

COMPANY NUMBER: 03394895
CHARITY NUMBER: 1115875

**KING EDWARD'S SCHOOL, BATH
(A COMPANY LIMITED BY GUARANTEE)**
**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

.....

KING EDWARD'S SCHOOL, BATH
CONTENTS

FOR THE YEAR ENDED 31 AUGUST 2021

	Page
Legal and Administrative Information	1
Governors' Report	2 – 14
Independent Auditor's Report	15 – 17
Statement of Financial Activities	18
Balance Sheet	19
Cashflow Statement	20
Notes to the Financial Statements	21 – 34

**KING EDWARD'S SCHOOL, BATH
LEGAL AND ADMINISTRATIVE INFORMATION**

FOR THE YEAR ENDED 31 AUGUST 2021

COMPANY NUMBER	03394895
CHARITY NUMBER	1115875
REGISTERED OFFICE	King Edward's School North Road Bath BA2 6HU
GOVERNORS	Mrs W. Thomson Mr I.A. Bleakley Mr T. Boyce Mrs V. Chalmers Mr P.G. Cobb Mrs C.A. Colston Mr S. Coombe Mr J. Isherwood Prof S.C. Lillicrap Prof A. Millar Mr P. Roper Mr R.P. Stevens Mr O.A. Von Arx* * Parent of pupil(s) at the School
HEADMASTER	Mr M.J. Boden*
BURSAR & CLERK TO THE GOVERNORS	Mr J.M.C. Webster (until 31 August 2021)
BURSAR & CHIEF OPERATING OFFICER	Mr T.P. Davies (from 1 September 2021)
CLERK TO THE GOVERNORS	Mrs T Vaid (from 1 st December 2021)
AUDITOR	Crowe U.K. LLP 4 th Floor St James' House St James' Square Cheltenham GL50 3PR
SOLICITOR	Veale Wasbrough Vizards LLP Narrow Quay Bristol BS1 4QA
INVESTMENT MANAGER	Charles Stanley & Co. Limited 26 Queen Square Bath BA1 2HX

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

The Governors present their annual report for the year ended 31 August 2021 under the Charities Act 2011, together with the Strategic Report and the audited financial statements for the year, and confirm that the latter comply with the requirements of the Act, the Trust Deed and the Charities SORP 2005 and the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE INFORMATION

The School was founded by Royal Charter in 1552, and following its restructuring at 31 August 2006 as a charitable company, as described below, is registered with the Charity Commission under charity number 1115875 with which its permanent and expendable endowments of school lands belonging to King Edward's School Bath Trust, number 1115875, are linked for accounting purposes by a Uniting Direction from the Commission at the time. The Governors, executive officers and principal addresses of the Charity are as listed on page 1. Particulars of the Charity's professional advisers are given on page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charities Governance Code

As the School is a not for profit organisation which aims to follow charity sector best practice, the Board members have familiarised themselves with the updated version of the Charity Governance Code (the "Code") published in July 2017.

Governing Document

The Charitable Company (Limited by Guarantee registered number 03394895) is governed by its Memorandum and Articles of Association. The Company was appointed as sole trustee of King Edward's School Bath Trust under the above-mentioned Scheme by the Charity Commission upon transfer of the assets and undertaking of the old School to the Company at 31 August 2006.

Governing Body

The Board of Governors and Charity Trustees are as listed on page 1.

Trustee Recruitment and Training

The Charity's Governors are appointed on the basis of nominations received from existing Governors as the Board seeks to recruit suitable personnel with regard to their personal competence, specialist skills and local availability. New Governors are inducted into the workings of the Charity and its schools, including Board policy and procedures, by the Chair and Clerk to the Governors, and are encouraged to attend trustee training seminars organised by AGBIS or similar national bodies.

Organisational Management

The Governors, as the Directors of the Company, are legally responsible for the overall management and control of the Senior, Junior and Pre-Prep schools of King Edward's School, Bath, and meet at least three times a year. The work of developing and implementing most of their policies is carried out by the executive through a series of delegated Governors' Committees.

During 2020/21 these Committees consisted of Education, Finance & General Purpose, Estates & Premises and the Health & Safety Committees. In addition, the impact of the Covid-19 pandemic resulted in the establishment of a Covid Governor Committee which met regularly from March 2020 and during the 2020/21 academic year. All of these Committees report to meetings of the full Governing Board. The Chair of Governors and the Chairs of the Committees liaise to co-ordinate the delegated work of the Committees.

The day to day running of the schools is delegated to the Headmaster supported by the Bursar, Heads of the Junior and Pre-Prep Schools and the Senior Management Team. The Headmaster, the Bursar, the Second Master and other invited staff attend meetings of the above Committees.

Remuneration is set by the Governors, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success. The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere.

A formal Scheme of Governance, Management & Delegation prescribes the respective roles and responsibilities of Governors and executive management.

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

Group Structure and Relationships

The Charity has a wholly owned non-charitable subsidiary, Tolcram Limited (company number 02360944), which was dormant throughout the year ending 31 August 2021.

The School actively supports the promotion of the highest standards in the Independent Schools sector, through its membership of HMC, AGBIS and the ISBA, and through networking with other major schools. We also co-operate with many local community organisations and charities in our on-going endeavours to widen public access to the schooling we can provide, to optimise the use of our cultural and sporting facilities and to foster in our pupils an awareness of the social context of the all-round education they receive at the School.

The School also benefits from the generosity of a thriving network of past and current parents' fund-raising committees along with the Old Edwardians' Association whose close support we greatly appreciate and gladly acknowledge.

Related party transactions are disclosed in note 20 to these financial statements.

Employment policy

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests.

STRATEGIC REPORT

Risk Management

The Board of Governors is responsible for the management of the risks faced by the School. Detailed considerations of risk are delegated to the Chair and the Chairs of the Governors' Committees, assisted by the Headmaster and Bursar. Risks are identified, assessed, and controls established as part of the work of the individual Committees. A formal review of the charity's risk management processes is undertaken each year and the main or key operational risks identified and these are documented here:

Educational:

- Academic standards declining as reflected by external examination results; mitigated by:
 - Recruitment and retention of good quality teaching staff;
 - Systematic performance review and development of teaching staff.

Pastoral:

- Adverse pastoral matter arising; mitigated by:
 - Robust structures and systems in place to identify and manage behaviour issues and possible underlying causes;
 - Robust structures in place to manage and support well-being, including an awareness of and close supervision of those identified as, or who identify themselves as, vulnerable members of the community;
 - Staff training on specific issues (eg. self-harm, suicide or bereavement).

Health and Safety:

- Failure to ensure safe, secure and suitable premises and accommodation; mitigated by:
 - Organisational structures and resources to sustain regular repairs & maintenance;
 - Refurbishment and renewals to improve and meet new standards of safety, education, environment, technology and legislation, as required.

Legal and/or regulatory:

- Failure to comply with statutory, legal or educational requirements; mitigated by:
 - Systematic production and review of policies and procedures carried out at all levels by management and staff trained and supported as required;
 - Organisation and management structures to ensure monitoring and implementation of policies and procedures.

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

Financial:

- Significant and sustained decline in pupil numbers; mitigated by:
 - High quality academic, pastoral and extra-curricular provision in all three sections of the School;
 - The Pre-Prep and Junior Schools as major feeders for Junior and Senior Schools;
 - Effective marketing and recruitment processes;
 - Competitive fees;
 - Substantial Bursary and Scholarship programme to support families in difficulty as well as broadening the range of pupils;
 - Ongoing development and renewal of premises, facilities and resources.
- Inadequate financial resources to support educational demands and developments brought about by external factors (e.g. Teachers' Pension Contributions, scrapping of business rates relief, VAT); mitigated by:
 - Strategic and annual detailed financial planning and budgeting to provide adequate annual budgets for expenditure, and target levels of cash surplus to sustain capital developments and expenditure.

