

**King Edward VI School at Chelmsford
Registered Charity No 310861**

Report and Financial Statements

Year Ended

31 March 2020

KING EDWARD VI SCHOOL AT CHELMSFORD

Details

Charity name & number

King Edward VI School at Chelmsford - registered charity No 310861

Correspondence address

Clerk to the governors: Mr Leslie GT Retford, 43, The Ridings, Great Baddow, Chelmsford, Essex, CM2 9RR.

Governors

Mr W Hall JP, Chairman
Mr JF Aldridge, Vice Chairman
Mr AF Ball
Mr RL Brooker
Mr A Carpenter
Mr SP Foakes
Mr J Galley
Mr KG Heseltine
Mr ID Hook
Mr PJL Hutchinson
Mr GW Miller FCA, Treasurer
Mr RJ Shepherd
Mr GR Smith
Mr SP Smith
Mr AB Sosin
Mr RT Whitehead
Dr CJ Willis

Bankers

Barclays Bank PLC, High Street Chelmsford

Investment advisors

Walker Crips Stockbrokers Limited, London EC1Y 8LZ

Independent examiner

Matthew Cranfield FCCA, Chelmsford, CM1 7BU

KING EDWARD VI SCHOOL AT CHELMSFORD

Annual Report of the Governors Year ended 31 March 2020

The Governors of King Edward VI School at Chelmsford ("the Foundation") present their Annual Report for the year ended 31 March 2020.

Status

The Foundation is a charity originally established in 1551. It is governed by a scheme made by the Secretary of State for Education and Science in 1966 as since amended on four occasions, most recently by the Charity Commission in 2011 (the scheme). The Foundation is distinct from King Edward VI Grammar School, Chelmsford ("the School" - for the benefit of which it exists) which became an academy on 1 April 2011 under the Academies Act 2010-12.

Objects

The Foundation's objects are detailed in the scheme but may be summarised as including the application of the income of the Foundation for the benefit of the School and those in attendance there. The Governors are also administer certain small scholarship and prize funds.

Management and governance arrangements

The Foundation has 17 Governors of whom 6 are appointed by the Essex County Council, 4 by Chelmsford Borough Council, 1 by the committee of The Old Chelmsfordians Association, 2 by the parents of pupils of the School with 4 co-opted by the Governors. The Governors also employ the services of a clerk.

The Governors review the risks that the Charity faces, mainly related to investment management, on a bi-annual basis. These risks are ameliorated by the receipt of regular professional investment advice and investments diversified through investment trusts.

Procedures and policy for charitable expenditure

The Governors have regular meetings with the Head Teacher of The School to consider the support that the Foundation can offer. During the year the Foundation sponsored a number of prizes totalling £1,450 to be awarded for meritorious pieces of academic work completed outside of the School curriculum.

At the year end the Governors have designated funds of £11,384 to provide assistance to pupils at the School who otherwise would be excluded from certain educational experiences upon the grounds of cost.

The only remaining activity during the year was a further donation of £50,000 (2019: £50,000) to the School to support ongoing capital projects.

A separate sub-committee has been formed to receive requests for bursaries. No bursaries have been agreed and paid in the year (2019: £1,136).

Other requests for donations are received and evaluated in accordance with available unrestricted funds. On an annual basis the Governors make grants to pupils recommended by the Headmaster from the scholarship funds available for that specific purpose. The Governors also participate in specific building appeals for additions and improvements to the School premises which it owns.

Investment policy

The Governors are aware of the responsibility to balance the needs of current and future beneficiaries. Investment policy is set to achieve appropriate income whilst protecting the capital value of the endowment fund. All investments are in funds which aim to generate unrestricted income for the Foundation with the exception of the capital replacement fund which is invested for capital growth.

Public benefit

The Governors have taken into account the guidance contained in the Charity Commission's general guidance on public benefits when reviewing our aims and objectives. The Governors believe that by adhering to the objects of the Foundation they will continue to provide public benefit.

Governors recruitment and induction.

