



REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2025

HaysMac LLP
Chartered Accountants
Registered Auditors

The Association of Governing Bodies of Independent Schools

The Grange, 3 Codicote Road, Welwyn, Herts AL6 9LY

Tel: 01438 840730

A company limited by guarantee, registered in England and Wales, No. 05217162. Registered Charity No. 1108756

THE ASSOCIATION OF GOVERNING BODIES OF INDEPENDENT SCHOOLS

REPORT OF THE BOARD

FOR THE YEAR ENDED 31 DECEMBER 2025

The Association of Governing Bodies of Independent Schools (AGBIS) Board presents its report with the accounts for the year ended 31 December 2025. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP) (Second Edition, effective 1 January 2019), applicable law and the Charity's governing document.

REFERENCE AND ADMINISTRATIVE DETAILS

Status and Administration

The Association is a company limited by guarantee registered in England and Wales, No 5217162, and a registered charity, No 1108756. The Association was formed in 2002 from an amalgamation of the Governing Bodies Association and the Governing Bodies of Girls Schools Association, both of which were formed in the 1940s. Details of the Board Members, Executive Officers, registered address and professional advisers are given below.

Principal Office

The Grange, 3 Codicote Road, Welwyn, Hertfordshire AL6 9LY

Board Members

Mark Taylor (Chair) #*^ (retired 19 March 2025)
Charlotte Marten (Chair) #*^ (from 19 March 2025)
Mike Gregson ^ (Deputy Chair)
Diana Robinson * (Treasurer)

Rosie Allen #

Tom Beardmore-Gray *

Monica Bhandari (appointed 19 March 2025)

Meg Gardiner Boiling (appointed 19 March 2025)

Julie Cornell # (retired 19 March 2025)

Paul Dillon-Robinson # *

John Edward ^

Caroline Jordan #

Christine Keunen ^

Irfan Latif ^

Francis Maude (resigned 9 May 2025)

Barney Northover #

Nigel Taylor # (resigned 9 April 2025)

Sarah Phillips * (retired 19 March 2025)

Sophie Rees

David Stanton ^

Independent sector affiliation during 2025

Tring Park School for Performing Arts

North London Collegiate School

The Edinburgh Academy Foundation

Westbrook Hay School, Westbrook Hay Educational Trust Ltd

and Westminster School

City of London School

Bradfield College; Prep Schools Trust

St Helen's School, Northwood

Homefield Preparatory School, St John's School Leatherhead

St George's School, Windsor Castle

Hurst Education Trust

Fettes College, Edinburgh

Wycombe Abbey School and Headington Rye Oxford

Stonyhurst College

Royal Hospital School

Warminster School

Mill Hill Foundation

King Alfred School

Thomas's London Day School

Westminster School

* Member of the Finance Committee

Member of the Training and Membership Committee

^ Member of the Nominations and Governance Committee

The Board is responsible for the management of the Association and has absolute discretion in applying the funds in furtherance of the objects of the Association. The Board Members are the Trustees of the Charity and are also the Directors for Companies Act purposes.

Day to day running of the Association is entrusted to the Chief Executive, Richard Harman.

Auditors:

HaysMac LLP
10 Queen Street Place,
London,
EC4R 1AG

Bank:

CAF Bank Ltd
25 Kings Hill,
West Malling,
Kent ME19 4JQ

THE ASSOCIATION OF GOVERNING BODIES OF INDEPENDENT SCHOOLS

REPORT OF THE BOARD (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

AGBIS is governed by its Articles of Association, last amended on 17 March 2022.

Election, Induction and Training of Board Members

Board Members are elected to the Board as Directors at the Annual General Meeting following a ballot of member schools. Those elected are normally governors of member schools who volunteer and have been nominated to serve on the Board. In addition, the Board can co-opt Directors provided the majority of Directors are elected by member schools. New Directors receive briefing information and an induction session and they are encouraged to attend AGBIS events.

Organisational Management

The Directors meet as the Board at least three times a year to determine the aims and strategy of the Association and to review its overall management and control for which they are legally responsible. The Finance Committee meets three times a year to agree the budget, to review financial controls, to monitor financial performance and to make appropriate recommendations to the Board. The Training and Membership Committee meets three times a year to review the membership criteria and to recommend to the Board whether applicant schools meet the criteria. This Committee also oversees the training provided for individual schools as well as seminars, webinars and reviews of governance. The Nominations and Governance Committee meets three times each year to make recommendations to the Board concerning membership of the Board, appointment of the Honorary Officers and to review the Board and Committees' effectiveness and terms of reference. The day-to-day running of the Association is delegated to the Chief Executive who receives guidance from the Honorary Officers between meetings. He is assisted by a Director of Learning and Professional Development and a Director of Operations.