The key controls used by the School include:

- Formal agendas and minutes for all Committee and Board activity;
- Terms of reference for Committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies; and
- Clear authorisation and approval levels.

In addition to the risks identified above which relate to the ongoing operational risks faced by the School, from the Spring Term 2020 onwards the School was required to manage all risks associated with the Covid-19 global pandemic and the periods during which the School buildings were required to be closed in line with Government instructions. A process of dynamic risk identification and management was undertaken throughout this period with the Covid Governor Committee overseeing this process which was managed on a day to day basis by the School's executive team.

Actions undertaken to directly address the risks resulting from the pandemic included:

- Continuing, where required, the School's comprehensive on-line educational provision so as to enable the School to be able to continue to deliver, to the fullest extent possible, its programme of academic and co-curricular activities as well as pastoral provision;
- Reviewing and introducing new health and safety procedures so as to ensure the continued wellbeing of our pupils, employees and wider members of the School Community; and
- On-going assessment of the School's financial projections so as to ensure that the Governors continued to have effective oversight of the School's financial health throughout this period.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can provide only reasonable, but not absolute, assurance that major risks have been adequately managed.

Public Benefit

In the furtherance of these aims the Trustees of King Edward's School, Bath have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act.

KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The Objects for which the Charity is established are to advance the education of boys and girls by the provision of a day and/or boarding school in or near Bath and by ancillary or incidental educational activities for the benefit of the community.

The Aims of King Edward's School, Bath

- To provide a distinctive and stimulating environment for talented children from a variety of backgrounds, in which each individual is encouraged to strive for excellence and to acquire a lifelong passion for learning, discovery and adventure;
- To encourage each pupil to fulfil his or her own personal academic, sporting, creative and cultural potential;
- To cultivate in each pupil alongside intellectual development a strong sense of the moral and spiritual, the difference between right and wrong, and an awareness of their rights and responsibilities;
- To promote and develop in each pupil the qualities of honesty, integrity, duty, loyalty, courtesy, tolerance and compassion;
- To offer a strong, caring and supportive pastoral framework, working closely with parents to ensure that pupils are safe and happy and that all members of the School community feel respected and valued;
- To create an environment in which all members of the School community enjoy equality of opportunity;
- To provide opportunities both for leadership and teamwork, thereby nurturing pupils as confident, articulate, self-disciplined and socially responsible citizens and independent thinkers who respect the dignity of others;
- To prepare pupils fully for the challenges and opportunities of a rapidly changing world in the 21st Century and to lay the foundations for King Edward's School, Bath, pupils to lead honourable, worthwhile and fulfilled lives in the wider community; and
- To foster a sense of community across the Pre-Prep, Junior and Senior sections of the School.

Objectives Achieved for the Year

The School's ability to fully achieve its objectives for the year were naturally impacted by the Covid-19 pandemic and in particular during the closure of the School buildings during the third national lockdown in the Spring Term of 2021. Despite the inevitable disruption caused by the pandemic, the School still achieved the following objectives during the year:

- Delivering a broad academic and co-curricular programme to all pupils and adapting it to the fullest extent possible for provision on-line when this was required during periods of lockdown.
- Adapting the School's pastoral support to meet the changing needs of the School community as the pandemic developed.
- Continuing the record of academic achievement as reflected in external examination results and the successful transition of the majority of pupils between the Pre-Prep, Junior and Senior Schools (including from Year 11 into the Sixth Form).
- Maintaining pupil numbers in all three sectors of the School in the face of continuing general economic and political uncertainties including those resulting from the Covid-19 pandemic.

Principal Activities of the Year

The Charity provides education in Bath for boys and girls from the ages of 3–18 in its three schools, the Senior, Junior and Pre-Prep Schools. This year, the overall pupil numbers (excluding Nursery) were 1,072 (2020: 1,085). Recruitment for the current and next academic year is continuing extremely well in both the Senior and Junior Schools and remaining stable in the Pre-Prep.

Grant-making Policy

In 2020/21 the value of bursaries, scholarships, allowances and other awards made to the Schools' pupils totalled £1,765,013, up from the previous year's level of £1,605,553, thereby reflecting the continuing aims to add to and develop means-tested bursaries and academic scholarships where financially possible, including in supporting families impacted financially by the Covid-19 pandemic.

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

£1,044,188 of on-going means-tested bursaries were awarded – totalling 7% of gross fee income and these awards assisted 158 pupils (2020: 146) representing nearly 20% of Senior School pupils. In addition, a further £77,842 was awarded in single means-tested hardship awards as a result of the Covid-19 pandemic, supporting the families of pupils from across the three schools.

The School continues to aim at developing higher levels of means-tested bursary awards in line with the Governors' policy to relieve hardship cases where the pupil's education and future prospects would otherwise be at risk, and to ensure as wide access as possible to individuals of high educational potential who would be prevented from benefiting from a King Edward's education for reasons of financial or economic circumstance.

The means-tested bursary awards process is based on HMC and ISC approved models, whereby all applicants have to submit fully-documented information relating to income, family commitments, expenditure, assets, and existing major liabilities to provide a full and accurate picture of the family's overall financial circumstances. This includes an element of self-assessment of the extent of need for support, and award decisions are then made based on this information as well as the academic selection criteria.

Other KES Community Links and Activities

King Edward's School has been proud to play a part in the life of the city of Bath for nearly 475 years. The School is keen to contribute to the local community and to continue to look at ways in which it can expand its contribution. Within the realm of education (beyond providing schooling for over 1,000 children and being a major local employer, with over 250 staff) and at no cost to the pupils/schools involved, the School:

- Makes the playing fields available for the use of two local maintained primary schools
- Accommodates around 40-50 pupils from two local maintained secondary schools within the Combined Cadet Force. In one case, this is a long standing partnership, and in the other also involves King Edward's organising the transport between the schools
- Offers mock Oxbridge interview practice for pupils at two local secondary schools
- Is currently forming an exciting partnership with Bath Cricket Club where facilities, coaching expertise are shared and developed for King Edward's pupils and pupils within the community
- Provides a valuable Community Service programme helping a range of local people and organisations – schools, care homes, charities.

King Edward's also plays a significant wider role in the life of the city of Bath and the local community and we offer our facilities and resources for free or at a heavily subsidised cost to:

- Bath Abbey Parish Council
- Mid-Somerset Festival
- Bath Mums
- Bath Cricket Club and Bathampton Cricket Club
- Bath Rugby
- Old Edwardians' Rugby Club (despite its title, this is an open club)
- Bath Philharmonia
- Bath Opera

Volunteers

The KES Parent's Group, Old Edwardians Association and other parents and individuals have helped throughout the year with School fundraising and cultural activities and the Board would like to take this opportunity to say how much it appreciates their continuing and valuable support for our work.

In addition, many individual parents and friends of the School support other educational activities, trips and events throughout the year and their voluntary contributions are very much appreciated.

KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Operational Performance of the Schools

Overall the School achieved another very creditable academic performance, especially in light of the changes and challenges brought about by a second year of national lockdowns and disruption because of Covid-19.

Senior School Report

Senior School academic achievement as reflected in external examination results

The academic results this year reflected the national pattern of grade inflation arising from the use of Teacher Assessed Grades in schools but remained very strong in that context:

- A level results remained excellent with 58.3% of all entries achieving an A* grade; 85% were A or A*¹; 97% were A* to B grades
- At GCSE 78.7% of results were 9-8 grades and 92% were grades 9-7

Higher education

The School has very effective Higher Education advisory and Careers guidance programmes in support of pupils seeking their ideal choices for higher education and future careers. In 2021, 131 applications (including past alumni following GAP years etc) resulted in 125 secured places with only 1 unsuccessful application. Of those who secured a place, 94% achieved their main choice of university or college, including 8 Oxbridge places (all those with an offer), 20 on to medical or veterinary courses and 14 on to engineering or computer science courses. Art foundation, drama and classics also remain popular.

