(164)	(1,001)	-	(2,436)	<b>(3,601)</b>	91,638
Transfers between funds	13a	4,193	3,778	17,475	(25,446)	-	-
<b>NET INCOME/ (EXPENDITURE)</b>		<b>(3,781)</b>	<b>4,457</b>	<b>189</b>	<b>(6,676)</b>	<b>(5,811)</b>	90,196
Pension scheme actuarial gain/ (loss)	16/17	25,535	-	-	-	<b>25,535</b>	(994)
<b>NET MOVEMENT IN FUNDS</b>		<b>21,754</b>	<b>4,457</b>	<b>189</b>	<b>(6,676)</b>	<b>19,724</b>	89,202
Funds brought forward		336	158,938	11,971	371,161	<b>542,406</b>	453,204
<b>FUNDS CARRIED FORWARD</b>	13a	<b>22,090</b>	<b>163,395</b>	<b>12,160</b>	<b>364,485</b>	<b>562,130</b>	542,406

The notes on pages 27 to 54 form part of these Financial Statements.

**Eton College**  
**Statement of Financial Activities – Eton College**  
**For the year ended 31 August 2022**

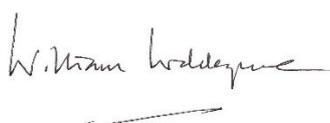
	Note	Unrestricted Funds		Restricted Funds		Total 2022 £'000	Total 2021 £'000
		General Funds £'000	Designated Funds £'000	Restricted income funds £'000	Endowed funds £'000		
<b>INCOME FROM</b>							
<b>Charitable activities</b>							
School fees		59,086	-	-	-	<b>59,086</b>	53,223
Scholarships and bursaries		-	(1,679)	(6,657)	-	<b>(8,336)</b>	(7,081)
Discount on pre-paid fees	9	(101)	-	-	-	<b>(101)</b>	(74)
<b>Net school fees</b>		<b>58,985</b>	<b>(1,679)</b>	<b>(6,657)</b>	<b>-</b>	<b>50,649</b>	46,068
Other income	2	6,858	-	72	-	<b>6,930</b>	4,072
Donations	2	1,794	-	3,961	2,193	<b>7,948</b>	5,644
Investment income	3	1,552	8,135	7	23,619	<b>33,313</b>	28,074
Trading income	4	128	-	-	-	<b>128</b>	96
<b>Total income</b>		<b>69,317</b>	<b>6,456</b>	<b>(2,617)</b>	<b>25,812</b>	<b>98,968</b>	83,954
<b>EXPENDITURE ON</b>							
Charitable expenditure		(73,148)	(1,162)	(14,669)	-	<b>(88,979)</b>	(74,371)
Raising and managing funds		(3,442)	(3,614)	-	(4,606)	<b>(11,662)</b>	(11,221)
<b>Total expenditure</b>		<b>(76,590)</b>	<b>(4,776)</b>	<b>(14,669)</b>	<b>(4,606)</b>	<b>(100,641)</b>	(85,592)
Net (expenditure)/ income before investment gain and transfers		<b>(7,273)</b>	<b>1,680</b>	<b>(17,286)</b>	<b>21,206</b>	<b>(1,673)</b>	(1,638)
Net Investment (loss)/gain		(164)	(1,001)	-	(2,436)	<b>(3,601)</b>	91,638
Transfers between funds	13a	4,193	3,778	17,475	(25,446)	-	-
<b>NET INCOME/ (EXPENDITURE)</b>		<b>(3,244)</b>	<b>4,457</b>	<b>189</b>	<b>(6,676)</b>	<b>(5,274)</b>	90,000
Pension scheme actuarial gain/ (loss)	16/17	25,535	-	-	-	<b>25,535</b>	(994)
<b>NET MOVEMENT IN FUNDS</b>		<b>22,291</b>	<b>4,457</b>	<b>189</b>	<b>(6,676)</b>	<b>20,261</b>	89,006
Funds brought forward		57	158,938	11,971	371,161	542,127	453,121
<b>FUNDS CARRIED FORWARD</b>	13a	<b>22,348</b>	<b>163,395</b>	<b>12,160</b>	<b>364,485</b>	<b>562,388</b>	542,127

The notes on pages 28 to 55 form part of these Financial Statements.

**Eton College**  
**Consolidated and Eton College Balance Sheets**  
**As at 31 August 2022**

	Note	Consolidated		Eton College	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
<b>FIXED ASSETS</b>					
Tangible fixed assets	7	127,942	124,448	127,877	124,368
Investments – properties	8	132,406	128,456	132,406	128,456
- securities	8	435,575	430,665	435,575	430,665
		<b>695,923</b>	683,569	<b>695,858</b>	683,489
<b>CURRENT ASSETS</b>					
Stock		126	124	126	124
Debtors	10	21,650	21,051	21,899	21,165
Cash and deposits		39,810	28,589	39,616	28,050
		<b>61,586</b>	49,764	<b>61,641</b>	49,339
<b>CURRENT LIABILITIES</b>					
Creditors: due within one year	11	(34,331)	(33,447)	(34,063)	(33,221)
<b>NET CURRENT ASSETS</b>		<b>27,255</b>	16,317	<b>27,578</b>	16,118
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>723,178</b>	699,886	<b>723,436</b>	699,607
<b>LONG-TERM LIABILITIES</b>					
Creditors: due after more than one year	12	(146,518)	(117,161)	(146,518)	(117,161)
Defined benefit pension liabilities	16	(11,818)	(36,858)	(11,818)	(36,858)
Other retirement provisions	17	(2,712)	(3,461)	(2,712)	(3,461)
<b>NET ASSETS</b>		<b>562,130</b>	542,406	<b>562,388</b>	542,127
<b>REPRESENTED BY:</b>					
<b>RESTRICTED FUNDS</b>					
Endowed	13	364,485	371,161	364,485	371,161
Income	13	12,160	11,971	12,160	11,971
<b>UNRESTRICTED FUNDS</b>					
Designated	13	163,395	158,938	163,395	158,938
General	13	22,090	336	22,348	57
<b>TOTAL UNRESTRICTED FUNDS</b>		<b>185,485</b>	159,274	<b>185,743</b>	158,995
<b>TOTAL FUNDS</b>		<b>562,130</b>	542,406	<b>562,388</b>	542,127

The Financial Statements set out on pages 23 to 54 were approved and authorised for issue by the Provost and Fellows on 4 February 2023 and signed on their behalf by:



The Lord Waldegrave of North Hill  
Provost



Janet Walker  
Bursar

# Eton College

The notes on pages 27 to 54 form part of these Financial Statements.

## Consolidated Cash Flow Statement For the year ended 31 August 2022

	2022		2021	
	£'000	£'000	£'000	£'000
<b>Net expenditure before investment gains</b>		<b>(2,210)</b>		<b>(1,442)</b>
Elimination of non-operating cashflows:				
Investment income	<b>(33,313)</b>		(28,074)	
Investment Managers' Fees	<b>1,723</b>		1,371	
Interest on Long Term loan	<b>3,702</b>		3,343	
Endowment donations	<b>(2,193)</b>		(2,445)	
Depreciation	<b>3,573</b>		3,032	
Net gain/ (loss) on disposal of fixed assets	<b>4,839</b>		4	
(Increase)/Decrease in stock	<b>(2)</b>		23	
(Increase)/ Decrease in debtors	<b>(599)</b>		1,834	
Increase in creditors	<b>1,228</b>		2,428	
(Decrease) in prepaid fees	<b>(987)</b>		(1,392)	
FRS 102 pension movements	<b>(254)</b>		(221)	
		<b>(22,283)</b>		<b>(20,097)</b>
<b>Net cash outflow from operations</b>		<b>(24,493)</b>		<b>(21,539)</b>
<b>Cash flows from investing activities</b>				
Payments for tangible fixed assets	<b>(12,751)</b>		(22,921)	
Proceeds on sale of tangible fixed assets	<b>88</b>		1,009	
Withdrawal from the securities portfolio	<b>9,133</b>		43,872	
Income from property portfolio	<b>4,361</b>		3,254	
Proceeds from sale of commercial properties	<b>6,463</b>		5,818	
Payments for commercial properties	<b>(71)</b>		(21,044)	
<b>Net cash inflow provided by investing activities</b>		<b>7,223</b>		<b>9,988</b>
<b>Cash flows from financing activities</b>				
New endowment	<b>2,193</b>		2,445	
Interest payable on loan note	<b>(3,702)</b>		(3,343)	
Private Placement Proceeds	<b>30,000</b>		-	
<b>Net cash provided by financing activities</b>		<b>28,491</b>		<b>(898)</b>
<b>CHANGE IN CASH IN THE YEAR</b>		<b>11,221</b>		<b>(12,449)</b>
<b>CASH AT 31 AUGUST 2021</b>		<b>28,589</b>		<b>41,038</b>
<b>CASH AT 31 AUGUST 2022</b>		<b>39,810</b>		<b>28,589</b>

The notes on pages 27 to 55 form part of these Financial Statements.