Key management personnel remuneration

The Directors consider key management personnel remuneration on an annual basis as part of the staff pay review. In setting key management remuneration, the Directors benchmark against entities of comparable size which have similar objectives. The key management personnel are considered to be the Board Members (as Directors of the charity), the Chief Executive, the Director of Learning and Professional Development and the Director of Operations. Board members are not remunerated for their directorship roles but some of them also perform reviews of governance and are paid for these services.

Principal risks and uncertainties

An annual risk management assessment is carried out by the Board to identify the major risks to which the Charity is exposed. The Board confirms that it has established systems to mitigate the Association's exposure to the major risks. As the Charity's main income derives from membership fees and from services to its members, the principal risks relate to the level of membership. The Board reviews the services it offers to ensure that they are in line with the current climate.

2025 saw a watershed moment for independent education with VAT imposed on school fees from January 2025 and mandatory business rates relief removed from charitable schools in the sector from April 2025. This significantly impacted pupils, families and schools in our sector. In early 2025 the ISC supported a legal challenge to the imposition of VAT on fees. The challenge was brought by some of the most affected groups of families and was heard in the High Court. Whilst the legal challenge was ultimately unsuccessful, some important principles about choice and diversity in educational provision were reinforced in the overall judgement handed down in April. After careful reflection it was decided not to support any appeal of the decision.

In terms of the effect on AGBIS activities, in 2025 a mix of webinars, in-person seminars, partner events and our Annual Conference were offered, with a noticeable reduction in bookings compared to previous years and pre-pandemic levels. Bespoke training, consultancy and reviews of governance were delivered both face-to-face and hybrid during the year, using video technology as appropriate. Bookings for training and reviews were lower than anticipated with many schools freezing governor training and development budgets to provide urgent focus on mitigating the significant financial headwinds and increasing regulatory pressures affecting their schools.

The annual ISC census indicated a decrease in pupil numbers for 2025, and the Association noted a continued and increasingly rapid trend towards school mergers, acquisitions and closures in the sector. This is primarily due to the challenging financial, economic and political landscape affecting many members and some smaller schools in particular.

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REPORT OF THE BOARD (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

Looking ahead, the principal risk to the Association remains a possible loss of membership and other income streams through ongoing consolidation and cost-cutting in the sector.

OBJECTS AND PRINCIPAL ACTIVITIES

The object of the Association is the advancement of education in independent schools. The Association gives guidance to governing bodies, speaks for them on matters relating to the governance of independent schools and considers the relationship of their members to the general educational interest of the community.

VISION AND MISSION

AGBIS's vision is to be recognised as the authoritative voice on governance in independent schools.

Its mission has three main elements:

1. To be a visible source of top quality advice and training for all members of governing bodies of independent schools;
2. To support schools in achieving the best and most effective practice in school governance, both now and in the future;
3. To engage positively with all key stakeholders in promoting the principles of good governance.

PUBLIC BENEFIT

The Directors confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

AGBIS has continued to provide public benefit in the following ways: It has endeavoured to extend the number of member schools in order to enable a larger section of the public to benefit from its object, the advancement of education in independent schools. In 2025, 11 schools were admitted to membership and six schools closed or left membership. The total number of members as at 31 December 2025 was 857; within this number were several groups of schools which share one governing body. Academies or free schools can be admitted as associate members, as can proprietorially owned schools, provided that the Board is satisfied that the standard and quality of governance of the schools meets minimum defined criteria. The subscriptions charged continued to be set at a level which ensures that the aim to widen access is restricted as little as possible by schools' ability to pay. AGBIS actively encourages its member schools to take a proactive approach to their own public benefit activities and report these in accordance with Charity Commission guidance (OSCR in Scotland and The Charity Commission for Northern Ireland in Northern Ireland).

The AGBIS training materials, including the electronic learning courses and the manual "Guidelines for Governors", are available to the public, including governors of non-member schools. The programme of electronic learning and training is available to members free and to non-members on payment of a modest fee. The "Guidelines for Governors" publication was updated and the new edition published in March 2025 and provided electronically to all member schools. In addition, a new "Principles of Good Governance" publication was developed to support governance in non-charitable schools and schools outside the UK. The publication launched in March 2025 and available free of charge to all schools to help widen the reach of AGBIS benefits to a broader range of potential members and to support governance across the whole sector.

In 2025 AGBIS continued to have discussions with the Department for Education (DfE) as to how the Association might make the experience and expertise of governors of its member schools available to governors of maintained sector schools, academies and free schools in particular, to share experience and expertise for the benefits of all schools.