Senior School extra-curricular and curriculum-linked activities and main highlights of 2020-21

The challenges of Government Covid-19 guidance for schools, the second and third national lockdowns experienced in 2020-2021 and remote schooling had a significant impact on the nature and delivery of our planned programme of co-curricular activity.

Year group bubbling, specific restrictions on sporting, musical and theatrical activity, for most of the year a ban on educational visits and residential trips, all required staff to work creatively and to plan, replan and plan again.

Some key areas that were impacted included:

- Our lunchtime clubs programme which would normally encompass several year groups and which was curtailed for the first part of the year.
- Music ensembles were impacted by both strict year group bubbling as well as specific restrictions on instrumental and singing activity.
- The loss of sporting fixtures for much of the year.
- The loss of Ten Tors.

However, despite this the Senior School was able to provide an impressive, wide-reaching and engaging co-curricular programme. Refusing to take the easy option of stopping activity we consistently and creatively planned for what we could deliver, until restrictions changed/proved we could not, and then we would plan again. Whilst this added stress and workload at times to activity leaders, it was key to being able to deliver the programme we did.

Lunchtime clubs

Creative writing club maintained a significant presence either through bubbled lunchtime sessions or by going back online during the third national lockdown, where they had over 70 members spanning Years 7 to 13.

Virtual clubs established during the first lockdown continued: KES Cinema Club, Virtual MUN, KES Pride & Esports. In addition, Running Club saw large numbers of Years 7 and 8 pupils out every Monday lunchtime.

KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Duke of Edinburgh (DofE) award

Gold award made the most of the DofE flexibilities that Covid-19 guidance provided, allowing back-to-back practice and qualifying expeditions, allowing 2019 entrants and 2020 entrants to successfully complete that section of their award.

Silver award was able to complete the 2019 entrants qualifying expedition in the Autumn term, whilst 2020 entrants completed a training and qualifying expedition during Activities week in the Summer term. Bronze award had 90% of Year 9 signed up and with restrictions over Activities week trips, it was decided to establish an expedition week for the whole of Year 9 involving training, first aid and the qualifying expedition.

It was amazing that despite the national lockdowns and all of the Covid-19 restrictions, 213 expedition sections were completed across all three levels.

Drama

The senior play in the Autumn term was split into four bubbled plays and despite restrictions on external audiences, continued to complete the rehearsal process and perform brilliantly to an audience of their year group peers. Years 8 and 9 pupils produced two bubbled plays which were largely devised by themselves and were fortunate to be able to perform to a live audience in May. Year 7 finished the year in style, staging their own version of Grim Tales.

CCF

Adaptability and drive ensured that the CCF produced as full a programme as possible where many other cadet forces were inactive. Activities delivered by the CCF included virtual bubbled parades (including keeping Beechen Cliff cadets and KES cadets apart and in year group bubbles), the annual MOI course, Virtual Remembrance Service, Exercise Covid Escape (our first residential trip of the year) at Merryfield airfield, Corps of Drums activity and two cadets appointed as Lord Lieutenant's Cadets.

Music

Despite the significant logistical challenges of venues and staffing, live bubbled ensembles restarted in the Autumn term, and during the year virtual performances and edited concerts were regularly released. In addition, the Music Department staff introduced virtual enrichment masterclasses.

The Summer Term and its associated reduction in some restrictions allowed the bubbled ensembles to come to life with the Bath Phil Side-by-Side projects, the Wessex soloist concert to be performed to a live audience and a live final performance to part of the School in the partially-virtual Founder's Day service.

Sport

The National Governing Body for Cricket allowed for some matches to be played in September and the Sports Department adjusted their programmes accordingly to make best use of the restrictions for the benefit of pupils. The Rugby, Hockey and Netball 'return to play' pathways restricted almost all fixtures until the start of the Summer term, at which point the Year 13s were able to play competitive fixtures against local schools. The Senior Footballers were also able to have a final match against Year 12s.

During the Autumn term and latter stages of the Spring term, a full programme of bubbled coaching sessions, tournaments and competitions kept pupils engaged and maintaining good progress. The Summer term saw the introduction of the new cricket programme where boys and girls would play together based on ability rather than gender.

Ten Tors

With Ten Tors cancelled for the second year, Mr Laney established the Ten Hills of Bath Challenge to partially fill the gap. The Challenge was 42Km in total and climbed the equivalent of the height of Ben Nevis. 36 pupils from Years 10 to 12 took part. This is an event which the School now plans to keep in its annual calendar of events going forward.

Activities week

With no overseas trips available and strict guidelines for Covid-secure residential school trips, there was significant planning and replanning required for Activities week.

KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

- Year 7 travelled as a year group to Budden's Activity centre in Dorset – a new Centre for the School.
- Year 8 travelled as a year group to Cumulus Activity centre in Dorset – again, another new Centre for the School.
- Year 9 embarked on Expedition week which included the qualifying expedition for Bronze DofE
- Year 10 had a choice of sailing, adventure sports, golf, build a games console, show in a week and Summer in the city.

In many ways Activities week provided to be the highlight of the year, enabling the Senior School Community to finish the year with a sense of normality, and high-quality trips and activities.

Community Service

This year's Community Service Programme was naturally impacted by the ongoing Covid-19 pandemic. Some of the School's partner institutions felt unable to host our pupils, as they work with very vulnerable or elderly adults and children. However, fortunately, we were still able to provide placements for around 15 Sixth form students on Thursday afternoons at Combe Down Primary School, the Peggy Dodd Centre and our own Junior School. Within the schools, our pupils were involved in reading with children in Early Years classes and supporting teaching staff in a wide range of subjects, including Maths, English, Science and Art. Some pupils also offered to help organise and participate in World Book Day this year.

Junior School Report

The pursuit of academic excellence along with high standards and expectations lies at the heart of everything we do at King Edward's Junior School. We endeavour to develop in our children broad and open minds with a balanced and rounded view of the world through a holistic, modern, expansive and varied curriculum. This is achieved in many ways – our enriched teaching and learning environment, both in and out of the classroom, has enabled us to extend the educational provision and this, along with specialist, dedicated and passionate members of staff help promote excellence and to raise our standards still further.

Our finely tuned pastoral system based on mutual respect, kindness, support and positive encouragement helps the children to become better citizens. Their wellbeing and emotional health is a priority for us to fulfil our school aims and values. This, complimented with trips, visits, visitors and other opportunities offered, makes the Junior School a happy, healthy, vibrant and rewarding place in which to learn, progress and be inspired. Although lockdowns and Covid-19 absences impacted learning to some degree, we sought to adapt our planning and teaching accordingly to deliver remote and blended learning and support to our pupils. As a result, the School's online learning platform was better, more inclusive, easier to navigate and popular with children and parents.

Throughout the year, the Junior School's curriculum work was enhanced by special projects, events and activities.

- Enrichment Activities help by providing time for creative thinking and exploration in academic subjects often through cross-curricular themes and projects
- Work on the 'Learning Pit' helps children to welcome challenge in learning, to develop a growth mindset and in building resilience
- Homework is linked more closely to pupil progress in lessons and teaches children to identify their own learning, their strengths and weaknesses and their areas to develop. This helps to develop self-motivation, organisational skills and a Growth Mindset about learning.
- Character Education continues to instil key virtues, attitudes and behaviours through assemblies and work in class groups.
Values: 'CARERS': Charity, Appreciation, Responsibility, Ethics(Integrity), Resilience and Self-Awareness
Attitudes: Focus, Resilience, Integrity, Drive, Adaptability, Optimism, Discernment, Courage, Self-Awareness.
Behaviours: Empathy, Reflection, Growth Mindset, Responsibility, Curiosity, Self-Control, Service, Charity, Cooperation, Interdependence
- Teacher planning throughout the curriculum balances acquisition of knowledge with development of skills, positive attitudes and emotional literacy. SEND and EAL learners are carefully planned for and



KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

given appropriate and additional support as and when necessary from our dedicated Learning Support Team.