The six Governors appointed by Essex County Council may be councillors but it may, at its discretion appoint other persons. The four Governors nominated by Chelmsford Borough Council are all councillors and the Old Chelmsfordians' Association Governor is elected by the committee of that Association. The two Parent Governors are elected by the parents of current pupils of the School, the election process being conducted by the School as vacancies fall due. The remaining four co-opted Governors are found by nomination and election by the rest of the Governing Body. There is little turnover in the makeup of the Governing body

Each Governor, on taking office receives a copy of "the scheme", the articles setting out the regulations and authority under which the Foundation acts.

Governors are invited to visit the School and involve themselves in school events by invitation. There is no formal induction process however Governors are encouraged to attend induction courses run by the Local Authority.

Review of the developments, activities, achievements and financial transactions

The Statement of Financial Activities shows net outgoing resources of £21,962 (2019: £23,145).

The Foundation made an unrealised deficit of £39,032 on its investments in the year (2019: surplus £20,477). Mainly due to worldwide market conditions around the year end, the investment portfolio has more than recovered these losses by the date of this report.

The Foundation's investments are shown on page 9. With the exception of monies invested in COIF funds, all investments are made following advice from the Foundation's nominated investment advisors.

Going Concern

As all expenditure is totally discretionary, the Governors have no concerns about continuing to adopt a going concern basis of accounting

Signed on behalf of the Governors

GW Miller FCA

Treasurer

Date: 31 January 2021

Independent examiner's report to the governors of King Edward VI School at Chelmsford

I report on the accounts of Charity no 310861 for the year ended 31 March 2020 as set out on pages 4 to 10

Respective responsibilities of trustees and examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Charities Act: and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Governors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and

I have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Matthew Cranfield FCCA

Chelmsford CM1 7BU

Date: 31 January 2021

KING EDWARD VI SCHOOL AT CHELMSFORD

Statement of Financial Activities (incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the year ended 31 March 2019

		Un- restricted funds 2020	De- signed funds 2020	Restricted scholarship funds 2020	Other restricted funds 2020	Total funds 2020	Total funds 2019
	Note						
Incoming resources from generated funds							
Donations and bequests		0	0	0	0	0	500
Investment income		12,326	0	562	0	12,888	12,239
Rent receivable		20,000	0	0	0	20,000	20,000
Total incoming resources		32,326	0	562	0	32,888	32,739
Resources expended							
Direct charitable expenditure							
Donations granted	4	50,000	0	0	0	50,000	50,000
Awards made	5	950	0	500	0	1,450	2,536
Governance costs							
Clerk's fee		3,400	0	0	0	3,400	3,300
General expenses		0	0	0	0	0	48
Total resources expended		54,350	0	500	0	54,850	55,884
Net incoming/(outgoing) resources before Investment gains/(losses)		-22,024	0	62	0	-21,962	-23,145
Profit/(loss) on investment assets							
Realised on disposal		0	0	0	0	0	5,305
Unrealised on revaluation	2/8	0	0	-528	-38,504	-39,032	20,477
Net movement on investments		0	0	-528	-38,504	-39,032	25,782
Net incoming/(outgoing) resources		-22,024	0	-466	-38,504	-60,994	2,637
Transfers between funds	8	-1,000	0	0	1,000	0	0
Net movement in funds for the year		-23,024	0	-466	-37,504	-60,994	2,637
Total funds at 1 April 2018		51,393	11,384	18,326	371,948	453,051	450,414
Total funds at 31 March 2019		28,369	11,384	17,860	334,444	392,057	453,051

All of the above amounts relate to continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 6-10 form part of these accounts.