# Eton College

## Notes to the Financial Statements

### For the year ended 31 August 2022

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## 1 ACCOUNTING POLICIES

### Charity information

Eton College was founded as a corporation in 1440 by Royal Charter of King Henry VI, confirmed by later Acts of Parliament and by the Statutes, most recently updated in 2021. The College is registered as a charity in England and Wales (1139086). The principal address is Eton, Windsor, Berkshire, SL4 6DW.

### Basis of Preparation

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011. The College meets with the FRS102 definition of a Public Benefit Entity.

The Financial Statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Financial Statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments to market value.

Having reviewed the funding facilities available to the College together with the expected ongoing demand for places and the College's future projected cash flows, the Provost and Fellows have a reasonable expectation that the College has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the College's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the Financial Statements as outlined in the Statement of Responsibilities on page 19.

The functional currency of the College is considered to be pounds sterling because that is the currency of the primary economic environment in which the school operates.

### Cash Flow

The College has taken advantage of the exemptions in FRS 102 from the requirements to present a charity only Cash Flow Statement, on the basis that it is a qualifying entity and the Consolidated Cash Flow Statement included in these Financial Statements includes the cash flows of the College.

### Basis of Consolidation

The consolidated Financial Statements comprise the Financial Statements of Eton College ("the College") and its wholly owned subsidiary companies. The Consolidated Financial Statements consolidate the accounts of the group entities made up to 31 August 2022. The turnover and expenditure of trading subsidiaries and of the related charitable undertakings are shown separately within the Consolidated Statement of Financial Activities. Their assets and liabilities are consolidated on a line-by-line basis in the Consolidated Balance Sheet.

The College's dormant subsidiaries, listed in note 4, have not been consolidated on the basis of immateriality. Intra group sales and charges between the College and its subsidiaries are excluded from consolidated trading income and expenditure.

# Eton College

## Notes to the Financial Statements (continued)

### For the year ended 31 August 2022

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#### Income

School fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Scholarships and bursaries granted by the College in respect of those fees are deducted in the school term to which they relate. Fees received in advance of education to be provided in future years under a pre-paid fees scheme contract are held as interest-earning liabilities and treated as deferred income until either taken to income in the school term when used or are otherwise refunded.

Donations are recognised as income on receipt of funds or when entitlement of receipt by the College is measurable and considered probable. Donations received for the general purposes of the College are credited to Unrestricted Funds. Donations subject to specific wishes of donors or for a particular purpose are credited to Restricted Income Funds, or to Endowed Funds where the capital is permanent.

Legacies are recognised as income on receipt of funds or when entitlement of receipt by the College is measurable and considered probable. Entitlement is taken to be the earlier date of the College being notified of an impending distribution following settlement of the estate or the legacy being received.

Investment income from securities and property is accounted for in the period in which it is receivable.

Trading income and other income is recognised in the period to which it relates.

Income received in respect of future accounting periods is carried forward as deferred income within creditors and is taken to income in the school term when used or is otherwise refunded. Where entitlement occurs before income is received, the income is accrued within debtors.

#### Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Expenditure is classified under headings that aggregate all costs related to the category. Irrecoverable VAT is charged to the appropriate expenditure heading. Governance costs comprise the costs of complying with the constitutional and statutory requirements and are included in support costs in note 5.

Grants payable are accounted for in the period in which the commitment is made. Employee benefits paid on redundancy or termination include accrued amounts where Eton College is demonstrably committed to make these payments but they had not been made at 31 August 2022. All accrued amounts are fully funded and expected to be settled within 12 months of the balance sheet date.

#### Tangible fixed assets

School properties, acquired after 1 September 1962 have been capitalised and depreciated over an estimated useful life of 50 years. School properties which have been held for 50 years or more have not been capitalised as they are considered to have been fully depreciated. Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Only assets costing £10,000 or more, or groups of assets forming part of a larger project costing over £10,000, are capitalised. This level is periodically reviewed, along with the need for a formal impairment review. Where properties held for investment purposes are transferred to fixed assets for school use, the cost to the school is recorded as the market value at the time of transfer. Freehold land is not valued on the balance sheet as the historical cost is immaterial.

#### Depreciation

Depreciation is provided on all tangible fixed assets, other than investment properties, heritage assets and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value based on current market prices, of each asset on a straight-line basis over its estimated useful life, as follows:

Freehold buildings	50 years
Plant, kitchen equipment, musical instruments, rowing boats	10 - 20 years
IT equipment	4 - 5 years
Vehicles	5 - 10 years

The costs of maintenance are charged in the Statement of Financial Activities in the period in which they are incurred.

# Eton College

## Notes to the Financial Statements (continued)

### For the year ended 31 August 2022

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#### Heritage Assets

The College Collections comprising books and manuscripts, archives, paintings, silver and other objects of artistic or cultural merit, and the historic buildings within which they are housed are considered to be heritage assets. No value is attributed to them in the balance sheet and no depreciation has been charged on the grounds that, for many of the assets, due to their unique nature, reliable historic cost information is not available and the Provost and Fellows consider that the depreciated historical cost of these assets is now immaterial. Additions to the Collections are not capitalised and the costs of repairs and maintenance are charged as incurred. Any improvements are similarly written off.

#### Investments

Investments are stated at market value as at the balance sheet date, and any gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities.

The market values of listed securities and pooled fund investments are stated at published prices. Unquoted securities are stated at investment manager's declared net asset values.

Property investments are valued using professional advice and on the basis of market value as defined in the RICS Appraisal and Valuation Manual ("The Red Book"). Independent valuations of relevant property investments have been carried out at 31 August 2021 and 31 August 2022.

Investments in subsidiaries are valued at cost less provision for impairment.

#### Stock

Stocks are stated at the lower of cost and net realisable value. Where appropriate, provision is made for obsolete, slow-moving and defective stocks.

#### Debtors

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

#### Cash

Cash and cash equivalents comprise cash in hand and call deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

#### Creditors

Creditors and provisions are recognised where the College has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

#### Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except payroll and other taxes and provisions.

#### Total return investment accounting

Pursuant to a Total Return Order dated 27 July 2008, the College has adopted a total return approach for the investment of its permanently endowed funds with effect from 1 September 2007. Under the Total Return Order, the College can invest those funds without regard to whether the investment return is in the form of capital appreciation or income and with discretion to apply any part of the total investment return as income for spending each year. Until this power is exercised, the investment return forms a component of the endowed fund known as the "unapplied total return". The

# Eton College

## Notes to the Financial Statements (continued)

### For the year ended 31 August 2022

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Provost and Fellows have decided that it is in the best interests of the College to account for both the permanent and the expendable endowments invested in the Eton College Common Investment Fund ("EC CIF") in the same way.

The return, in terms of both income receivable and capital appreciation or depreciation, whether realised or unrealised, is credited or charged to the funds. The annual amount available for the College to drawdown as cash in any one year is determined by an internally self-imposed rule which currently permits the draw-down of 3.5% of the average of the last five years' year-end valuations of the investments. Additional unapplied total return is transferred to income for allocation against expenditure on an adhoc basis at the discretion of the Provost and Fellows.

The preserved permanent capital of the endowment funds has been taken as its carrying value as at 1 September 2007 together with the gift value of subsequent endowments.

#### **Fund Accounting**

The charitable funds of the College and its subsidiaries are accounted for as restricted or unrestricted funds.

**Restricted funds** are to be used in accordance with specific restrictions related to the fund at its inception or in its governing document. Restricted funds are divided between **Endowed Funds** and **Income Funds**. Endowed funds are capital funds with a restricted purpose and are further sub-divided into permanent and expendable endowed funds.

**Permanent endowed funds** are capital funds where the original capital value is to be preserved permanently for use by the College for its financial benefit (i.e. by investment). The Total Return Order stipulates that any investment returns will accrue as a capital supplement (the Unapplied Total Return) to the permanently endowed capital. Any part of the Unapplied Total Return converted into income for allocation against expenditure will be transferred to the appropriate Restricted Income Fund.

**Expendable endowed funds** are accounted for similarly, except that all capital can be converted into income for allocation against spending either in accordance with any restrictions imposed on the original endowment or, where there are no such restrictions, at the College's own discretion.

**Restricted Income Funds** corresponding to each of the Endowed Funds represent the amount of income available for allocation against spending in accordance with the College's internal spending rules.

**Other Restricted Income Funds** are funds held to be used in accordance with the wishes of the donor or for the specific purposes of the fund-raising campaign. These funds are fully expendable and any unused balances are carried forward from one year to the next.

**Unrestricted funds** are funds that are available for use at the discretion of the College in furtherance of its objects and are divided between Designated and General Funds. **Designated Funds** are unrestricted funds which have been set aside by the College for specific purposes. **General Funds** are funds available for the provision of working capital and reserves for the general administration of the College. Further details can be found in note 13.