- The importance of teaching key vocabulary in each topic and subject has resulted in a review of our medium-term planning to specify the words that children need to understand to make progress with their learning.
- We have adopted the Jigsaw RSHE scheme, which has been thoroughly embedded by increasing the amount of curriculum time spent on it.
- ICT has been completely revamped and updated, taking into account the new RSHE curriculum, online safety, STEM activities and programming. A new bank of student laptops and iPads has made it much easier to use IT as a classroom learning tool in other subjects.
- Visiting art galleries and sculpture parks, working with visiting artists and joining in the various art clubs and weekend workshops.
- In maths, the mastery approach has been enhanced through use of the White Rose materials, encouraging deep learning and application through concrete learning, discussion and problem-solving. Year 4, 5 and 6 took part in maths challenges, while Year 6 enjoyed a day of mathematical enquiry and problem-solving skills.
- English thrives with a celebration of Book Week, Year 4 enacting a Shakespeare play in 20 minutes and Year 6 writing and illustrating picture books to read to infant children in local primary schools.
- Different religions and ideas are explored through reflection, empathy and imagination.
- Pupils have many opportunities to examine historical artefacts and primary sources. Year 6 debated whether it was right for Britain to go to war in 1939 and researched their own historical questions about World War 2.
- Work in Humanities emphasises critical and higher order thinking, building thinking skills while giving children a broad knowledge of the World and its history.
- The impact of 'Black Lives Matter' has been profound and has led to the inclusion of the Transatlantic Slave Trade as a topic in Year 5 history. The multicultural and non-binary nature of our society is better reflected in humanities and RS in particular.
- Geographers examined the natural and human world. A rainforest topic in Year 3 focuses on looking after our planet which links with our international charity.
- Science is similarly a practical 'hands-on' course with learning based around exploration through numerous and varied experiments.
- In Music, children in all year groups get to play and compose together: Year 3 play stringed instruments; Year 4 play either wind and/ or brass instruments in their class bands; Year 5 play ukulele, samba drums and gamelan; Year 6 perfect their skills on the steel pans. All year groups are given the opportunity to perform for the whole school and parents, through various concerts and events. The three school choirs sing both internally in concerts and services, and externally in the community.

Pre-Prep School Report

Autumn Term 2020 - The emotional health and well-being of the children was at the forefront of our minds this term. We implemented a new PSHE scheme of work which included the new curriculum area- Relationship Education. We were determined to make the lead up to Christmas as magical for the children as possible. Two nativities took place - one for the Nursery and Reception children and one for Years 1 and 2. The children learnt their lines and a whole array of beautiful carols. Filming took place and both nativities appeared on KESTV for all the parents to enjoy before the end of term. Father Christmas came into School, giving out a small gift to each child in a socially distanced way!

Spring 2021 - The announcement just before school reopened in January that schools were closing to all children apart from keyworker and vulnerable children took us all by surprise. We had been in school preparing for a normal opening to all children. Immediately we met as a teaching staff to plan the remote learning for the children. We had a tried and tested system in place. The parents were all familiar with the Interactive Learning Diary so we decided to place all the learning and feedback to parents on this one platform. Following Government guidelines, the Nursery never closed and grew both in size and demand.

Summer 2021 - After all the disruption of lockdown during the Spring term, a settled Summer term with all the children back in school was most welcome. Within the Covid-19 constraints that we needed to

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

operate in, we tried to enrich our curriculum offering. The majority of after school activities took place and we arranged day trips for all classes to places such as to Westonbirt Arboretum and to the local farm. In addition sports days took place but within smaller year group bubbles.

Future Developments

As the School and the wider country emerge from what we all hope will be the worse stages of the Covid-19 pandemic, we do so with renewed confidence for the School's future. We have started the process of a full strategic review for the School and this includes finalising an estates masterplan to further improve the School's facilities and we look forward to updating the wider School community on this over the coming few months. In addition, we continue to review our range of academic, pastoral and co-curricular offerings to ensure that these provide the very best support and opportunities for our pupils and we will continue to report on these developments in our future annual reports.

Fees and Financial Assistance

For the 2020-21 year, the Governors were determined to assist families with the impact of Covid-19. As a result, fees remained the same as in the previous year of 2019/20. The fees for the year 2020/21, before the deduction of any means-tested bursaries, scholarships and other concessions were:

- Nursery: £2,905 per term
- Pre Prep School: £3,520 per term
- Junior School: £3,900 per term
- Senior School: £4,935 per term (Sixth Form £5,020)

Fundraising Standards Information

All fundraising activities for the School are carried out by highly professional School staff with assistance from the parents and pupils with the running of specific fundraising events. The School does not use external professional fundraisers or have any commercial participators. All fundraising activities are managed by the Headmaster, with oversight by the members of the Governing Body.

No complaints relating to fundraising activities have been received by the School during the financial period. However, the School has in place procedures that would be followed in the event of a complaint being received. The School's complaints policy and procedure is on the website.

The School's standards of operation and management of fundraising activities are based on those of the Institute of Fundraising and of CASE (Council for the Advancement and Support of Education), of which the School is a member and follows CASE's best practice, recommendations and guidance on fundraising in education. The School is also a member of IDPE (Independent Development Professionals in Education). In particular, the School considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion on a person's privacy and that no fundraising activities would be unreasonably persistent or place undue pressure on a person to give money or property.

Investment Performance

The Charity's investments are held by Charles Stanley and unrealised gains on investments totalled £319,672 (2020 – *unrealised loss of £44,836*). The value of the total investment portfolio increased to £1,629,308 at the year-end (2020 - 1,279,128). Dividend income was £33,430 (2020 - £45,189).

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The School's Total Incoming Resources for the year were £14,623,769 (2020 - £14,722,380) and the surplus for the year before investment gains was £390,673 (2020 - £380,196). Net Debt at 31 August 2021 was £1,421,618 (2020 - £2,178,990). Full details are set out in the audited financial statements on pages 18 to 34.

Despite the impact of the Covid-19 pandemic throughout the 2020/21 year, the School's financial performance was very similar to the prior year's. As in 2019/20, the Governors took the decision to support the School community through the pandemic by maintaining the 2020/21 fees at the same level as the preceding year and by also reducing the School fees for the period of the third national lockdown in the Spring Term 2021. In addition, the School continued to provide additional bursary support to families whose finances had been impacted by the pandemic.

KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Reserves Policy and the School's status as a Going Concern

The School's policy is to continue to invest in premises and equipment to support the business and educational requirements of the School, while ensuring adequate financing of the School's day to day operational needs and the maintenance of adequate reserves to meet any contingencies as they arise. Therefore, retained surpluses are not held as free reserves, but are normally utilised for improvements to the School's facilities. This policy is supported by external financing as and when necessary, allocated to specific capital projects.

Free reserves, as defined by the Charity Commission, are the undesignated general funds of the Charity excluding the funds invested in tangible fixed assets. If this adjustment was made to the School's unrestricted reserves, the free reserves would be a negative figure of £2,064,908 (2020 - £3,498,759) which is typical of many independent schools. This is due to the need for continuing capital expenditure out of retained reserves. The borrowings to finance the building programmes are at a level which the Governors are confident can be serviced, based on conservative projections of income and expenditure and the related cash flows. Total reserves at the year end were £18,616,812 (2020 - £17,906,467).

In light of the current climate in relation to the ongoing Covid-19 pandemic the Governors have reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows. The Governors have a reasonable expectation that the School's financial resources and contingency planning is sufficient to ensure the ability of the School to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements.

Investment Policy and Objectives

The Board's investment objectives are to balance current and future needs by:

- maintaining (at least) the value of the investments in real terms;
- producing a consistent and sustainable amount to support expenditure; and
- delivering these objectives within acceptable levels of risk.