Although the Schools' Partnership Oversight Board has been in abeyance since 2021, the AGBIS Chief Executive has continued to keep in close touch with the DfE on this and other related matters and attended several relevant events and meetings with civil servants and/ or ministers. In line with the Joint Understanding agreed between the ISC and DfE in 2018, AGBIS continues to encourage member schools to share good practice and promote further development of independent/state school partnerships.

With the impact of the government's policy regarding VAT on school fees and the removal of mandatory business rates relief in mind in 2025, the Chief Executive has worked closely with other ISC Associations and has remained in communication with officials at the DfE and HM Treasury, to understand and explain the impact of these changes and to advise members accordingly.

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REPORT OF THE BOARD (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

In 2025 both the AGBIS Chair and one other Trustee were both members of the ISC Inclusion and Diversity working group which worked with key partners to promote the development of the principles of EDI within and beyond the sector.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Review of Activities

The Association continued to provide advice and support to members across the spectrum of governance in close liaison with the other Associations which are members of the Independent Schools Council (ISC) and also with its affiliates: the Boarding Schools Association (BSA); the Council of British International Schools (COBIS); the Scottish Council of Independent Schools (SCIS); and the Welsh Independent Schools' Council (WISC).

The Association ran a programme of seven training seminars and 42 training webinars, including 12 jointly with other Associations, to keep governors informed of issues relating to all aspects of governance. The Association also delivered a one-day Conference held in partnership with HMC and ISBA in the autumn term. These training events were attended by 1,541 delegates (2024: 2,691). The AGBIS webinar programme includes the opportunity to access recordings, making the training accessible to more governors with a wider (indeed unlimited) geographical reach. In addition, the Annual Conference in March attracted a total of 164 delegates representing 132 schools. Training sessions and facilitation of strategy days were also arranged on request, in person or remotely, for 29 schools' governing bodies (47 in 2024), including an increasing number of requests for training from schools beyond the UK. Demand for reviews of governance continued, with nine provided for member schools in 2025 (2024:15), including several conducted remotely using video technology and three conducted in member schools outside the UK

2025 saw the launch of the Association's new flagship programme of support for governance professionals (clerks): the Governance Professionals' Programme. The programme has been designed as blended learning, with a mix of face-to-face, online and eLearning delivery. The first cohort of the Advanced programme began the course in September 2025 with 23 participants and we have received very positive feedback throughout. The programme has been accredited by the CPD Service and is therefore recognised both in the UK and internationally. It has two levels, with the Foundation level launching in early 2026.

Over the past year, AGBIS International has strengthened its position as a leading voice in British international school governance. It has delivered high-impact governance reviews, board training and strategic advice across Europe, the Middle East and Asia, while deepening trusted relationships through attendance at conferences with key associations including COBIS, BSME, AoBSO, HMC, FOBISIA and BISSC. Building on this momentum, AGBIS International is convening the first International Governance Forum in May, bringing these, and several other associations, around the same table to share insight, align thinking and strengthen governance practice across the global sector. Growth in membership is a key aim, and it has been encouraging to see a number of new members this year, the return of one leaver, and several planned strategies for growth.

In autumn 2025 AGBIS launched "The Governance Angle", a weekly short update to share practical insights and real experiences to help governors, chairs and clerks strengthen their boards and continue learning together. In addition to this, throughout 2025 AGBIS provided a steady flow of electronic updates and newsletters for members, to keep them abreast of unfolding issues in schools and the sector. The impact of the imposition of VAT on school fees and the removal of mandatory business rates relief for charitable schools caused significant challenge and turbulence during 2025. To ensure members had regular support during this period, the number of free AGBIS briefings, held in webinar style, was increased. Some were held in partnership with sector experts to ensure members had access to up-to-date information and guidance.

In 2025, the free termly sessions offered to clerks and chairs or vice-chairs of governors at member schools were rebranded as the "Clerks' Networking Group" and the "Chairs' and Vice-Chairs' Networking Group". In addition, the first "International Clerks' Networking Group" was held in 2025 to focus on issues impacting our international member schools. Members continued to gain value from these sessions which were conducted virtually, in meeting style, to allow members to network with peers and raise topical issues and questions.

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REPORT OF THE BOARD (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

The Association's manual "Guidelines for Governors" remains available electronically and is provided free of charge for all governors of AGBIS member schools. The document was updated in 2025 and published alongside a new "Principles of Good Governance" document focused on supporting member schools without charitable status and schools based outside the UK.

The governor vacancy and clerk vacancy boards continued to provide recruitment support to member schools with 36 vacancies advertised successfully in 2025. Many schools also took advantage of the AGBIS partnership with Nurole to receive discounted support for their board recruitment search.