#### **Pensions costs**

The College contributes to three pension schemes on behalf of its staff.

**The Teachers' Pension Scheme** contributions are made at rates set by the Government actuary and as advised by the scheme administrator. The scheme is a multi-employer defined benefit scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the College, and hence contributions are charged in the year they are incurred as if they were to a defined contribution scheme as required by FRS102.

**The Eton College Employees (1972) Pension and Life Assurance Scheme** is a defined benefit scheme for non-teaching staff. The scheme has been closed to new members since 2006. Employer's contributions are at rates advised by the scheme actuary and administrator and agreed by the Pension Trustees. The movement in the scheme's deficit is analysed within the Consolidated Statement of Financial Activities to show the current and past service cost and the interest cost as part of charitable expenditure.

**The Eton College Group Personal Pension Plan** is a defined contribution scheme for non-teaching staff joining after October 2006. Employer's pension costs are charged in the period in which the salaries to which they relate are payable.

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

Differences between contributions payable in the year and contributions actually paid are shown in either accruals or prepayments in the balance sheet.

All pension costs are charged against unrestricted funds in both the current and the preceding period.

**Key judgements and assumptions**

In the application of the accounting policies, the College has to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. This includes the basis for valuation of the property investments and securities investments for which there is no readily quoted market and the liabilities in relation to the Eton College 1972 Pension Scheme." The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

As at 31 August 2022, the College had the following uncertain estimates and accounting judgements:

- Impairment of financial assets £258k (2021: £238k);
- Depreciation charge during the year of £3,573k (2021: £3,032k);
- Liability in relation to the defined benefit pension scheme and other retirement provisions. The assumptions used to calculate the liability are set out in notes 16 and 17.

**2 OTHER INCOME AND DONATIONS**

*Other income:*

	<b>2022</b>	2021
	<b>£'000</b>	£'000
Charges for extras including school trips	<b>3,818</b>	2,835
Registration and Acceptance Fees	<b>1,189</b>	841
Summer Schools income	<b>1,159</b>	-
Sales and Sundry income	<b>763</b>	401
Profit/ (loss) on sale of fixed assets	<b>1</b>	(5)
	<b>6,930</b>	4,072

*Donations:*

The estimated value of legacies notified but neither received nor included in donations income is £883k (2021: £2,375k)

**3 INVESTMENT INCOME**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
Securities investment income	<b>28,952</b>	24,820
Property investment income	<b>4,116</b>	3,197
Interest	<b>245</b>	57
	<b>33,313</b>	28,074

Eton College only figures do not differ from the consolidated results.

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**4 SUBSIDIARIES**

The College has three active wholly owned non-charitable undertakings, all of which are incorporated in England and Wales, and are consolidated. These are:

<b>Company Name</b>	<b>Registration Number</b>	<b>Activity</b>
Eton College Services Limited	1213991	Provision of hospitality services
Rownmoss Limited	1185176	Property development
EtonX Limited	9624046	Online soft skills education

The registered address of all the above entities is Eton, Windsor, SL4 6DB.

During the year Eton College Services Limited made supplies to Eton College in respect of the provision of functions. The total of these supplies was £162k (2021: £15k). Eton College made supplies to Eton College Services Limited in respect of staff. These supplies do not pass through the Consolidated Statement of Financial Activities.

EtonX Limited previously provided online soft skills courses to high school students. However, their online courses are now being used mainly as part of the Eton College public benefit offering. During the year EtonX employees were either made redundant or were transferred to Eton College and most costs are now included in Eton College. It is the intention that EtonX Limited will eventually become dormant. There were no intercompany sales in the year (2020/21 : £121k).

The College has four dormant wholly owned subsidiaries. The College's directly owned dormant subsidiaries are registered at Eton, Windsor, SL4 6DB.

<b>Company Name</b>	<b>Registration Number</b>	<b>Parent</b>
Eton College Trustees Limited	3316718	Eton College
Eton Riverside Management Limited	3900319	Eton College
The Second 58 Eton Avenue Limited	2998787	Eton College
Eton Online Ventures Limited	8415323	Eton College

<b>Net amount due to/ (owed by) Eton College from:</b>	<b>2022</b>	<b>Restated</b>
	<b>£'000</b>	<b>2021 £'000</b>
Eton College Services Limited	<b>907</b>	1,162
Rownsmoss Limited	<b>546</b>	529
EtonX Limited	<b>(21)</b>	(99)

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**4 SUBSIDIARIES (continued)**

Summary of subsidiaries' statutory accounts:

<b>Profit and loss account</b>	Eton College Services Limited £'000	Rownsmoss Limited £'000	EtonX Limited £'000	Eton Online Ventures Limited £'000	<b>Total 2022 £'000</b>	Total 2021 £'000
Turnover	1,347	32	183	-	<b>1,562</b>	1,163
Cost of sales	(1,178)	(55)	-	-	<b>(1,233)</b>	(689)
Gross profit/ (loss)	169	(23)	183	-	<b>329</b>	474
Expenses	(62)	(6)	(1,546)	-	<b>(1,614)</b>	(1,977)
Revaluation of investments	-	10	-	-	<b>10</b>	-
Net profit/ (loss) before charges to the College	<b>107</b>	<b>(19)</b>	<b>(1,363)</b>	-	<b>(1,275)</b>	(1,503)
Retained in subsidiary company	107	(19)	(1,363)	-	<b>(1,275)</b>	(1,503)
Retained (loss)/ profit b/f	(817)	305	(7,648)	(5,754)	(13,914)	(12,411)
<b>Retained (loss)/ profit c/f</b>	<b>(710)</b>	<b>286</b>	<b>(9,011)</b>	<b>(5,754)</b>	<b>(15,189)</b>	<b>(13,914)</b>

<b>Balance Sheet</b>	Eton College Services Limited £'000	Rownsmoss Limited £'000	EtonX Limited £000	Eton Online Ventures Limited £'000	<b>Total 2022 £'000</b>	Restated Total 2021 £'000
Tangible fixed assets	65	-	-	-	<b>65</b>	80
Investments	-	773	-	-	<b>773</b>	762
<b>Current assets</b>						
Debtors	224	8	71	-	<b>303</b>	395
Cash at bank	77	117	1	-	<b>195</b>	539
<b>Creditors</b>	(1,076)	(612)	(33)	-	<b>(1,721)</b>	(2,036)
<b>Net assets/ (liabilities)</b>	(710)	286	39	-	<b>(385)</b>	(260)
<b>Less: Share Capital</b>	-	-	(9,050)	(5,754)	<b>(14,804)</b>	(13,654)
	(710)	286	(9,011)	<b>(5,754)</b>	<b>(15,189)</b>	(13,914)

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**4 SUBSIDIARIES (continued)**

**Reconciliation to Consolidated Statement of Financial Activities (SOFA)**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
<b>Trading income</b>		
Turnover (per subsidiary statutory accounts)	<b>1,562</b>	1,163
Less: Inter-co trading income	<b>(162)</b>	(166)
Add: Trading income in Eton College	<b>128</b>	96
Trading income per consolidated SOFA	<b>1,528</b>	1,093
<b>Trading expenditure</b>		
Total expenditure (per subsidiary statutory accounts)	<b>2,837</b>	2,666
Less: Reclassification to Investment Gain	<b>10</b>	(15)
Less: Intercompany provision against investments	-	-
Less: Inter-co trading expenditure	<b>(162)</b>	(15)
Total expenditure	<b>2,685</b>	2,636
Trading expenditure in Eton College	<b>43</b>	15
Trading Costs (note 5)	<b>2,728</b>	2,651

The investments in subsidiaries in Eton College's Balance Sheet relate to the investment made in EtonX Limited and Eton Online Ventures Limited. The total cost of the investment in Eton X Limited is £2,480k (2021: £1,330k), in Eton Online Ventures Limited, £5,755k (2021: £5,755k)

A provision of £8,235k (2021: £7,485k) has been made against these investments. The investments in the other subsidiaries do not appear in aggregate as they total only £226 (2021: £226).

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**5 ANALYSIS OF EXPENDITURE**

	Staff £'000	Other £'000	Depreciation £'000	2022 £'000	2021 £'000
<b>Charitable Activities:</b>					
Teaching	22,732	6,351	410	29,493	26,535
Boarding and Welfare	8,847	4,165	93	13,105	12,082
Premises	5,839	24,444	187	30,470	21,137
Support	3,971	2,756	-	6,727	6,335
Depreciation on freehold buildings	-	-	2,866	2,866	2,282
FRS 102 pension interest charges	1,199	576	-	1,775	1,916
Other (see below)	2,293	2,248	2	4,543	3,978
<b>Total</b>	<b>44,881</b>	<b>40,540</b>	<b>3,558</b>	<b>88,979</b>	<b>74,265</b>
<b>Raising and Managing Funds</b>					
Fund-raising	506	213	-	719	800
Investment Management	87	6,363	-	6,450	5,334
Interest	-	3,702	-	3,702	3,343
Trading costs	1,045	1,668	15	2,728	2,651
<b>Total</b>	<b>1,638</b>	<b>11,946</b>	<b>15</b>	<b>13,599</b>	<b>12,128</b>
<b>Total expenditure</b>	<b>46,519</b>	<b>52,486</b>	<b>3,573</b>	<b>102,578</b>	<b>86,393</b>

Audit fees (net of VAT) comprise £50k (2021: £37k) for the audit of the College and £15k (2021: £16k) for the audit of the subsidiary undertakings. In addition, £33k (2021: £23k) was incurred in respect of non-audit services. All of these costs are included within support costs above.