To meet these objectives the School's investments as a whole are managed on a portfolio basis, maintaining diversification across a range of asset classes in order to produce an appropriate balance between risk and return. The Board considers that in the year to 31 August 2021 the investment objectives were met.

ENERGY AND CARBON EMISSIONS

Under 'The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 we are now required to report on the energy the School uses and the associated levels of greenhouse gases that we omit.

In producing the information presented below, we have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

UK Greenhouse gas emissions and energy use for the periods:

Energy consumption used to calculate emissions (kWh)	2020-2021	2019-2020
Energy consumption break down (kWh)		
• gas	1,614,750	1,384,004
• electricity	785,957	825,798
• transport fuel	39,347	54,960
Scope 1 emissions in metric tonnes CO2e		
• Gas consumption	297	254
• Owned transport – minibuses & vans	9	14

KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Scope 2 emissions in metric tonnes CO2e		
• Purchased electricity	183	192
Scope 3 emissions in metric tonnes CO2e		
• Business travel in employee owned vehicles	1	2
Total gross emissions in metric tonnes CO2e	490	463
Intensity ratio Tonnes CO2e per pupil	0.46	0.43

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

The School is committed to reducing the amount of energy it consumes and is regularly reviewing opportunities for greater energy efficiencies. Recent examples include:

- The roll out of LED lights across classrooms as part of our planned maintenance programme
- Installation of new insulation in the Grade 2 listed Nethersole Building as part of its recent roof replacement
- All of the School's vehicles and coach service are being upgraded to the more energy efficient Euro 6 engine category or to electric vehicles.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

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

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Governors are aware, there is no relevant audit information of which the School's auditors are unaware. The Governors have taken all the steps that we ought to have taken as Governors in order

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

to make ourselves aware of any relevant audit information and to establish that the School's auditors are aware of that information.

SECTION 172(1) STATEMENT

The Governors have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the School for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

In discharging their duties above, the Governors carefully consider, amongst other matters, the impact on and interest of other stakeholders in the School and factor these into their decision-making process.

As a Charity, the School believes that its key stakeholders include its pupils, their parents, its employees and the wider community.

For our pupils, the Governors note that in this Annual Report they have detailed a range of examples as to how the School's pupils benefit from its academic, co-curricular and pastoral provision. For the parents of the pupils, the School encourages regular engagement and involvement with the School throughout the year. Whilst the nature of the engagement was inevitably impacted by the pandemic, the School seeks to maintain a programme of regular parents evenings which are supplemented by regular communication with parents and active encouragement of them to attend events at the School and to participate in the life of the School, including through the KES Parents' group referred to previously in this report.

The School recognises that the qualities, skills and commitment of its employees plays a major role in the School's success. Regular briefings keep staff informed of School-wide developments, and wide-ranging employee benefits enhance their quality of life. Staff wellbeing has been a key focus this year and will be a continued area of attention, along with equality, diversity and inclusion. Furloughed staff were successfully re-integrated as they returned from an extended period of absence from the site.

The School is proud of its place in the local community and as highlighted in this report, the School engages with and contributes to the local community in a wide number of areas including its partnerships with other local schools, its community service activities and its wider charitable activities. We also engage, where required, with our local authority and residents association.

AUDITOR

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Crowe U.K. LLP as auditor to the School will be put to the annual general meeting.

The Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of King Edward's School, Bath, on 24 March 2022 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



**Mrs W Thomson
Chair of Governors**

KING EDWARD'S SCHOOL, BATH
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Independent Auditor's Report to the Members of King Edward's School, Bath

Opinion

We have audited the financial statements of King Edward's School, Bath for the year ended 31 August 2021 which comprise Statement of Financial Activities, Balance Sheet, Cash flow 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 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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 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 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.

KING EDWARD'S SCHOOL, BATH
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

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 our audit

- the information given in the trustees' report, which includes the directors' report and the strategic 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 strategic report or the directors' report included within the trustees' 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; 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 trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, 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 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

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.

We identified the greatest risk of material impact on the financial statements from irregularities, including

**KING EDWARD'S SCHOOL, BATH
INDEPENDENT AUDITORS' REPORT**

FOR THE YEAR ENDED 31 AUGUST 2021

fraud, to be with the completeness and accuracy of non-fee income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, designing audit procedures over non-fee income, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted 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.

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.



Guy Biggin (Senior Statutory Auditor)
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
4th Floor
St James House
St James Square
Cheltenham
GL50 3PR

28 March 2022

KING EDWARD'S SCHOOL, BATH
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total Funds 2021 £	Total Funds 2020 £
Income from:						
Charitable Activities						
School fees	2	13,189,514	-	-	13,189,514	12,964,688
Other educational income	3	485,250	-	-	485,250	401,566
Other trading activities						
Other ancillary trading income	3	555,558	-	-	555,558	573,217
Non-ancillary trading income	3	195,850	-	-	195,850	654,380
Investments						
Investment income	4	40,485	-	-	40,485	56,083
Voluntary sources						
Donations		-	157,112	-	157,112	72,446
Total incoming resources		<u>14,466,657</u>	<u>157,112</u>	<u>-</u>	<u>14,623,769</u>	<u>14,722,380</u>
Expenditure on:						
Raising funds						
Fundraising costs	5	122,933	-	-	122,933	117,341
Financing costs	5	16,958	-	-	16,958	28,725
Total deductible costs		<u>139,891</u>	<u>-</u>	<u>-</u>	<u>139,891</u>	<u>146,066</u>
Charitable activities						
Education and grantmaking	5	13,874,981	218,224	-	14,093,205	14,196,118
Total expenditure	5	<u>14,014,872</u>	<u>218,224</u>	<u>-</u>	<u>14,233,096</u>	<u>14,342,184</u>
Net income from operations		451,785	(61,112)	-	390,673	380,196
Profit/(loss) on investments	9	319,672	-	-	319,672	(44,836)
Transfers between funds	16, 17	126,156	(126,156)	-	-	-
Net income for the year		<u>897,613</u>	<u>(187,268)</u>	<u>-</u>	<u>710,345</u>	<u>335,360</u>
Total funds at 1 September 2020		<u>15,452,311</u>	<u>399,849</u>	<u>2,054,307</u>	<u>17,906,467</u>	<u>17,571,107</u>
TOTAL FUNDS AT 31 AUGUST 2021	18	<u>16,349,924</u>	<u>212,581</u>	<u>2,054,307</u>	<u>18,616,812</u>	<u>17,906,467</u>

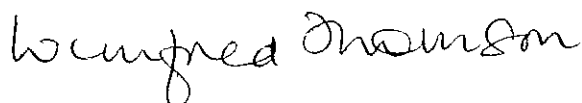
The notes on pages 21 to 34 form part of these financial statements.

KING EDWARD'S SCHOOL, BATH
BALANCE SHEET
AS AT 31 AUGUST 2021

COMPANY NUMBER: 03394895

		2021		2020	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	8		20,469,139		21,005,377
Investments	9		<u>1,629,308</u>		<u>1,279,128</u>
			22,098,447		22,284,505
CURRENT ASSETS					
Stock	10	2,190		2,707	
Debtors	11	577,010		621,417	
Cash at bank and in hand		<u>2,250</u>		<u>1,741</u>	
		581,450		625,865	
CREDITORS: amounts falling due within one year	12	<u>(2,518,343)</u>		<u>(3,281,946)</u>	
NET CURRENT LIABILITIES			(1,936,893)		(2,656,081)
TOTAL ASSETS LESS CURRENT LIABILITIES			20,161,554		19,628,424
CREDITORS: amounts falling due after more than one year	13		<u>(1,544,742)</u>		<u>(1,721,957)</u>
NET ASSETS			<u>18,616,812</u>		<u>17,906,467</u>
FUNDS					
Endowment funds	15		2,054,307		2,054,307
Restricted funds	16		212,581		399,849
Unrestricted funds	17		<u>16,349,924</u>		<u>15,452,311</u>
TOTAL FUNDS			<u>18,616,812</u>		<u>17,906,467</u>

The financial statements were approved and authorised for issue by the Board of Governors and were signed on their behalf on **24 March 2022**.