In 2025 the Model Heads' and Bursars' Contracts were revised, in partnership with Farrer & Co. Other key membership documents were also updated including: the compliance guide; the governance manual; governors' skills audit; and the governing body self-assessment. New documents were introduced and added to the members' resources pages of the AGBIS website, including: a policy requirements list; guidance for local advisory boards (LABs); a guide to creating a KPI dashboard; guidance on agile governance and the circle model; a scheme of delegated authority (SODA) guide; and a governor visits record form.

During 2025 there were some staffing changes with Susan Harris leaving her role as Training and Events Manager to enable her to work on a part-time basis for her own consultancy. Peter Harris retired from his part-time role as Finance Manager. At the end of 2025 the Association restructured its communication activities with Lauren Eveleigh, Digital Engagement and Membership Officer, leaving the association and specialist social media support contracted on a part-time basis. Chloe Welford was recruited to the role of Professional Development and Events Coordinator in August and Shelley Luthra was recruited as Finance Manager in September 2025.

At the end of December 2025 Richard Harman, Chief Executive, announced his retirement from AGBIS after ten years leading the Association. He will step down in August 2026 but will continue his involvement in the sector as Chair of the Independent Schools Examinations Body (ISEB) from September 2026. The AGBIS Chair, Charlotte Marten, commented that "for ten years, he has provided that calm voice at the end of the phone or online, supporting governors making difficult decisions. AGBIS has benefited from Richard's deep knowledge of the sector and his collaborative approach to leadership. He will be much missed by all of us who have had the privilege of working with him".

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The net deficit before investment gains and losses for the year to 31 December 2025 was £108,989 (2024: surplus of £140,096). The reserves have been increased by an unrealised gain in the value of the investments of £6,185 (2024: gain of £28,815).

This deficit is in part due to planned investments made by the Trustees. As noted in the 2024 Directors' Report '*The Directors agreed to hold reserves at a higher level going into the 2025 financial year, both as a prudent response to the difficult economic outlook and to support planned investments in services to members. The main areas where expenditure had been deferred from 2024 to 2025 were: improvements to the AGBIS website, updating the eLearning platform, and launching a programme of accredited development qualifications for Clerks*'. The accredited Governance Professionals' Programme launched in September, with the support of the new eLearning platform. Work to upgrade the CRM and website began in 2025 and will complete in 2026. In addition to the planned investments the Trustees also agreed to undertake the following projects:

- research into the Changing Role of the Chair in Independent Schools, to identify and recognise the challenges faced by the Chair of the governing body in these unprecedented times and to inform AGBIS's response and support.
- commissioning a review of its own governance practices to benchmark the Association against other charities and ensure the Trustees continue to recognise areas for continued development.
- providing a grant to the ISC to support website improvements aimed at demonstrating the strengths of our sector to parents and the public.

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REPORT OF THE BOARD (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

Investment Powers, Policy and Performance

The AGBIS Board has the power to make investments as it deems fit. Funds with a market value of £341,793 are currently invested with Sarasin & Partners with a view to obtaining above inflation investment growth at an acceptable level of risk. The performance of the portfolio has been disappointing during 2025 relative to the performance benchmark. The fund grew by 4% relative to a benchmark of 12.4%. The Board will monitor the progress of the portfolio carefully during 2026 with a view to achieving an investment return in line with the benchmark.

Reserves Policy

In common with other charities, the Association is expected to state its policy regarding the accumulation of reserves. Total reserves at the year-end were £597,752 (2024: £700,556). It is considered that the current reserves, which equate to approximately six and a half months of expenditure, are sufficient to meet all foreseeable contingencies, to enable the Association to operate comfortably and cope with any unexpected item of expenditure. The policy set by the Directors is that the reserves should be maintained at approximately six months of expenditure.

FUTURE PLANS

The AGBIS Board commissioned the Centre for Charity Effectiveness, part of the Bayes Business School, to undertake a review of its governance in 2025. The outcomes of the review, along with other sector challenges, were discussed at Board strategy days in September 2025 and February 2026, and will inform its future planning.

The current AGBIS strategy is to pursue its objects and to provide public benefit by the following means:

- Work ever more closely with colleagues in the other ISC constituent (and affiliated) Associations, including via joint webinar/ conference presentations for the benefit of our members.
- Broaden the association's membership so that advice, support and training are available to a greater number of schools that meet our membership criteria, both in the UK and overseas.
- Expand accredited professional development opportunities to support clerks, as the governance professionals, in the independent sector. Launch the Foundation Level of the Governance Professionals' Programme in early 2026 and support further cohorts of learners to develop their practice through the Advanced Level Governance Professionals' Programme
- Develop a range of new training and consultancy services that meet the needs of members even better, including a renewed focus on support and professional development for chairs in the independent sector.
- Launch newly revised safeguarding training and new governors' training specifically for governors of independent schools, free of charge to all member schools to ensure they understand these key areas and how to discharge their duties effectively.
- Promote and distribute "Guidelines for Governors" and "Principles of Good Governance" by all possible means in order to raise awareness and understanding of effective governance practices.
- Enable governors of member schools to access information more easily through greater and more effectively tailored use of digital/electronic communication, social media and the website