**Other: Expenditure is made up as follows:**

	Staff costs £'000	Other £'000	Depreciation £'000	2022 £'000	2021 £'000
Partnerships	642	677	-	1,319	1,260
Summer Schools	425	604	-	1,029	377
Collegiate	442	196	1	639	591
Collections	590	319	1	910	850
Restricted funds expenditure	63	377	-	440	673
Chapels	131	41	-	172	194
Donations	-	34	-	34	33
<b>Total other expenditure</b>	<b>2,293</b>	<b>2,248</b>	<b>2</b>	<b>4,543</b>	<b>3,978</b>

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**6 STAFF COSTS**

	2022	2021
	£'000	£'000
<b>Staff costs</b>		
Wages and salaries	36,465	34,613
Employer's National Insurance contributions	3,865	3,570
Employer's Pension contributions	4,990	4,697
Defined Benefit Service Costs:	1,199	1,356
	<b>46,519</b>	<b>44,236</b>
Aggregate Employee Benefits (including employer's national insurance contributions) of Key Management Personnel	<b>842</b>	809

The total amount relating to redundancy or termination payments during the year was £356,984 (2021: £135,673). £67,085 (2021: £22,100) of these payments were outstanding at the year end. The average number of employees in the period, including those employed by Eton College Services Limited and EtonX Limited, was 1,107 (2021: 1,055). The number of employees whose emoluments for the year exceeded £60,000 are shown in the table below (including taxable benefits in kind but excluding employer's pension costs and employer's national insurance contributions).

	2022	2021
£60,000 - £69,999	25	28
£70,000 - £79,999	37	34
£80,000 - £89,999	32	34
£90,000 - £99,999	25	27
£100,000 - £109,999	23	13
£110,000 - £119,999	12	14
£120,000 - £129,999	7	6
£130,000 - £139,999	7	3
£140,000 - £149,999	0	2
£150,000 - £159,999	1	1
£160,000 - £169,999	1	-
£230,000 - £239,999	-	1
£240,000 - £249,999	2	1
£260,000 - £269,999	1	-

Employer's pension contributions for the staff listed in the bandings amounted to £2,962k (2021: £2,772k). All except 3 (2021: 3) of the above employees participated in one of the College's pension schemes or the Teachers' Pension Scheme. Two of those who did not participate received compensating remuneration. The Provost and Vice-Provost are remunerated for their work as employees and are not remunerated as trustees. No other Fellows received any remuneration or other benefits from Eton College or any connected body. The total remuneration of the Provost was £135,307 (2021: £132,577). The total remuneration of the Vice-Provost amounted to £128,110 (2021: Previous incumbent £147,752). Expenses, relating to travel, amounting to £341 (2021: £686) were reimbursed to 3 (2021: 2) Fellows. There were no expenses owing to Fellows at 31 August 2022 (2021: Nil).

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**7 TANGIBLE FIXED ASSETS**

*(i) Consolidated*

	Freehold land and buildings £'000	Assets in construction £'000	Plant & Machinery £'000	Total £'000
<b>Cost</b>				
At 1 September 2021	121,937	37,588	9,910	169,435
Additions	-	12,287	464	12,751
Disposals	(780)	(4,837)	(261)	(5,878)
Transfers	30,002	(30,002)	-	-
<b>At 31 August 2022</b>	<b>151,159</b>	<b>15,036</b>	<b>10,113</b>	<b>176,308</b>
<b>Accumulated depreciation</b>				
At 1 September 2021	(37,409)	-	(7,578)	(44,987)
Disposals	24	-	170	194
Charge for the year	(2,866)	-	(707)	(3,573)
Transfers	-	-	-	-
<b>At 31 August 2022</b>	<b>(40,251)</b>	<b>-</b>	<b>(8,115)</b>	<b>(48,366)</b>
<b>Net book value at 31 August 2022</b>	<b>110,908</b>	<b>15,036</b>	<b>1,998</b>	<b>127,942</b>
Net book value at 31 August 2021	84,528	37,588	2,332	124,448

*(ii) Eton College only*

	Freehold land and buildings £'000	Assets in constructions £'000	Plant & machinery £'000	Total £'000
<b>Cost</b>				
At 1 September 2021	121,937	37,588	9,355	168,880
Additions	-	12,287	464	12,751
Disposals	(780)	(4,837)	(261)	(5,878)
Transfers	30,002	(30,002)	-	-
<b>At 31 August 2022</b>	<b>151,159</b>	<b>15,036</b>	<b>9,558</b>	<b>175,753</b>
<b>Accumulated depreciation</b>				
At 1 September 2021	(37,409)	-	(7,103)	(44,512)
Disposals	24	-	170	194
Charge for the year	(2,866)	-	(692)	(3,558)
Transfers	-	-	-	-
<b>At 31 August 2022</b>	<b>(40,251)</b>	<b>-</b>	<b>(7,625)</b>	<b>(47,876)</b>
<b>Net book value at 31 August 2022</b>	<b>110,908</b>	<b>15,036</b>	<b>1,933</b>	<b>127,877</b>
Net book value at 31 August 2021	84,528	37,588	2,252	124,368

# Eton College

## Notes to the Financial Statements (continued)

### For the year ended 31 August 2022

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#### Heritage Assets

Over the centuries, the College has acquired a considerable heritage of books and works of art and regards their preservation, conservation and use, together with the historic buildings in which they are housed, as fundamental to the enrichment of the education that the College provides. As a result of their age, and in many cases unique nature, reliable historical cost information is not available for these assets and could not be obtained except at disproportionate expense. However, in the opinion of the Provost and Fellows, the depreciated historical cost of these assets is now immaterial. These historic assets are insured through a fine arts policy.

The heritage assets include paintings, books, manuscripts, photographs, autograph letters, drawings and engravings, a collection of silver ware, a collection of natural history items and an antiques collection. The policy is not to dispose of items from the Collections. Much importance is placed on professional management of the Collections and their conservation.

College expenditure on additions to the Collections is expensed in the Statement of Financial Activities in the year in which it was incurred. No heritage assets have been disposed of in any of the last 5 years.

Expenditure in the last 5 financial years:

2018	2019	2020	2021	2022
£'000	£'000	£'000	£'000	£'000
60	34	52	32	179

Donations to the College in those years have not been valued as they were not received for financial purposes.

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**8 INVESTMENTS**

**(i) Consolidated**

<u>Market value</u>	Investment Properties £'000	Investment portfolio £'000	Consolidated 2022 Total £'000	Investment properties £'000	Investment portfolio £'000	Consolidated 2021 Total £'000
<b>Market value at 1 September</b>	<b>128,456</b>	<b>430,665</b>	<b>559,121</b>	106,738	368,790	475,528
Acquisitions	827	197,293	198,120	21,951	121,045	142,996
Disposals	(5,988)	(175,160)	(181,148)	(9,448)	(117,971)	(127,419)
Unrealised gain/(loss) at 31 August	9,111	(17,223)	(8,112)	9,215	58,801	68,016
<b>Market value at 31 August</b>	<b>132,406</b>	<b>435,575</b>	<b>567,981</b>	128,456	430,665	559,121

**Attribution to funds:**

Restricted Endowed Funds	111,054	247,861	358,915	107,147	262,677	369,824
Restricted Income Funds	-	2,865	2,865	-	2,677	2,677
Designated Improvement & Maintenance Fund	-	41,888	41,888	-	41,243	41,243
Designated Bursary Fund	-	62,216	62,216	-	62,625	62,625
Designated P&F Fund	21,352	-	21,352	21,309	-	21,309
General Fund	-	80,745	80,745	-	61,443	61,443
<b>Total investments split by fund</b>	<b>132,406</b>	<b>435,575</b>	<b>567,981</b>	128,456	430,665	559,121

<u>Cost</u>	Investment Properties £'000	Investment portfolio £'000	Consolidated 2022 Total £'000	Investment properties £'000	Investment portfolio £'000	Consolidated 2021 Total £'000
<b>Cost at 1 September</b>	<b>73,599</b>	<b>313,274</b>	<b>386,873</b>	61,096	310,200	371,296
Acquisitions	827	197,293	198,120	21,951	121,045	142,996
Disposals	(5,988)	(175,160)	(181,148)	(9,448)	(117,971)	(127,419)
<b>Cost at 31 August</b>	<b>68,438</b>	<b>335,407</b>	<b>403,845</b>	73,599	313,274	386,873

**(ii) Eton College only**

Eton College only figures do not differ from the consolidated results.