KING EDWARD VI SCHOOL AT CHELMSFORD

Balance Sheet
31 March 2019

	Note	Un- restricted funds 2020	De- signed funds 2020	Restricted scholarship funds 2020	Other restricted funds 2020	Total funds 2020	Total funds 2019
Fixed assets							
Investments	2/10	0	0	16,219	328,098	344,317	383,348
		<u>0</u>	<u>0</u>	<u>16,219</u>	<u>328,098</u>	<u>344,317</u>	<u>383,348</u>
Current assets							
Debtors		10,000	0	0	0	10,000	5,000
Cash at bank and in hand							
General accounts		19,719	11,384	1,641	6,346	39,090	66,453
		<u>29,719</u>	<u>11,384</u>	<u>1,641</u>	<u>6,346</u>	<u>49,090</u>	<u>71,453</u>
Creditors: amounts falling due within one year	3	1,350	0	0	0	1,350	1,750
Net current assets		<u>28,369</u>	<u>11,384</u>	<u>1,641</u>	<u>6,346</u>	<u>47,740</u>	<u>69,703</u>
Net assets		<u>28,369</u>	<u>11,384</u>	<u>17,860</u>	<u>334,444</u>	<u>392,057</u>	<u>453,051</u>
Charity funds							
Unrestricted funds	8	28,369	0	0	0	28,369	51,393
Designated funds	8	0	11,384	0	0	11,384	11,384
Restricted scholarship funds	8	0	0	17,860	0	17,860	18,326
Other restricted funds	8	0	0	0	334,444	334,444	371,948
		<u>28,369</u>	<u>11,384</u>	<u>17,860</u>	<u>334,444</u>	<u>392,057</u>	<u>453,051</u>

The financial statements were approved by the Governors on 31 January 2020 and signed on their behalf by
MR GW Miller FCA

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The notes on pages 6-10 form part of these accounts.

1 Accounting policies

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value with the exception of investments as noted below. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014) and with the Charities Act 2011.

Fund accounting

Unrestricted funds are available for use at the discretion of the Governors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds are funds established by the Governors from time to time for specific projects or purposes. They are not in any way restricted and any surplus or deficit will be transferred to/from unrestricted funds when the designated fund is closed.

Restricted funds (income and endowment) are funds subject to specific restrictions imposed by donors or by the purpose of the Foundation. The purpose and use of restricted income and endowment funds is set out in the notes to the financial statements

Incoming resources

Income is recognised in the period in which the Charity is entitled to receipt and the amount can be measured with reasonable certainty

Expenditure

Expenditure is included in the accounts on an accruals basis

Investments

Listed investments are stated at their mid-market value at the balance sheet date.

Unrealised investment surpluses/defecits

These are shown net in the statement of financial activities

Going concern

The Governors have taken account of the current situation with Covid-19 in assessing the Foundation's ability to continue as a going concern. As all expenditure is discretionary the Foundation has sufficient liquid resources for its purposes the going concern basis of accounting remains applicable.

KING EDWARD VI SCHOOL AT CHELMSFORD

Notes forming part of the financial statements (continued) Year ended 31 March 2020

2 Investments	UK Listed investments	Cash	Total
Market value as at 1 April 2019	381,089	2,259	383,348
Additions at cost	0	219	219
Disposals at 1 April 2019 market value	-219	0	-219
Unrealised surplus on revaluation at 31 March 2020	-39,032	0	-39,032
Market value as at 31 March 2020	<u>341,838</u>	<u>2,478</u>	<u>344,316</u>

All investments are listed on a recognised stock exchange and are investment assets in the United Kingdom

3 Creditors: amounts falling due within one year	2020	2019
Other creditors	<u>1,750</u>	<u>1,750</u>

4 Donations		
To the School	50,000	50,000
To the Old Chelmsfordians Association	0	0
	<u>50,000</u>	<u>50,000</u>

5 Awards made		
Foundation prizes awarded	950	1,000
Bursaries paid	0	1,136
Scholarship awards	500	400
	<u>1,450</u>	<u>2,536</u>

6 Employees, Governors and related parties

The Foundation pays a fee to its clerk. The Governors do not receive any remuneration for their services nor claim reimbursement of expenses.

Owing to the nature of the Foundation's operations and the composition of its Governing Body, it is inevitable that Governors will have links with organisations with an interest in the affairs of the Foundation.

During the year ended 31 March 2020 there were no transactions with any party, other than the School itself in which any Governor had a related interest. (2019: Nil)

7 Capital commitments

There were no capital commitments at 31 March 2020 (2019 : Nil).