Continue to:

- Provide prompt, informed and courteous advice to members by telephone, video conferencing, email, e-Alerts, e-Newsletters and regular AGBIS Briefings, focusing on key emerging challenges in the sector.
- Expand the reach and hone the quality of the training, consultancy and governance effectiveness review programmes, to reach more governors and deliver services even more effectively, including via video conferencing.
- Expand International Membership and support for schools outside the UK.
- Support the Independent Schools Council to maintain a single voice for the independent schools' sector.
- Establish closer links with the Associations representing governors of maintained schools, including free schools and academies, to exchange knowledge and best practice in governance matters by, for example, supporting the ISC's Joint Understanding and attending relevant meetings with officials from the Department for Education.

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- Contribute to discussions on the inspection of independent schools, in order to promote an inspection service which accurately assesses regulatory compliance and provides informed judgements for stakeholders, without imposing unreasonable demands on governors and senior staff.

The AGBIS Trustees will continue to review their strategy to ensure that the Association continues to meet the needs of its members in the most effective way possible, bearing in mind a rapidly changing market and sector landscape.

STATEMENT OF RESPONSIBILITIES OF THE BOARD

The members of the Board (who are also Directors of AGBIS for the purposes of company law) are responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Board members is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the Board members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

In preparing this report, the trustees have taken advantage of the exemptions available to small companies and have not prepared a Strategic Report.

AUDITORS

A resolution regarding the appointment of auditors will be put to the Annual General Meeting. HaysMac LLP have expressed their willingness to continue in office.

Approved by the Board on 12 March 2026 and signed on its behalf by:



Charlotte Marten,
Chair

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE ASSOCIATION OF GOVERNING BODIES OF INDEPENDENT SCHOOLS

Opinion

We have audited the financial statements of the Association of Governing Bodies of Independent Schools for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2025 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Report of the Board. 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.

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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Board (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Report of the Board has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE ASSOCIATION OF GOVERNING BODIES OF INDEPENDENT SCHOOLS

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Board (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Report of the Board and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Charity law, employment law, health and safety regulations and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the reporting requirements under the Charities SORP and FRS 102, the Companies Act 2006, the Charities Act 2011, VAT and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to improper recognition of income and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Review of minutes of trustees' meetings;
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;

INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS OF THE ASSOCIATION OF GOVERNING BODIES OF INDEPENDENT SCHOOLS

- Identifying and testing journals based on risk profile; and
- Challenging assumptions and judgements made by management in their accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our auditor’s report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Tracey Young (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditor

10 Queen Street Place
London
EC1R 4AG

..... 2026

THE ASSOCIATION OF GOVERNING BODIES OF INDEPENDENT SCHOOLS

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Total 2025 £	Total 2024 £
INCOME FROM:			
Charitable activities:			
Governors' Seminars and Webinars		81,386	96,563
AGM contributions		95,357	82,615
Training		105,699	139,683
Ancillary income		29,873	16,777
Other trading activities:			
Subscriptions		610,650	609,583
Income from investments		20,188	23,936
		<u>943,153</u>	<u>969,157</u>
EXPENDITURE ON:			
Charitable activities	2	1,052,142	829,061
		<u>1,052,142</u>	<u>829,061</u>
Net (expenditure)/income before investment gains		(108,989)	140,096
Net gains on investments	5	6,185	28,815
NET MOVEMENT IN FUNDS		(102,804)	168,911
Balance brought forward at 1 January 2025		700,556	531,645
Balance carried forward at 31 December 2025		<u>£597,752</u>	<u>£700,556</u>

All income and expenditure derives from continuing activities.

There were no recognised gains and losses other than those included above.

The accompanying notes form part of these accounts.

All activities in the current and prior year were unrestricted.

THE ASSOCIATION OF GOVERNING BODIES OF INDEPENDENT SCHOOLS

BALANCE SHEET

COMPANY NUMBER: 5217162

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025		2024	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	3	6,685		4,038	
Intangible fixed assets	4	38,130		-	
Investments	5	341,793		336,260	
			386,608		340,298
CURRENT ASSETS					
Bank accounts		692,211		811,642	
Debtors	6	299,931		232,130	
		992,142		1,043,772	
CURRENT LIABILITIES					
Creditors: amounts due within one year	7	(780,022)		(679,854)	
NET CURRENT ASSETS			212,120		363,918
TOTAL ASSETS LESS CURRENT LIABILITIES			598,728		704,216
NON CURRENT LIABILITIES					
Pension liability	11		(976)		(3,660)
NET ASSETS			£597,752		£700,556
REPRESENTED BY					
UNRESTRICTED FUNDS:					
General Fund (including revaluation gains to date of £42,445 (2024: £36,260 gain))			£597,752		£700,566

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006.