The net investment losses in the SOFA of £3,601k comprise realised gains of £4,511k and £8,112k unrealised losses. The total investment loss included in the note above relates only to the net unrealised losses that contribute to the investments held at the year end.

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**9 PRE-PAID FEES SCHEME**

**Discounted liability for future fees**

	Note	2022 £'000	2021 £'000
After ten years		815	891
Within five to ten years		1,308	1,170
Within one to five years		4,395	5,100
<b>Total due after one year</b>	12	<b>6,518</b>	7,161
<b>Total due within one year</b>	11	<b>3,095</b>	3,439
<b>Total liability</b>		<b>9,613</b>	10,600

**Summary of movements in liability**

	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Balance at 1 September		10,600		11,992
New contracts		2,643		2,540
Amounts recognised in payment of fees:				
To the College	(3,504)		(3,767)	
To other schools	(211)		(239)	
Capital Repaid	(16)		-	
		(3,731)		(4,006)
Discount allowed to parents		101		74
<b>Balance at 31 August</b>		<b>9,613</b>		10,600

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**10 DEBTORS**

	Consolidated		Eton College	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade debtors	353	324	129	190
Fees and extras	16,684	15,930	16,684	15,930
Taxation	108	198	58	116
Other debtors	415	395	415	383
Prepayments and accrued income	3,973	4,075	3,965	4,029
Amounts due from subsidiary companies	-	-	531	388
Staff loans	117	129	117	129
	<b>21,650</b>	<b>21,051</b>	<b>21,899</b>	<b>21,165</b>

The figure for fees includes July 2022 advance invoicing of fees for the 2022/23 Michaelmas term. These fees were not due for payment until September 2022, and therefore the resultant deferred income is shown within the figure for fees received or invoiced in advance within creditors (note 11).

All debtors are due within one year except for staff loans of £92k (2021: £90k).

**11 CREDITORS: amounts falling due within one year**

	Note	Consolidated		Eton College	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade creditors		5,569	4,093	5,437	3,974
Amounts due to group undertakings		-	-	-	99
Fees received or invoiced in advance		20,311	19,757	20,311	19,757
Taxation (VAT, PAYE and National Insurance)		1,428	974	1,416	947
Other creditors		1,080	257	1,044	205
Accruals and deferred income		2,848	4,927	2,760	4,800
Pre-paid fees scheme	9	3,095	3,439	3,095	3,439
		<b>34,331</b>	<b>33,447</b>	<b>34,063</b>	<b>33,221</b>

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**12 CREDITORS: amounts falling due after more than one year**

	Note	Consolidated		Eton College	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
Fixed Term Private Placements		<b>140,000</b>	110,000	<b>140,000</b>	110,000
Pre-paid fees scheme	9	<b>6,518</b>	7,161	<b>6,518</b>	7,161
		<b>146,518</b>	117,161	<b>146,518</b>	117,161

The fixed term Private Placements are all unsecured and incur interest payable every six months. The College has four private placements:

- £45m is repayable in 2060 and has a fixed interest rate of 3.63%. This Private Placement has been used to leverage the securities portfolio.
- £25m is repayable in five equal amounts from 2059 and has a fixed interest rate of 2.61%. This Private Placement has been used partly to leverage the property portfolio and partly to meet operational needs of the College.
- £40m is repayable in ten equal amounts from 2049 and has a fixed interest rate of 2.64%. This Private Placement has been used to part fund the new sports facilities.
- £30m, entered into on 1 March 2022, is repayable in 5 equal instalments from 2032. This interest rate is 2.4%. This Private Placement has been taken out to fund the second phase of the sports facilities.

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**13 a MOVEMENTS IN FUNDS - Current Year**

	2021	Income	Bursaries and discounts	Net Income	Expenditure	Gains/ (Losses)	Total return transfers	Other transfers	2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Restricted Endowed Funds</b>									
<i>Permanent</i>									
Improvement Fund	214,224	13,554	-	13,554	(2,644)	(1,195)	(18,327)	-	205,612
Trusts	14,151	776	-	776	(151)	(96)	(340)	-	14,340
Head Master's Fund	27,537	2,135	-	2,135	(416)	(263)	(3,779)	-	25,214
<i>Expendable</i>									
Farrer	58,818	3,625	-	3,625	(707)	(447)	(1,589)	-	59,700
New Foundation	56,431	5,722	-	5,722	(688)	(435)	(1,487)	76	59,619
<b>Total endowed funds</b>	<b>371,161</b>	<b>25,812</b>	<b>-</b>	<b>25,812</b>	<b>(4,606)</b>	<b>(2,436)</b>	<b>(25,522)</b>	<b>76</b>	<b>364,485</b>
<b>Restricted Income Funds</b>									
Improvement Fund	-	-	-	-	(12,148)	-	12,148	-	-
Trusts	785	-	(97)	(97)	(195)	-	340	-	833
Head Master's Fund	1,098	-	(3,688)	(3,688)	(135)	-	3,779	(7)	1,047
Farrer	-	-	-	-	(1,589)	-	1,589	-	-
New Foundation	794	-	(1,174)	(1,174)	(122)	-	1,487	-	985
<i>From endowed funds</i>	2,677	-	(4,959)	(4,959)	(14,189)	-	19,343	(7)	2,865
Other Restricted Funds	9,294	4,040	(1,698)	2,342	(480)	-	-	(1,861)	9,295
<b>Total income funds</b>	<b>11,971</b>	<b>4,040</b>	<b>(6,657)</b>	<b>(2,617)</b>	<b>(14,669)</b>	<b>-</b>	<b>19,343</b>	<b>(1,868)</b>	<b>12,160</b>
<b>Designated Funds</b>									
Improvement & Maintenance Fund	41,243	2,652	-	2,652	(1,680)	(327)	-	-	41,888
Bursary Fund -Bursaries	17,625	4,259	(1,679)	2,580	(831)	(2,158)	-	-	17,216
Bursary Fund -Interest	-	-	-	-	(1,634)	1,634	-	-	-
P&F Designated	5,909	1,224	-	1,224	(239)	(542)	-	-	6,352
P&F Designated - Interest	-	-	-	-	(392)	392	-	-	-
Fixed Asset Reserve *	94,161	-	-	-	-	-	-	3,778	97,939
<b>Total designated funds</b>	<b>158,938</b>	<b>8,135</b>	<b>(1,679)</b>	<b>6,456</b>	<b>(4,776)</b>	<b>(1,001)</b>	<b>-</b>	<b>3,778</b>	<b>163,395</b>
<b>General Fund</b>	<b>336</b>	<b>70,717</b>	<b>-</b>	<b>70,717</b>	<b>(78,527)</b>	<b>25,371</b>	<b>6,179</b>	<b>(1,986)</b>	<b>22,090</b>
<b>Total Funds - Consolidated SOFA</b>	<b>542,406</b>	<b>108,704</b>	<b>(8,336)</b>	<b>100,368</b>	<b>(102,578)</b>	<b>21,934</b>	<b>-</b>	<b>-</b>	<b>562,130</b>
Less subsidiaries	8,260	(1,562)	-	(1,562)	2,847	-	-	-	9,545
Add inter – company	(8,539)	162	-	162	(910)	-	-	-	(9,287)
<b>Total Funds – Eton College only</b>	<b>542,127</b>	<b>107,304</b>	<b>(8,336)</b>	<b>98,968</b>	<b>(100,641)</b>	<b>21,934</b>	<b>-</b>	<b>-</b>	<b>562,388</b>

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**13 b MOVEMENTS IN FUNDS - Prior Year**