Mrs W Thomson
Chair of Governors

The notes on pages 21 to 34 form part of these financial statements.

KING EDWARD'S SCHOOL, BATH
CASHFLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	2020 £
NET CASH INFLOW FROM OPERATIONS			
Net cash provided by operating activities	(i)	<u>1,071,812</u>	<u>568,069</u>
Cash flows from investing activities:			
Payment for tangible fixed assets		(304,537)	(1,254,067)
Proceeds from sale of tangible fixed assets		-	100
Additions to investments portfolio		(33,430)	(45,189)
Withdrawal from investments portfolio		-	-
Investment income		<u>40,485</u>	<u>56,083</u>
Net cash used in investing activities		<u>(297,482)</u>	<u>(1,243,073)</u>
Cash flows used by financing activities:			
Bank loan interest paid and finance costs		(16,958)	(28,725)
Bank loan repayments		<u>(177,215)</u>	<u>(177,215)</u>
Net cash used by financing activities		<u>(194,173)</u>	<u>(205,940)</u>
Change in cash and cash equivalents in the reporting period		580,157	(880,944)
Cash and cash equivalents at the beginning of the period		<u>(748,891)</u>	<u>132,053</u>
Cash and cash equivalents at the end of the reporting period including overdrafts		<u>(168,734)</u>	<u>(748,891)</u>

(i) RECONCILIATION OF NET INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net incoming resources	390,673	427,185
Elimination of non-operating cash flows:		
- Investment income	(40,485)	(56,083)
- Finance costs	16,958	28,725
- Investment management fees	2,922	5,049
Depreciation charge	840,775	854,699
Decrease in stocks	517	2,008
Decrease in debtors	44,407	70,770
Decrease in creditors	(183,955)	(764,645)
Loss on sale of fixed assets	-	361
Net cash inflow from operations	<u>1,071,812</u>	<u>568,069</u>

(ii) ANALYSIS OF CHANGES IN NET DEBT

	1 September 2020 £	Movement in the year £	31 August 2021 £
Net cash including overdrafts	(748,891)	580,157	(168,734)
Bank Loan due with one year	(177,215)	-	(177,215)
Bank Loan due after more than one year	(1,252,884)	<u>177,215</u>	<u>(1,075,669)</u>
Net Debt	<u>(2,178,990)</u>	<u>757,372</u>	<u>(1,421,618)</u>

The notes on pages 21 to 34 form part of these financial statements.

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. CHARITY INFORMATION

King Edward's School, Bath is a charitable company limited by guarantee incorporated in England and Wales (charity number 1115875, company number 03394895) and is a Public Benefit Entity operating from its registered office North Road, Bath, BA2 6HU. The liability of members in the event of winding up is limited to an amount not exceeding £1 per member.

ACCOUNTING POLICIES

The financial statements have been prepared on the historical cost basis of accounting, as modified by the revaluation of listed investments, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Statement of Recommended Practice (SORP 2019) and the accounting policies set out below.

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

The School depends on its existing bank facilities to meet its day to day working capital requirements. Current forecasts indicate that the School expects to be able to operate within these facilities for the whole of the foreseeable future. These facilities are renewed annually and are not guaranteed for the period covered by the going concern review. The Governors are not aware, however, of any circumstances that may adversely affect the renewal of these facilities.

In light of the current climate in relation to the COVID-19 pandemic the Governors have undertaken planning and forecasting and continue to closely monitor the situation. The Governors believe that the School's financial resources and contingency planning is sufficient to ensure the ability of the School to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

The subsidiary undertaking Tolcram Limited has not been consolidated on the grounds that the activities are not material to the group as the subsidiary undertaking is dormant.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Governors are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. 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.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

a) School fees and similar income

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school, but include contributions received from restricted funds for scholarships, bursaries and other grants. Amounts received in advance for education not yet utilised to settle school fees are recorded as deferred income and allocated against current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

All other income is included in the Statements of Financial Activities when the school is legally entitled to the income and the amount can be quantified with reasonable accuracy.

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (continued)

b) Donations

All monetary donations and gifts are included in full in the Statement of Financial Activities when entitlement arises, the amount can be reliably quantified and economic benefit to the School is considered probable. When donors specify that donations, including donations towards the purchase of fixed assets, are for particular restricted purposes, the income is included in incoming resources of restricted funds.

c) Investment income

Dividend income is accounted for at the date on which the School has entitlement to the dividends. Interest on bank balances is accounted for in the period in which the interest is earned.

d) Coronavirus Job Retention Scheme Grant

During the current year King Edward's School, Bath suspended certain functions in reaction to government directives aimed at reducing the spread of Covid-19. This resulted in a number of staff being furloughed with their wages paid by the government. These wages are reflected as expenditure in Notes 5 and 6 to the financial statements. The repayment of their wages from the government is represented in unrestricted government grant income in Note 3.

e) Resources expended

Resources expended are accrued as soon as a liability is considered probable, discounted to present value for long term liabilities. Expenditure which can be directly attributed to specific activities has been included in appropriate cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion attributable to each activity.

- Expenditure on raising funds – include all fund raising and financing support costs;
- Charitable activities – expenses are charged to the Statement of Financial Activities on an accruals basis. Expenditure is allocated to functional headings either on a direct cost basis or apportioned according to time spent;
- Governance costs – includes those costs associated with constitutional and statutory requirements such as audit fees, legal costs and Governors' expenses.

f) Redundancy costs

Redundancy payments occur when absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy has been made.

g) Tangible fixed assets

Tangible fixed assets, including freehold property, are stated at original cost plus subsequent costs of additions, less depreciation. Tangible fixed assets costing less than £500 are not capitalised.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on current market prices, of each asset evenly over its expected useful economic life, as follows:

Freehold properties	Straight line over 50 years
Fixtures and fittings	Straight line over 10 years
School equipment	Straight line over 3-5 years
Motor vehicles	Straight line over 5 years

h) Investments

The investments held by the school are stated at market value as at the Balance Sheet date. Gains and losses on disposal are disclosed as realised gains or losses, being the difference between sales proceeds and the market value at the last accounting date. Changes in the valuation of investments during the year are shown as unrealised gains and losses.

i) Debtors

Short term debtors are initially measured at transaction price, less any impairment.

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (continued)

j) Cash

Cash is represented by cash in hand and deposits with financial institutions.

k) Creditors

Short term creditors are initially measured at the transaction price.

l) Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

m) Funds

Funds held by the Charity are:

- Restricted funds – these can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by donors or by the purpose of the appeal.
- Unrestricted general funds - these can be used in accordance with the Charitable objects at the discretion of the Governors.
- Designated funds – these are unrestricted funds which have been designated for specific purposes by the Governors, in particular where School funds have been used to match contributions from donors.

n) Taxation

The School is a registered Charity and as such is entitled to certain tax exemptions on all its income and gains, properly applied in furtherance of the Charity's primary objectives.

The School is not registered for VAT.

o) Operating leases

Rentals payable under operating leases are charged on a straight line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

p) Pensions

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme, which are attributable to the School. In accordance with FRS 102 S28.11, therefore, the scheme is accounted for as a defined contribution scheme.

The School also contributes to personal pension schemes for non-teaching staff.