The financial statements were approved and authorised for issue by the Board on 12 March 2026 and were signed below on its behalf by:



Charlotte Marten
Chair



Diana Robinson
Hon Treasurer

The accompanying notes form part of these accounts.

THE ASSOCIATION OF GOVERNING BODIES OF INDEPENDENT SCHOOLS

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 £	2024 £
Cash flows from operating activities:	a	(94,276)	27,473
Cash flows from investing activities:			
Investment income		20,188	23,936
Payments to acquire fixed assets		(45,995)	(3,511)
Sale of investments		652	-
Net cash (used in)/provided by investing activities		(25,155)	20,425
Change in cash and cash equivalents in the reporting period		(119,431)	47,898
Cash and cash equivalents at the beginning of the reporting period		811,642	763,744
Cash and cash equivalents at the end of the reporting period		£692,211	£811,642

NOTE TO THE CASHFLOW STATEMENT

A	RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES	2025 £	2025 £	
	Net movement in funds	(102,804)	168,911	
	Investment income	(20,188)	(23,936)	
	Depreciation and amortisation	5,218	876	
	(Gains) on investments	(6,185)	(28,815)	
	(Increase) in debtors	(67,801)	(1,596)	
	(Decrease)/increase in creditors	97,484	(87,967)	
	Net cash from operating activities	£(94,276)	£27,473	
B	ANALYSIS OF CHANGES IN NET FUNDS	At start of year	Cash Flows	At end of year
	Bank current accounts	99,463	(81,502)	17,961
	Bank deposit accounts	712,179	(37,929)	674,250
		£811,642	£(119,431)	£692,211

THE ASSOCIATION OF GOVERNING BODIES OF INDEPENDENT SCHOOLS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. ACCOUNTING POLICIES

The accounts of the Association are prepared in accordance with the Statement of Recommended Practice for Charities (SORP) (Second Edition, effective 1 January 2019), the Companies Act 2006 and with FRS 102. The particular accounting policies adopted are described below. The financial statements are prepared in Pounds Sterling rounded to the nearest Pound. AGBIS meets the definition of a public benefit entity under FRS 102.

- a) Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).
- b) Income represents amounts receivable by the charity during the year for subscriptions, seminars and other services. Income is accounted for when it becomes receivable and its value can be estimated with reasonable certainty.
- c) Expenditure is recognised in the period incurred and includes irrecoverable VAT. Governance costs include those costs incurred in carrying out the statutory and constitutional requirements of the charity. All costs are directly attributable to the headings under which they are shown.
- d) Tangible fixed assets and additions are stated at cost. Depreciation is provided at the following rates:

Computer equipment/software	33% straight line
Other equipment	25% straight line
- e) The Association is a registered charity and no taxation is payable on its charitable activities.
- f) Having assessed risks and considered future budgets and cash flows, the trustees confirm that they have no material uncertainties about the Association's ability to continue as a going concern for the foreseeable future. The Association had reserves and investments to meet its needs.
- g) Contributions are made to a defined contribution scheme for staff. The contributions are charged to the Statement of Financial Activities when they become payable.

The charity also participates in the CARE scheme administered by The Pensions Trust. It is a funded multi-employer defined benefit scheme. The scheme was closed in 2018 and members were enrolled in other defined contribution schemes. As the charity has been notified of a deficit repayment plan by the pension scheme, the discounted present value of the deficit recovery plan are included in creditors.

- h) Investments are valued in the balance sheet at bid price at the balance sheet date. Realised and unrealised gains are accounted for within the Statement of Financial Activities.
- i) Rentals paid under operating leases are charged to income on a straight-line basis over the lease term.
- j) The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.
- k) In preparing these financial statements, the trustees have made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. 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. The trustees consider that there are no critical estimates or judgements.

THE ASSOCIATION OF GOVERNING BODIES OF INDEPENDENT SCHOOLS

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

1. ACCOUNTING POLICIES (Continued)

- l) Association of Governing Bodies of Independent Schools is a company limited by guarantee, registered in England and Wales (company number: 5217162). It is also a charity registered with the Charity Commission. Its registered address is: The Grange, 3 Codicote Road, Welwyn, Hertfordshire AL6 9LY. Details of AGBIS' operations and activities are contained in the Report of the Board.