	2020	Income	Bursaries and discounts	Net Income	Expenditure	Gains/ (Losses)	Total return transfers	Other transfers	2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Restricted Endowed Funds</b>									
<b>Permanent</b>									
Improvement Fund	179,506	11,508	-	11,508	(2,191)	37,721	(12,320)	-	214,224
Trusts	11,648	780	-	780	(126)	2,157	(308)	-	14,151
Head Master's Fund	23,557	1,817	-	1,817	(346)	5,933	(3,424)	-	27,537
<b>Expendable</b>									
Farrer	47,700	3,085	-	3,085	(587)	10,074	(1,454)	-	58,818
New Foundation	43,374	5,332	-	5,332	(550)	9,428	(1,285)	132	56,431
<b>Total endowed funds</b>	<b>305,785</b>	<b>22,522</b>	<b>-</b>	<b>22,522</b>	<b>(3,800)</b>	<b>65,313</b>	<b>(18,791)</b>	<b>132</b>	<b>371,161</b>
<b>Restricted Income Funds</b>									
Improvement Fund	-	-	-	-	(10,163)	-	10,163	-	-
Trusts	730	-	(85)	(85)	(166)	-	308	(2)	785
Head Master's Fund	1,154	-	(3,309)	(3,309)	(165)	-	3,424	(6)	1,098
Farrer	-	-	-	-	(1,454)	-	1,454	-	-
New Foundation	1,047	-	(1,114)	(1,114)	(424)	-	1,285	-	794
<i>From endowed funds</i>	<i>2,931</i>	<i>-</i>	<i>(4,508)</i>	<i>(4,508)</i>	<i>(12,372)</i>	<i>-</i>	<i>16,634</i>	<i>(8)</i>	<i>2,677</i>
Other Restricted Funds	12,297	2,871	(1,822)	1,049	(602)	-	-	(3,450)	9,294
<b>Total income funds</b>	<b>15,228</b>	<b>2,871</b>	<b>(6,330)</b>	<b>(3,459)</b>	<b>(12,974)</b>	<b>-</b>	<b>16,634</b>	<b>(3,458)</b>	<b>11,971</b>
<b>Designated Funds</b>									
Improvement & Maintenance Fund	33,110	2,256	-	2,256	(1,493)	7,370	-	-	41,243
Bursary Fund -Bursaries	5,241	3,624	(751)	2,873	(690)	10,201	-	-	17,625
Bursary Fund -Interest	-	-	-	-	(1,634)	1,634	-	-	-
P&F Designated	1,984	1,062	-	1,062	(202)	3,065	-	-	5,909
P&F Designated - Interest	-	-	-	-	(402)	402	-	-	-
Fixed Asset Reserve *	89,596	-	-	-	-	-	-	4,565	94,161
<b>Total designated funds</b>	<b>129,931</b>	<b>6,942</b>	<b>(751)</b>	<b>6,191</b>	<b>(4,421)</b>	<b>22,672</b>	<b>-</b>	<b>4,565</b>	<b>158,938</b>
<b>General Fund</b>	<b>2,260</b>	<b>59,771</b>	<b>(74)</b>	<b>59,697</b>	<b>(65,198)</b>	<b>2,659</b>	<b>2,157</b>	<b>(1,239)</b>	<b>336</b>
<b>Total Funds - Consolidated SOFA</b>	<b>453,204</b>	<b>92,106</b>	<b>(7,155)</b>	<b>84,951</b>	<b>(86,393)</b>	<b>90,644</b>	<b>-</b>	<b>-</b>	<b>542,406</b>
Less subsidiaries	6,758	(1,164)	-	(1,164)	2,666	-	-	-	8,260
Add inter – company	(6,841)	167	-	167	(1,865)	-	-	-	(8,539)
<b>Total Funds – Eton College only</b>	<b>453,121</b>	<b>91,109</b>	<b>(7,155)</b>	<b>83,954</b>	<b>(85,592)</b>	<b>90,644</b>	<b>-</b>	<b>-</b>	<b>542,127</b>

# Eton College

## Notes to the Financial Statements (continued)

### For the year ended 31 August 2022

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The **Endowed Funds** are capital funds with a restricted purpose. They are classified as expendable endowment where both capital and income may be spent and as permanent endowment where only the income may be used, in either case for the specific purpose or activity laid down by the donor or relevant governing document. As the College operates a total return approach to all its invested funds, the accounting treatment is the same for all of the endowed funds.

The **Improvement Fund** is a fund established by a scheme of 1904 for the maintenance and preservation of school properties, the preserved capital of which since the enactment of the new Statutes in October 2016 is to be a permanently endowed fund.

The **Trusts Fund** consists of individual grants, legacies and gifts given to the College over many years for specific purposes which are laid down in the individual trust documents.

The **Head Master's Fund** is a special trust (and linked charity) used to fund scholarships, bursaries, prizes, travel grants and other special purposes.

The **Farrer Maintenance Fund** is a special trust (and linked charity) specifically for the improvement and maintenance of the College's buildings.

The **New Foundation Trust** is a special trust (and linked charity) which can be used for a variety of purposes for the benefit of the College, but in accordance with the wishes of the donor. During the year £2,269k was received in new donations and added to the New Foundation Trust, either directly (£2,193k) or by transferring accumulated donations from Other Restricted Income Funds (£76k).

All of the endowed funds are part of the Eton College Common Investment Fund ("EC CIF"), which means that all investment and monies belonging to the endowed funds are pooled for investment purposes.

The **Restricted Income Funds**, corresponding to each of the Endowed Funds, represent the amount of income available for spending in accordance with the College's own internal spending rule. Each year restricted income from the Improvement and Farrer Funds is expended in full on the College's rolling maintenance programmes.

The **Other Restricted Income Funds**, which comprise around 100 separate funds, are to be used in accordance with the wishes of the donor or the fund-raising campaign through which the fund was raised. Examples of such purposes are: Bursaries, College Collections, Student Enrichment, Teaching and Research and Eton Partnerships. The Restricted Income Funds are fully expendable and wherever possible College expenditure is charged to a restricted fund in precedence to being charged against the General Fund. During the year £1,861 k has been transferred to Fixed Asset Reserve to offset costs incurred in respect of Assets in Construction. £76k of accumulated donations have been transferred to the New Foundation Trust as Permanent Capital.

The **Designated Funds** are unrestricted but designated by the College for specific purposes:

The **Designated Improvement & Maintenance Fund** has been specifically designated for the general improvement of the College's facilities, and for the College's longer-term capital projects.

The **Designated Bursary Fund** represents the funds generated by investing the £45m private placement in the Eton College Common Investment Fund less the associated interest charges on the private placement. The **Designated P&F Fund** represents the funds generated by investing the £25m private placement partly in the property portfolio and partly in cash to meet the operational needs of the College. The **Designated Fixed Asset Reserve** represents the net book value of the tangible fixed assets on the balance sheet less the amount of the £40m private placement invested to date in the new sports facilities. At 31 August 2022 £30m (2021: £30m) had been spent.

The **General Fund** is unrestricted and represents the accumulated net income from the College's activities and other sources for the general purposes of the College.

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**14 a ANALYSIS OF FUNDS BETWEEN CONSOLIDATED NET ASSETS - Current Year**

Consolidated fund balances at 31 August 2022 are represented by:

	Note	Restricted		Unrestricted		2022 Total
		Endowed Funds	Income funds	Designated funds	General Fund	
		£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	7	-	-	127,942	-	<b>127,942</b>
Investments	8	358,915	2,865	125,455	80,746	<b>567,981</b>
Current assets, excluding cash		-	2,000	-	19,776	<b>21,776</b>
Cash		5,570	7,295	-	26,945	<b>39,810</b>
Creditors	11/12	-	-	-	(40,849)	<b>(40,849)</b>
Private Placements	12	-	-	(90,002)	(49,998)	<b>(140,000)</b>
Defined benefit pension liabilities	16	-	-	-	(11,818)	<b>(11,818)</b>
Other retirement provisions	17	-	-	-	(2,712)	<b>(2,712)</b>
<b>Total Net Assets</b>		<b>364,485</b>	<b>12,160</b>	<b>163,395</b>	<b>22,090</b>	<b>562,130</b>

**14 b ANALYSIS OF FUNDS BETWEEN CONSOLIDATED NET ASSETS - Prior Year**

Consolidated fund balances at 31 August 2021 are represented by:

	Note	Restricted		Unrestricted		2021 Total
		Endowed Funds	Income funds	Designated funds	General Fund	
		£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	7	-	-	124,448	-	<b>124,448</b>
Investments	8	369,824	2,677	125,177	61,443	<b>559,121</b>
Current assets, excluding cash		-	1,750	-	19,425	<b>21,175</b>
Cash		1,337	7,544	-	19,708	<b>28,589</b>
Creditors	11/12	-	-	-	(40,608)	<b>(40,608)</b>
Private Placements	12	-	-	(90,687)	(19,313)	<b>(110,000)</b>
Defined benefit pension liabilities	16	-	-	-	(36,858)	<b>(36,858)</b>
Other retirement provisions	17	-	-	-	(3,461)	<b>(3,461)</b>
<b>Total Net Assets</b>		<b>371,161</b>	<b>11,971</b>	<b>158,938</b>	<b>336</b>	<b>542,406</b>

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**15 STATEMENT OF TOTAL RETURNS**

The preserved value of the invested endowed capital represents its carrying value on 1 September 2007, when the Total Return Order (dated 27 July 2008) was first applied, together with the gift value of any subsequent endowments and reinvested realised profits from the disposal of investment properties.