The School's contributions to the schemes are charged in the financial statements as they accrue.

q) Recognition of liabilities

Liabilities are recognised once there is a legal or constructive obligation that commits the School to the obligation.

r) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost 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. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. FEES RECEIVABLE

Income represents gross School fees invoiced, less discounts and allowances:

	2021	2020
	£	£
Gross school fees	14,954,527	14,570,241
Less: Total bursaries, grants and allowances	<u>(1,765,013)</u>	<u>(1,605,553)</u>
	<u>13,189,514</u>	<u>12,964,688</u>

3. OTHER INCOME

	2021	2020
	£	£
Other educational income:		
After school clubs and school trips	169,706	149,939
Music, Lamda and learning support lessons	<u>315,544</u>	<u>251,627</u>
	<u>485,250</u>	<u>401,566</u>

	2021	2020
	£	£
Other ancillary trading income:		
Lunch charges	475,504	463,113
Food and cafe sales	7,105	25,077
Fee protection scheme	18,513	18,266
Bus and coach service income	<u>54,436</u>	<u>66,761</u>
	<u>555,558</u>	<u>573,217</u>

	2021	2020
	£	£
Non-ancillary trading income:		
Rent received	4,179	22,758
Government grants	138,780	585,911
Other incoming resources	<u>52,891</u>	<u>45,711</u>
	<u>195,850</u>	<u>654,380</u>

4. INTEREST

	2021	2020
	£	£
Dividends received	33,430	45,189
Interest received	<u>7,055</u>	<u>10,894</u>
	<u>40,485</u>	<u>56,083</u>

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs	Other	Depreciation	Total 2021	Total 2020
	£	£	£	£	£
Costs of generating funds					
Fundraising costs	108,204	14,729	-	122,933	117,341
Financing costs	-	16,958	-	16,958	28,725
Total cost of generating funds	108,204	31,687	-	139,891	146,066
Charitable activities					
Teaching	8,839,954	378,897	-	9,218,851	9,288,937
Welfare	702,667	282,460	-	985,127	963,522
Premises	259,942	792,155	840,775	1,892,872	1,977,894
Support	1,098,312	876,950	-	1,975,262	1,943,423
Governance costs	-	21,093	-	21,093	22,342
Total charitable expenditure	10,900,875	2,351,555	840,775	14,093,205	14,196,118
Total resources expended	11,009,079	2,383,242	840,775	14,233,096	14,342,184

6. STAFF COSTS

The average headcount of employees, excluding Governors and visiting staff, but including part-time staff, employed by the School during the year was as follows:

	2021	2020
	Number	Number
Teaching staff (including academic support)	207	207
Administration and support	30	29
Premises	12	13
Welfare	42	42
	291	291

The aggregate payroll costs of these persons were as follows:

	2021	2020
	£	£
Wages and salaries	8,577,173	8,313,079
Social security costs	831,820	816,604
Pension costs	1,572,792	1,539,909
Apprenticeship levy	27,294	26,755
	11,009,079	10,696,347

Aggregate remuneration and benefits of the 8 (2020 - 7) key management personnel totalled £958,209 (2020 - £860,732). This relates to the Headmaster, Heads of Junior and Pre-Prep Schools, Bursar, Second Master and Deputy Heads of Pastoral and Academic.

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

6. STAFF COSTS (continued)

The numbers of employees who earned more than £60,000 per annum were:

	2021 Number	2020 Number
£60,001 - £70,000	1	3
£70,001 - £80,000	1	1
£80,001 - £90,000	3	3
£90,001 - £100,000	3	1
£140,001 - £150,000	-	1
£160,001 - £170,000	1	-

During the year pension contributions amounting to £188,506 (2020 - £174,163) were made for the higher paid employees to the Teachers' Superannuation scheme and the money purchase pension scheme.

During the year, the Governors received no remuneration and no retirement benefits were accruing. Governors expenses reimbursed amounted to £359 (2020 - £67) for 2 Governors (2020 - 1). Related Party Transactions are declared in note 20.

During the year there was termination payments of £92,158 (2020 - £nil). No amount was outstanding at the year end (2020 - £nil).

7. AUDITOR'S REMUNERATION

	2021 £	2020 £
Auditor's remuneration: - audit services	18,000	16,000
Auditor's remuneration: - other services	2,280	2,770

8. TANGIBLE FIXED ASSETS

	Freehold Properties £	School Equipment £	Fixtures and Fittings £	Motor Vehicles £	Total £
Cost					
At 1 September 2020	24,274,693	1,122,481	1,582,573	337,611	27,317,358
Additions	160,926	125,001	18,610	-	304,537
Disposals	-	(135,852)	(1,206)	(6,000)	(143,058)
At 31 August 2021	24,435,619	1,111,630	1,599,977	331,611	27,478,837
Depreciation					
At 1 September 2020	4,713,650	745,978	630,572	221,781	6,311,983
Charge for the year	480,059	173,287	139,704	47,725	840,775
On disposals	-	(135,852)	(1,206)	(6,000)	(143,058)
At 31 August 2021	5,193,709	783,413	769,070	263,506	7,009,698
Net Book Value					
At 31 August 2021	19,241,908	328,218	830,907	68,106	20,469,139
At 31 August 2020	19,561,043	376,503	952,001	115,830	21,005,377

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

9. INVESTMENTS

a) Investment Portfolio

	2021	2020
	£	£
<i>At 1 September 2020</i>	1,279,128	1,283,824
Reinvested income	33,430	45,189
Investment management fees	(2,922)	(5,049)
Increase/(decrease) in value of investments	<u>319,672</u>	<u>(44,836)</u>
At 31 August 2021	<u>1,629,308</u>	<u>1,279,128</u>

The investments are managed by professional investment managers and represent monies invested directly on a recognised UK stock exchange. At the end of the year £125,432 (2020 - £72,042) was held as uninvested cash.

b) Investment in subsidiaries

The School has a dormant subsidiary company, Tolcram Limited. The shares in this Company are held by the directors on behalf of the School and no cost of investment is recognised in these financial statements.

10. STOCKS

	2021	2020
	£	£
Kitchen stores, clothes and prospectuses	<u>2,190</u>	<u>2,707</u>

11. DEBTORS

	2021	2020
	£	£
Fee debtors	234,824	162,137
Prepayments and accrued income	290,315	275,873
Other debtors	<u>51,871</u>	<u>183,407</u>
	<u>577,010</u>	<u>621,417</u>

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

12. CREDITORS: amounts falling due within one year

	2021	2020
	£	£
Bank loan	177,215	177,215
Bank overdraft	170,984	750,632
Trade creditors	354,459	447,392
Taxes and social security	377,541	622,002
Fees received in advance	654,340	572,214
Refundable deposits	413,194	356,550
Accruals and deferred income	222,297	107,797
Other creditors	148,313	248,144
	<u>2,518,343</u>	<u>3,281,946</u>

Refundable deposits are received when pupils are first entered for admission, and are held until the pupil has completed their education at which point the fees are refunded. All pupils could leave within the next twelve months and therefore deposits are considered as falling due within one year.

The bank loan is secured by a legal charge over the freehold property known as King Edward's School. The loan is repayable in instalments by December 2028 and bears a variable interest rate of 1% above the Bank of England base rate.

The ratio of the bank loans to the book value of the property was 6% (2020 - 7%).

13. CREDITORS: amounts falling due after more than one year

	2021	2020
	£	£
Bank loan	1,075,669	1,252,884
Fees received in advance	469,073	469,073
	<u>1,544,742</u>	<u>1,721,957</u>

The bank loan is repayable by instalments:

	2021	2020
	£	£
Due after five years	366,809	544,024
Due within two to five years	531,645	531,645
Due within one to two years	177,215	177,215
	<u>1,075,669</u>	<u>1,252,884</u>
Due within one year	177,215	177,215
	<u>1,252,884</u>	<u>1,430,099</u>

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

14. FINANCIAL INSTRUMENTS

	2021 £	2020 £
Financial assets measured at amortised cost (a)	286,695	450,936
Financial assets measured at fair value (b)	1,629,308	1,279,128
Financial liabilities measured at amortised cost (c)	<u>3,669,804</u>	<u>3,631,269</u>

- (a) Financial assets include cash, trade and fee debtors, staff loans, other debtors, accrued income and amounts due from subsidiaries.
(b) Financial assets held at fair value include assets held as investments.
(c) Financial liabilities include deposits, fees in advance, trade creditors, bank loans and other creditors.