2. EXPENDITURE ON CHARITABLE ACTIVITIES

	2025	2024
	£	£
Staff costs	671,091	543,304
Office expenses	126,521	85,880
Printing, postage and telephone	5,491	5,315
Meetings and travel	15,594	12,907
Governors' seminars	23,584	26,647
AGM expenses	57,548	59,454
Governance review costs	33,348	50,626
Legal and Professional fees	107,939	38,352
e-Learning courses	-	-
New product development	5,808	5,700
Depreciation	5,218	876
	<u>£1,052,142</u>	<u>£829,061</u>
<i>Governance costs (within professional fees) include</i>		
Auditor's remuneration		
- Audit	£9,850	£9,200
- Other services	£1,125	£1,075

3. TANGIBLE FIXED ASSETS

	Office Equipment	Computer Equipment	Total
	£	£	£
COST			
At 1 January 2025	11,315	127,052	138,367
Additions	678	4,407	5,085
	<u>11,993</u>	<u>131,459</u>	<u>143,452</u>
At 31 December 2025	11,993	131,459	143,452
DEPRECIATION			
At 1 January 2025	9,739	124,590	134,329
Charge for the year	229	2,209	2,438
	<u>9,968</u>	<u>126,799</u>	<u>136,767</u>
At 31 December 2025	9,968	126,799	136,767
NET BOOK VALUE			
At 31 December 2025	<u>£2,025</u>	<u>£4,660</u>	<u>£6,685</u>
At 31 December 2024	<u>£1,576</u>	<u>£2,462</u>	<u>£4,038</u>

THE ASSOCIATION OF GOVERNING BODIES OF INDEPENDENT SCHOOLS

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

4. INTANGIBLE FIXED ASSETS

	Computer Software £	Total £
COST		
At 1 January 2025	63,019	63,019
Additions	40,910	40,910
	<u> </u>	<u> </u>
At 31 December 2025	103,929	103,929
	<u> </u>	<u> </u>
AMORTISATION		
At 1 January 2025	63,019	63,019
Charge for the year	2,780	2,780
	<u> </u>	<u> </u>
At 31 December 2025	65,799	65,799
	<u> </u>	<u> </u>
NET BOOK VALUE		
At 31 December 2025	£38,130	£38,130
	<u> </u>	<u> </u>
At 31 December 2024	£-	£-
	<u> </u>	<u> </u>

5. INVESTMENTS

	2025 £	2024 £
Market value at 1 January 2025	336,260	307,445
Disposals	(652)	-
Investment gains/(losses)	6,185	28,815
	<u> </u>	<u> </u>
Market value at 31 December 2025	£341,793	£336,260
	<u> </u>	<u> </u>
Historical cost at 31 December 2025	£299,438	£300,000
	<u> </u>	<u> </u>

The investment is held in Sarasins Climate Active Endowments Fund Class A Income units.

6. DEBTORS

	2025 £	2024 £
Other debtors	262,699	200,339
Prepayments and accrued income	37,232	31,791
	<u> </u>	<u> </u>
	£299,931	£232,130
	<u> </u>	<u> </u>

THE ASSOCIATION OF GOVERNING BODIES OF INDEPENDENT SCHOOLS

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

7. CREDITORS	2025	2024
	£	£
Other creditors and accruals	69,328	24,664
Subscriptions in advance	659,974	619,827
Other fees and contributions in advance	46,845	31,610
Pension scheme liability (note 11)	3,875	3,753
	<u>£780,022</u>	<u>£679,854</u>
Deferred income at 1 January 2025		651,437
Amounts released from previous years		(651,437)
Resources deferred during the year		706,819
Deferred income at 31 December 2025		<u>£706,819</u>

Deferred income relates to subscriptions, seminar fees, AGM sponsorship and contributions received in advance.

8. STAFF COSTS	2025	2024
	£	£
Salaries	577,216	467,059
Social security	55,079	44,706
Other pension costs	36,189	26,039
Settlement agreements	2,608	5,500
	<u>£671,091</u>	<u>£543,304</u>

The average number of employees analysed by function was:	2025	2024
	No.	No.
Chief Executive	1	1
Full time employees	4	4
Part time employees	3	4
	<u>8</u>	<u>9</u>

The number of employees who had emoluments exceeding £60,000 were:		
£60,001 - £70,000	1	1
£70,001 - £80,000	1	-
£160,001 - £170,000	1	1

THE ASSOCIATION OF GOVERNING BODIES OF INDEPENDENT SCHOOLS

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

8. STAFF COSTS (continued)

The total remuneration, benefits and pensions paid to the key management personnel in the year was £356,159 for three employees (2024: £296,348 for three employees. In 2024, due to staff changes, two of these staff were in post for a full year with the third only in post part of the year).

During the year £1,428 (2024: £1,192) was reimbursed to 7 trustees (2024: 3) for travel expenses.