	Preserved Capital 1 Sept 2021	Movements in Endowment Funds	Transfers	Preserved Capital 31 August 2022			
	£'000	£'000	£'000	£'000			
<b>Permanent Endowment</b>							
Improvement Fund	112,010	475	-	<b>112,485</b>			
Trusts	3,552	-	-	<b>3,552</b>			
Head Master's Fund	2,816	-	-	<b>2,816</b>			
<b>Sub total</b>	<b>118,378</b>	<b>475</b>	-	<b>118,853</b>			
<b>Expendable Endowment</b>							
Farrer	22,094	-	-	<b>22,094</b>			
New Foundation	29,383	2,193	76	<b>31,652</b>			
<b>Sub total</b>	<b>51,477</b>	<b>2,193</b>	<b>76</b>	<b>53,746</b>			
<b>Total Preserved Capital</b>	<b>169,855</b>	<b>2,668</b>	<b>76</b>	<b>172,599</b>			
	Unapplied Total Return 1 Sept 2021 £'000	Investment Income £'000	Investment Costs £'000	Investment Losses £'000	Unapplied total return applied to capital expenditure £'000	Unapplied total return applied to income £'000	Unapplied Total return 31 August 2022 £'000
<b>Permanent Endowment</b>							
Improvement Fund	102,214	13,079	(2,644)	(1,195)	(6,179)	(12,148)	<b>93,127</b>
Trusts	10,599	776	(151)	(96)	-	(340)	<b>10,788</b>
Head Master's Fund	24,721	2,135	(416)	(263)	-	(3,779)	<b>22,398</b>
<b>Sub total</b>	<b>137,534</b>	<b>15,990</b>	<b>(3,211)</b>	<b>(1,554)</b>	<b>(6,179)</b>	<b>(16,267)</b>	<b>126,313</b>
<b>Expendable Endowment</b>							
Farrer	36,724	3,625	(707)	(447)	-	(1,589)	<b>37,606</b>
New Foundation	27,048	3,529	(688)	(435)	-	(1,487)	<b>27,967</b>
<b>Sub total</b>	<b>63,772</b>	<b>7,154</b>	<b>(1,395)</b>	<b>(882)</b>	-	<b>(3,076)</b>	<b>65,573</b>
Unapplied Total Return	201,306	<b>23,144</b>	<b>(4,606)</b>	<b>(2,436)</b>	<b>(6,179)</b>	<b>(19,343)</b>	<b>191,886</b>

The College has adopted a duly authorised total return approach for all of the funds invested in the Eton College Common Investment Fund. The amount of return applied as income is calculated as 3.5% of the average of the last five years' year-end valuations of investments. During the year, the College has utilised £15,240k (2021: £9,455k) of total unapplied return, over and above the 3.5% applied income, £6,218k (2021: £4,731k) from the Improvement Fund allocated against the cost of major works such as the Boarding House Refurbishment, £6,179k (2021: £2,157k) from the Improvement Fund against the cost of Capital Building Projects and £2,843k (2021: £2,567k) from the Head Master's Fund towards the costs of Bursaries.

# Eton College

## Notes to the Financial Statements (continued)

### For the year ended 31 August 2022

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## 16 PENSION SCHEMES

### Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £3,518k (2021: £3,342k) and £424k (2021: £nil) was accrued at the year-end.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). 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 by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

### Eton (1972) Scheme

The College operates an externally-funded defined benefit scheme - the Eton College Employees (1972) Pension and Life Assurance Scheme, which is based on final salary up to August 2006 and on career average salary from September 2006. This scheme is for non-teaching staff who commenced employment before November 2006. A full actuarial valuation was carried out as at 31 August 2019 by a qualified independent actuary. The valuation was performed on a "market-related" basis.

The employer's contributions, which were at the annual rate of 22% (2021: 22%), amounted to £514K (2021: £610K). In addition, contributions to repay the deficit of £1,200K (2021: £1,200K) were made. The number of active members as at 31 August 2019 was 96 (2016: 129). The employees' contribution rate has been 8% since 1 September 2012.

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

Benefits derived from pensionable service since April 2006 must be increased by RPI, subject to a maximum of 2.5%, those relating to membership for the period April 1997 to April 2006 must be increased by RPI, subject to a maximum of 5%, and those relating to membership prior to April 1997 must be increased by CPI, subject to a maximum of 3%. The increases for benefits derived from membership prior to April 1997 apply to both the GMP (Guaranteed Minimum Pension) and any portion in excess of the GMP.

***The principal assumptions used to value the Eton College (1972) Pension and Life Assurance Scheme under FRS102 were as follows:***

	<b>2022</b>	2021
Rate of increase of pensions in payment (pre 1997 benefit)	<b>2.40%</b>	2.30%
Rate of increase of pensions in payment (post 1997 benefit)	<b>3.50%</b>	3.30%
Rate of increase of pensions in payment (post 2006 benefit)	<b>2.40%</b>	2.30%
Discount rate	<b>4.20%</b>	1.60%
RPI inflation assumption	<b>3.70%</b>	3.50%
CPI inflation assumption	<b>3.00%</b>	2.80%
Revaluation in deferment	<b>3.00%</b>	2.80%
Expected rate of salary increases	<b>2.50%</b>	2.50%
Expected return on assets at beginning of year*	<b>4.20%</b>	1.60%

\* Under the FRS102 standard, the expected return on assets is effectively based on the discount rate used to value the liabilities with no allowance made for any outperformance expected from the Scheme's actual asset holding.

No allowance has been made for members to take tax free cash at retirement.

Mortality assumptions have been made on the basis of SAPS ("S3NA") normal year of birth tables with CMI 2018 projections, a long-term rate of improvement of 1.5% pa and an initial addition of 0.5% pa (2021: SAPS ("S3NA") normal year of birth tables with CMI 2018 projections and a long-term rate of improvement of 1.5% pa and an initial addition of 0.5% pa).

Under the mortality tables adopted, the assumed future life expectancy at age 65 is as follows:

	<b>31 August 2022</b>	31 August 2021
Life expectancy at age 65		
Male currently aged 45	<b>90</b>	89
Female currently aged 45	<b>92</b>	92
Male currently aged 65	<b>88</b>	88
Female currently aged 65	<b>90</b>	90

The sensitivities regarding the principal assumptions used to measure the total liabilities are set out below:

<b>Assumption</b>	<b>Change in assumption</b>	<b>Impact on total liabilities</b>
Life expectancy	Increase by one-year	Increase by 4.2%
Rate of inflation	Increase by 0.25%	Increase by 1.8%
Discount rate	Increase by 0.25%	Decrease by 3.7%

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

*Amounts recognised in the statement of financial activities in respect of the Eton (1972) Scheme are as follows:*

Amounts charged to net incoming resources:	<b>Eton (1972) Scheme 31 August 2022 £'000</b>	Eton (1972) Scheme 31 August 2021 £'000
Current service cost	<b>1,199</b>	1,356
Interest on liabilities	<b>1,299</b>	1,234
Interest on assets	<b>(723)</b>	(674)
Past service cost	-	-
<b>Total charged to net incoming resources</b>	<b>1,775</b>	1,916

Remeasurements over the year:	<b>Eton (1972) Scheme 31 August 2022 £'000</b>	Eton (1972) Scheme 31 August 2021 £'000
Loss (gain) on scheme assets in excess of interest	<b>1,398</b>	(2,557)
Experience losses (gains) on liabilities	<b>2,546</b>	-
Losses (gains) from changes to demographic assumptions	-	-
Losses (gains) from changes to financial assumptions	<b>(29,044)</b>	3,421
Changes in effect of asset ceiling	-	-
<b>Total remeasurements</b>	<b>(25,100)</b>	864

*The amount included in the balance sheet arising from the College's obligations in respect of the Eton (1972) Scheme is as follows:*

Amounts recognised in the Balance Sheet:	<b>Eton (1972) Scheme 31 August 2022 £'000</b>	Eton (1972) Scheme 31 August 2021 £'000
Present value of funded obligations	<b>(56,163)</b>	(82,156)
Fair value of assets	<b>44,345</b>	45,298
(Deficit)	<b>(11,818)</b>	(36,858)
Impact of asset ceiling	-	-
<b>Net defined benefit liability*</b>	<b>(11,818)</b>	(36,858)

\*Net defined benefit liability shown prior to deferred taxation

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

*Movements in the present value of defined benefit obligations were as follows:*

	Eton (1972) Scheme 31 August 2022 £'000	Eton (1972) Scheme 31 August 2021 £'000
<b>Liabilities at 1 September</b>	<b>(82,156)</b>	<b>(78,073)</b>
Current service cost	(1,199)	(1,356)
Employee contributions	(187)	(222)
Past service costs	-	-
Interest costs	(1,299)	(1,234)
Benefits paid	2,180	2,150
Experience gain/(loss) on liabilities	(2,546)	-
Changes to demographic assumptions	-	-
Changes to financial assumptions	29,044	(3,421)
<b>Liabilities at 31 August</b>	<b>(56,163)</b>	<b>(82,156)</b>

*Movements in the fair value of scheme assets were as follows:*

	Eton (1972) Scheme 31 August 2022 £'000	Eton (1972) Scheme 31 August 2021 £'000
<b>Assets at 1 September</b>	<b>45,299</b>	<b>42,186</b>
Interest on assets	723	674
Employer contributions	1,714	1,810
Employee contributions	187	222
Benefits paid	(2,180)	(2,150)
Return on plan assets less interest	(1,398)	2,556
<b>Assets at 31 August</b>	<b>44,345</b>	<b>45,298</b>

Eton (1972) Scheme assets

The assets of the Eton (1972) Scheme are held separately from those of the College, being invested by the scheme trustees with an investment manager. The analysis of the scheme assets at the balance sheet date was as follows:

	Value at 31 August 2022 £'000	Value at 31 August 2021 £'000
Target Return Funds	43,456	44,015
Cash	393	613
Insured annuities	496	670
Total fair value of assets	44,345	45,298
Present value of Eton (1972) Scheme funded obligations	(56,163)	(82,156)
Deficit in the Eton (1972) Scheme	(11,818)	(36,858)
Related deferred tax liability	-	-
Net Eton (1972) Scheme pension liability	(11,818)	(36,858)

# Eton College

## Notes to the Financial Statements (continued)

### For the year ended 31 August 2022

The major categories of assets as a percentage of total assets during the year were Target Return Funds with Threadneedle (47%) and Perform (51%) that invest in a range of asset classes, and cash and insured annuities (2%). The actual return on the Scheme's assets over the period to the Review Date was a loss of £675K.