KING EDWARD VI SCHOOL AT CHELMSFORD

Notes forming part of the financial statements (continued)
Year ended 31 March 2020

8 Funds	At 1 April 2019	Net (outgoing) /incoming resources	Transfers	Other recognised gains and (losses)	At 31 March 2020
Unrestricted funds					
Income and expenditure account	51,393	-22,024	-1,000	0	28,369
Total unrestricted funds	51,393	-22,024	-1,000	0	28,369
Designated funds					
Capital replacement fund	0	0		0	0
Bursary fund	11,384	0	0	0	11,384
Capital donation fund	0		0	0	0
Total designated funds	11,384	0	0	0	11,384
Restricted funds					
Scholarship funds	16,747	0	0	-528	16,219
Accumulated scholarship income	1,579	62	0	0	1,641
Recoupment capital accounts	9,767	0	1,000	-201	10,566
Bequest	0	0	0	0	0
Endowment funds	362,181	0	0	-38,303	323,878
Total restricted funds	390,274	62	1,000	-39,032	352,304
Total funds	453,051	-21,962	0	-39,032	392,057

Transfers between funds

On 10 February 2012 the Charity Commission issued a recoupment order, requiring the Foundation to put aside the sum of £1,000 per annum for a term of 130 years.

Income from investments

With the exception of income generated by the restricted scholarship funds, all income received from investments is unrestricted as to its use.

9 Scholarship funds - capital and accumulated income

a) Accumulated income

	1 April 2019	Investment income	Awards	31 March 2020
Movement for the year	1,579	562	(500)	1,641

Unspent income can be carried forwards to future periods on all funds with the exception of the Mary Abbott Fund where unspent income must be added to the capital.

The capital funds are represented by a single investment and the Governors are deemed to award grants from income attributed to the Mary Abbott Fund before all remaining funds.

KING EDWARD VI SCHOOL AT CHELMSFORD

Notes forming part of the financial statements (continued)
Year ended 31 March 2020

9 Scholarship funds - capital and accumulated income
b) Capital

War	1,066
Lake	300
Hay	508
School	1,031
French	549
Mary Abbott	6,052
Elizabethan	527
Max Pemberton	100
Duthie	750
	<u>10,883</u>
Unrealised surplus on investment at 1 April 2019	<u>5,864</u>
Capital value at 1 April 2019	16,747
Unrealised surplus on investment - movement in the year	-528
Capital value a 31 March 2020	<u>16,219</u>

10 Schedule of investments at 31 March 2020

	Value £
Restricted funds	
Permanent endowment fund	
UK listed investments	319,453
Cash	2,478
	<u>321,931</u>
2012 Recoupment fund	
UK listed investments	6,167
Scholarship capital funds	
UK listed investments	16,219
	<u>344,317</u>

The 2012 recoupment is for £1,000 per annum for 130 years (122 years to go)

Income from the 2012 recoupment order investments may be treated as unrestricted income by the Foundation

KING EDWARD VI SCHOOL AT CHELMSFORD

Notes forming part of the financial statements (continued)
Year ended 31 March 2020

11 Information relating to the year ended 31 March 2019

Prior year Statement of Financial Activities	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
Incoming resources				
Donations and bequests	500	0	0	500
Investment income	11,689	0	550	12,239
Rent receivable	20,000	0	0	20,000
Building Works Appeal	0	0	0	0
Total incoming resources	<u>32,189</u>	<u>0</u>	<u>550</u>	<u>32,739</u>
Resources expended				
Donation to the School	50,000		0	50,000
Awards made	1,000	1,136	400	2,536
Clerk's fee	3,300	0	0	3,300
General expenses	48	0	0	48
Total resources expended	<u>54,348</u>	<u>1,136</u>	<u>400</u>	<u>55,884</u>
Net incoming/(outgoing) resources before transfers	-22,159	-1,136	150	-23,145
Transfers between funds	63,901	-64,901	1,000	0
Profit/(loss) on investment assets	3,020	0	22,762	25,782
Net movement in funds for the year	<u>44,762</u>	<u>-66,037</u>	<u>23,912</u>	<u>2,637</u>
Total funds at 1 April 2018	6,631	77,421	366,362	450,414
Total funds at 31 March 2019	<u><u>51,393</u></u>	<u><u>11,384</u></u>	<u><u>390,274</u></u>	<u><u>453,051</u></u>