15. ENDOWED FUNDS

	At 1 September 2020 £	Incoming Resources £	Resources Expended £	Transfers and gain/loss on investments £	At 31 August 2021 £
Endowed Fund - Permanent	1,845,977	-	-	-	1,845,977
Endowed Fund - Expendable	208,330	-	-	-	208,330
	<u>2,054,307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,054,307</u>

The Endowed fund is "King Edward's School Bath Trust" and represents the value of the assets held in the unincorporated charity number 1115875-1.

Prior year:

	At 1 September 2019 £	Incoming Resources £	Resources Expended £	Transfers and gain/loss on investments £	At 31 August 2020 £
Endowed Fund - Permanent	1,845,977	-	-	-	1,845,977
Endowed Fund - Expendable	208,330	-	-	-	208,330
	<u>2,054,307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,054,307</u>

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

16. RESTRICTED FUNDS

	At 1 September 2020 £	Incoming Resources £	Resources Expended £	Transfers £	At 31 August 2021 £
Prize fund	133,740	1,000	(1,657)	-	133,083
Bursary fund	161,322	37,700	(199,022)	-	-
The Parents' Committee	39,702	16,854	(16,213)	(20,000)	20,343
Hockey Festival	15,432	-	(410)	-	15,022
Mailer fund	6,156	-	-	(6,156)	-
Other funds	43,497	101,558	(922)	(100,000)	44,133
	<u>399,849</u>	<u>157,112</u>	<u>(218,224)</u>	<u>(126,156)</u>	<u>212,581</u>

Movements in other restricted funds during the year were:

Prize fund

This fund is the accumulation of bequests made over the years for specific designated prize awards each year. Funds are invested by Charles Stanley. The dividends and interest received are used to pay for the prizes annually.

Bursary fund

This fund provides financial assistance to parents who are selected for mean tested bursaries or have experienced a major and unforeseen change in their financial circumstances.

The Parents' Committee

This is made up of several small donations from the Parents' Committee. Monies are received and then spent on the specific restriction.

Hockey Festival

The hockey festival is an annual event, donations are received from entrants to the festival; these are spent on the running of the event. If a surplus is made, it will be spent on future hockey festival events.

Mailer fund

This is made up of donations to provide support towards the cost of the 6th Form Centre capital project.

Other funds

This is made up of several small restricted funds, such as the Gym Equipment Fund. Monies are received and then spent on the specific restriction.

Transfer between funds

This relates to contributions towards school expenditure for specific items. In the year to 31 August 2021 these included the Junior School astropitch.

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

16. RESTRICTED FUNDS (continued)

Movements in other restricted funds during the prior year were:

	At 1 September 2019 £	Incoming Resources £	Resources Expended £	Transfers and loss on investments £	At 31 August 2020 £
Prize fund	135,147	-	(1,407)	-	133,740
Bursary fund	135,678	90,590	(160)	(64,786)	161,322
The Parents' Committee	45,640	24,153	(9,240)	(20,851)	39,702
Hockey Festival	15,432	-	-	-	15,432
Mailer fund	5,916	240	-	-	6,156
Other funds	59,191	2,653	(4,412)	(13,935)	43,497
	<u>397,004</u>	<u>117,636</u>	<u>(15,219)</u>	<u>(99,572)</u>	<u>399,849</u>

17. UNRESTRICTED FUNDS

	At 1 September 2020 £	Incoming Resources £	Resources Expended £	Transfers and gains on investments £	At 31 August 2021 £
General	15,317,765	14,466,657	(14,014,872)	445,828	16,215,378
Designated Bursary Fund	134,546	-	-	-	134,546
	<u>15,452,311</u>	<u>14,466,657</u>	<u>(14,014,872)</u>	<u>445,828</u>	<u>16,349,924</u>

The Designated Bursary Fund was a specific legacy received in 2013/14.

Prior year:

	At 1 September 2019 £	Incoming Resources £	Resources Expended £	Transfers £	At 31 August 2020 £
General	14,985,250	14,604,745	(14,326,966)	54,736	15,317,765
Designated Bursary Fund	134,546	-	-	-	134,546
	<u>15,119,796</u>	<u>14,604,745</u>	<u>(14,326,966)</u>	<u>54,736</u>	<u>15,452,311</u>

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

18. ALLOCATION OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2021 are held as follows:

	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total Funds 2021 £
Tangible fixed assets	18,414,832	-	2,054,307	20,469,139
Investments	1,629,308	-	-	1,629,308
Net current liabilities	(2,149,474)	212,581	-	(1,936,893)
Long term liabilities	(1,544,742)	-	-	(1,544,742)
	<u>16,349,924</u>	<u>212,581</u>	<u>2,054,307</u>	<u>18,616,812</u>

Fund balances at 31 August 2020 were held as follows:

	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total Funds 2020 £
Tangible fixed assets	18,951,070	-	2,054,307	21,005,377
Investments	1,279,128	-	-	1,279,128
Net current liabilities	(3,055,930)	399,849	-	(2,656,081)
Long term liabilities	(1,721,957)	-	-	(1,721,957)
	<u>15,452,311</u>	<u>399,849</u>	<u>2,054,307</u>	<u>17,906,467</u>

19. PENSION COSTS

The School operates two pension schemes. A defined contribution pension scheme is operated for non-teaching staff, the assets of which are held separately from those of the School in an independently administered fund. The pension cost charge in respect of the fund of £247,940 (2020 - £237,991) represents contributions payable by the School to the fund. There were outstanding contributions at the year end of £Nil (2020 - £Nil).

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 £1,956,377 (2020 - £1,937,137) and at the year-end £167,004 (2020 - £163,343) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (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.

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. PENSION COSTS (continued)

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. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

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. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

20. RELATED PARTY TRANSACTIONS

Certain Governors have children at the School but these are all on normal terms and they are unable to use their position as Governors to their advantage.

Included within other debtors is £50,000 (2020 - £100,000) relating to a loan to Mr M J Boden, the Headmaster. Interest on the loan is charged at 2% above the Bank of England base rate and is paid monthly. Interest received by the School during the year amounted to £2,013 (2020 - £2,425).

During the financial year the School had transactions totalling £9,261 (2020 - £1,407) with two (2020 - two) companies where a Governor is also listed as a Director of that entity.

21. COMPANY STATUS

King Edward's School, Bath is a company limited by guarantee, not having share capital. The liability of the members in the event of winding up is limited to an amount not exceeding £1 per member.

22. CAPITAL COMMITMENTS

At 31 August 2021 the School had capital commitments totalling £Nil (2020 - £Nil).

23. OPERATING LEASE COMMITMENTS

Other	2021 £	2020 £
Not later than one year	9,822	19,945
Later than one year and not later than five	15,536	-
	<u>25,358</u>	<u>19,945</u>

Lease payments recognised as an expense in the year amounted to £22,862 (2020 - £23,934).

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

24. COMPARATIVE SOFA

	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total Funds 2020 £
Income from:				
Charitable Activities				
School fees	12,964,688	-	-	12,964,688
Other educational income	401,566	-	-	401,566
Other trading activities				
Other ancillary trading income	573,217	-	-	573,217
Non-ancillary trading income	654,380	-	-	654,380
Investments				
Investment income	10,894	45,189	-	56,083
Voluntary sources				
Donations	-	72,446	-	72,446
Total incoming resources	14,604,745	117,635	-	14,722,380
Expenditure on:				
Raising funds				
Fundraising costs	117,341	-	-	117,341
Financing costs	28,725	-	-	28,725
Total deductible costs	146,066	-	-	146,066
Charitable activities				
Education and grantmaking	14,180,900	15,218	-	14,196,118
Total expenditure	14,326,966	15,218	-	14,342,184
Net income from operations	277,779	102,417	-	380,196
Loss on investments	-	(44,836)	-	(44,836)
Transfers between funds	54,736	(54,736)	-	-
Net Income for the year	332,515	2,845	-	335,360