AGBIS has a panel of 12 reviewers who undertake reviews of governance at member schools on behalf of the Association. Three Board members (out of a total of 15 Board members) are part of the panel delivering this service when required. Directors are eligible to receive reasonable and proper payment for any services rendered to the charity, in accordance with the charity's Memorandum and Articles of Association:

- Paul Dillon-Robinson conducted one review of governance at member schools, for which he was paid £1,630 (2024: £4,275).
- Rosie Allen conducted one review of governance at member schools, for which she was paid £1,630 (2024: £nil).
- Christine Keunen conducted two reviews of governance at member schools, for which she was paid £3,260 (2024: £1,575).

All of the above were Board members when they delivered these services.

No further payments were made to, or on behalf of, Board members.

9. RELATED PARTIES

The Association is controlled by the Board members. In addition, the Chair and the Chief Executive were directors of the Independent Schools Council (ISC), of which AGBIS is a member. There were no other related party transactions during the year.

10. OPERATING LEASES

The total of future minimum lease payments under non-cancellable operating leases which the Association was committed to make at the balance sheet date in respect of operating lease for each of the following periods were as follows:

	Land and buildings		Office equipment	
	2025	2024	2025	2024
	£	£	£	£
Not later than 1 year	8,500	6,375	-	678
Later than 1 year and not later than 5 years	6,375	-	-	-
	<u>8,500</u>	<u>6,375</u>	<u>-</u>	<u>678</u>

The total of lease payments recognised as an expense in the year was £7,053 (2024: £11,212).

THE ASSOCIATION OF GOVERNING BODIES OF INDEPENDENT SCHOOLS

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

11. PENSIONS

The pension scheme available to current AGBIS employees is the Flexible Retirement Plan, administered by The Pensions Trust. It is a defined contribution scheme. Contributions made in the year totalled £3,762. Total liabilities outstanding at year end total £4,851.

The pension scheme offered to AGBIS staff prior to 2016 was the CARE Scheme (the 'Scheme') administered by The Pensions Trust is a funded multi-employer defined benefit scheme. The main benefits provided by the Scheme are a pension of one-eightieth of the member's career average revalued earnings for each year (and months proportionately) of pensionable service if contracted-out of the State scheme.

At 31 March 2016, the Scheme closed. At the date of closure, AGBIS had two members enrolled in the Scheme. Both individuals were enrolled in other defined contribution schemes. The deficit recovery plan remains in place.

Actuarial Valuation

The Trustee commissions an actuarial valuation of the Scheme every three years. The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Scheme is a multi-employer scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of total scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS 102 represents the employer contribution payable and other movements in the pension scheme liability.

The last formal valuation of the Scheme was performed as at 30 September 2022 by a professionally qualified actuary using the 'projected unit' method. The market value of the Scheme's assets at the valuation date was £49.6 million. The valuation revealed a deficit of assets compared to liabilities of £7.5 million, equivalent to a past service funding level of 87%.

The financial assumptions underlying the valuation as at 30 September 2022 were as follows:

	% p.a.
Gilt yield	3.78
Market implied inflation rate	3.77
Pre-retirement discount rate	Nominal gilt yield curve plus 0.85% p.a. at each term
Post retirement discount rate	Nominal gilt yield curve plus 0.85% p.a. at each term
Rate of price inflation (RPI)	Gilt inflation curve at each term
Rate of price inflation (CPI)	RPI inflation less 1.0% p.a. at each term until 2030 and RPI inflation from 2030 onwards
Return on assets over deficit recovery period	Nominal gilt yield curve plus 0.85 p.a.

If an actuarial valuation reveals a shortfall of assets compared to liabilities, the Trustee must prepare a Recovery Plan setting out the steps to be taken to make up the shortfall.

An existing recovery plan is in place. Under this plan, AGBIS' share of the deficit contributions is £3,060 per annum, payable in monthly instalments. In addition, AGBIS is liable to pay scheme expenses of £324 per year, payable in monthly instalments. The payments are due until 30 November 2027 and will increase by 3% each April.

11. PENSIONS (continued)

Actuarial Valuation (continued)

Employer 'Debt on Withdrawal'

As a result of pension scheme legislation there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up. The debt on withdrawal for AGBIS, as at 30 September 2022, is £48,041.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore, includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can be volatile over time.

Reconciliation of provision

	£
Provision at start of accounting period	7,413
Unwinding of the discount factor	306
Deficit contributions paid	(3,762)
Remeasurement – impact of any change in assumptions	652
Remeasurements - amendments to the contribution schedule	242
	<hr/>
Provision at end of accounting period	£4,851
	<hr/> <hr/>

The liability is repayable in instalments falling due as follows:

	2025	2024
	£	£
In less than one year	3,875	3,753
In one to two years	976	3,660
	<hr/>	<hr/>
	£4,851	£7,413
	<hr/> <hr/>	<hr/> <hr/>