The actuarial value of the scheme's assets as at 31 August 2019 represented 85% of the benefits that had accrued to members, after allowing for future expected increases in earnings, corresponding to a deficit of £7,118K (after allowing for the insured pensions valued at £623K). The previous recovery plan of additional contributions of £450K pa continued to apply to 31 August 2020. The College topped up the contributions in the year to 31 August 2020 to make total contributions of £1,200K. Additional contributions of £1,200K pa over a further 6 years are due from 1 September 2020. Expenses and death-in-service premiums have been met by the College since 31 August 2014.

#### Eton College Group Personal Pension Scheme

The College operates a Group Personal Pension Scheme which is open to non-teaching staff who began their employment after 2006. Contributions to this scheme totalled £1,368k (2021: £1,238k) during the year. An amount of £nil was accrued at the year-end (August 2021: £106k).

#### EtonX Group Personal Pension Scheme

Contributions totalling £34k (2021: £40k) were made to the EtonX Group Personal Pension Plan. An amount of £nil was accrued at the year-end (2021: £3k).

## 17 OTHER RETIREMENT PROVISIONS

	Consolidated and Eton College	
	2022	2021
	£'000	£'000
Other retirement provisions	<b>2,712</b>	3,461

The College holds a provision to fund post retirement payments to a number of ex-masters, ex-masters' wives and a small number of former support staff. It is not intended that any further such pensions will be awarded. Eton College holds £15,905k (2021: £17,296k) in the Eton College Common Investment Fund to cover these liabilities and to contribute to any shortfall in the 1972 defined benefit scheme.

## 18 FINANCIAL INSTRUMENTS

	Note	Consolidated		Eton College	
		2022	2021	2022	2021
		£'000	£'000	£'000	£'000
Financial assets measured at amortised cost	(a)	<b>59,117</b>	47,341	<b>59,230</b>	47,018
Financial assets measured at fair value	(b)	<b>567,981</b>	559,121	<b>567,981</b>	559,121
Financial liabilities measured at amortised cost	(c)	<b>(149,497)</b>	(119,277)	<b>(149,241)</b>	(119,078)
		<b>477,601</b>	487,185	<b>477,970</b>	487,061

(a) Financial assets measured at amortised cost include cash, trade and fee debtors, staff loans, other debtors and accrued income.

(b) Financial assets measured at fair value consist of investments.

(c) Financial liabilities include trade creditors, acceptance fees, other creditors, bank loans and pension liabilities.

Impairment losses charged to financial assets in the year amounted to £258k (2021: £238k)

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**19 CAPITAL COMMITMENTS**

Costs contracted for but not provided for as at 31 August 2022 in respect of capital improvements and developments amounted to £10.9m (2021: £14.4m).

At 31 August 2022 there were outstanding commitments to fund a further £60.9m (31 August 2021: £27.5m) in capital calls from private market investments, which were valued at £154.2m at the end of September 2022. There are also a further recallable distributions totalling £9.7m at 31 August 2022 across these private market investments, that the College is committed to return to the fund if recalled. It is intended that drawdowns will be funded either from redemptions in the private market portfolio or from the sale of liquid investments within the portfolio generally.

**20 LEASES**

The total future minimum lease income under non-cancellable commercial property leases is as follows:

	<b>2022</b>	2021
	<b>£'000</b>	£'000
Receivable in less than 1 year	<b>4,520</b>	3,369
Receivable between 1 and 5 years	<b>13,429</b>	11,785
Receivable in greater than 5 years	<b>11,699</b>	12,683
	<b>29,648</b>	27,837

**21 RELATED PARTY TRANSACTIONS**

Details of the remuneration and expenses paid to the Provost and Fellows and Key Management Personnel are included in note 6, and details of subsidiaries are detailed in note 4. Other related party transactions are listed below:

The spouses of the Provost and Head Master are remunerated for support roles. Their duties include attending dinners with boys and parents, attending College events such as School Plays, Concerts and Sports Fixtures. Total remuneration in 2021/22: £35,930 (2020/21: £35,312).

Baroness Morissey's son worked as an Eton Master during the Summer of 2022. Total remuneration was £13,896. His rate of pay was determined by the College's Salary Scale.

The Provost's spouse occasionally teaches Cookery to senior boys. Her rate of pay is determined by Eton Salary Scales. Total remuneration in 2021/22 was £3,722 (2020/21 : £nil)

Children of Key Management Personnel attend the College under the standard terms of employment.

The Head Master's wife is CEO of the Royal National Children's Spring Board Bursary Foundation. This is a charity working across the UK's boarding and independent schools' sector to expand the number of 110% bursary places (those that cover all fees and extras) and ensure that these opportunities are targeted towards young people who most need them such as those that have faced challenging circumstances e.g. children and teenagers in or on the edge of care, or growing up in households and communities where opportunities to flourish are limited. The College pays an annual subscription of £6k per year (2020/21:£6k) to the Foundation.

There are no amounts due to related parties at the 31 August 2022 (31 August 2021: £nil)

**Eton College**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 August 2022**

**22 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021**

	Unrestricted Funds		Restricted Funds		Total 2021 £'000	Total 2020 £'000
	General Funds	Designated Funds	Restricted income funds	Endowed funds		
	£'000	£'000	£'000	£'000		
<b>INCOME FROM</b>						
<b>Charitable activities</b>						
School fees	53,223	-	-	-	<b>53,223</b>	49,853
Scholarships and bursaries	-	(751)	(6,330)	-	<b>(7,081)</b>	(7,157)
Discount on pre-paid fees	(74)	-	-	-	<b>(74)</b>	(132)
<b>Net school fees</b>	<b>53,149</b>	<b>(751)</b>	<b>(6,330)</b>	<b>-</b>	<b>46,068</b>	42,564
Other income	4,004	-	68	-	<b>4,072</b>	4,466
Donations	282	-	2,797	2,565	<b>5,644</b>	17,143
Investment income	1,169	6,942	6	19,957	<b>28,074</b>	12,690
Trading income	1,093	-	-	-	<b>1,093</b>	1,116
<b>Total income</b>	<b>59,697</b>	<b>6,191</b>	<b>(3,459)</b>	<b>22,522</b>	<b>84,951</b>	77,979
<b>EXPENDITURE ON</b>						
Charitable activities	(60,227)	(1,064)	(12,974)	-	<b>(74,265)</b>	(72,027)
Raising and managing funds	(4,971)	(3,357)	-	(3,800)	<b>(12,128)</b>	(11,394)
<b>Total expenditure</b>	<b>(65,198)</b>	<b>(4,421)</b>	<b>(12,974)</b>	<b>(3,800)</b>	<b>(86,393)</b>	(83,421)
Net (expenditure) /income before investment gains and transfers	<b>(5,501)</b>	<b>1,770</b>	<b>(16,433)</b>	<b>18,722</b>	<b>(1,442)</b>	(5,442)
Net investment gain	3,653	22,672	-	65,313	<b>91,638</b>	14,084
Transfers between funds	918	4,565	13,176	(18,659)	-	-
<b>NET INCOME/ (EXPENDITURE)</b>	<b>(930)</b>	<b>29,007</b>	<b>(3,257)</b>	<b>65,376</b>	<b>90,196</b>	8,642
Pension scheme actuarial (loss)/gain	(994)	-	-	-	<b>(994)</b>	389
<b>NET MOVEMENT IN FUNDS</b>	<b>(1,924)</b>	<b>29,007</b>	<b>(3,257)</b>	<b>65,376</b>	<b>89,202</b>	9,031
Funds brought forward	2,260	129,931	15,228	305,785	<b>453,204</b>	444,173
<b>FUNDS CARRIED FORWARD</b>	<b>336</b>	<b>158,938</b>	<b>11,971</b>	<b>371,161</b>	<b>542,406</b>	453,204