

King Edward VI School at Chelmsford
Registered Charity No 310861

Report and Financial Statements

Year Ended

31 March 2023

KING EDWARD VI SCHOOL AT CHELMSFORD

Details

Charity name & number

King Edward VI School at Chelmsford - registered charity No 310861

Correspondence address

Clerk to the Governors: Iwona Bainbridge-Dyer, c/o King Edward VI Grammar School, Broomfield Road,
Chelmsford, CM13SX ibainbridgedyer@kegs.org.uk

Governors

W Hall JP, Chairman until 22 October 2022
PJL Hutchinson, Chairman from 22 October 2022
JF Aldridge, Vice Chairman
AF Ball
RL Brooker
SP Foakes
J Galley, resigned 23 June 2022
KG Heseltine
ID Hook
M Merchant, appointed 18 May 2022
GW Miller FCA, Treasurer
RJ Shepherd, resigned 18 May 2022
TL Siriwardana
GR Smith
SP Smith
AB Sosin
RT Whitehead
CJ Willis

Bankers

Barclays Bank PLC, High Street Chelmsford

Fund Managers

COIF Charities Investment Fund

Independent examiner

Matthew Cranfield FCCA, Chelmsford, CM3 2GE

KING EDWARD VI SCHOOL AT CHELMSFORD

Annual Report of the Governors Year ended 31 March 2023

The Governors of King Edward VI School at Chelmsford ("the Foundation") present their Annual Report for the year ended 31 March 2023.

Status

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

Objects

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

Management and governance arrangements

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

The Governors review the risks that the Charity faces, mainly related to investment management. Following a centralisation of all investments during the previous financial year they receive and review quarterly reports from the COIF Charities Investment Managers.

Procedures and policy for charitable expenditure

The Governors have regular meetings with the Head Teacher of The School to consider the support that the Foundation can offer. During the year, the Foundation sponsored a number of prizes totalling £1,000 to be awarded for merit worthy pieces of academic work completed outside of the School curriculum.

Also during the year the Governors donated £50,000 to the School to be set against capital projects during the year (2022: £nil) and a further £4,000 to the Corps of Drums to contribute to the cost of maintaining uniforms.

A separate sub-committee has been formed to receive requests for bursaries. Bursaries totalling £450 have been agreed and paid in the year leaving designated funds of £10,934 to provide assistance to pupils at the School who otherwise would be excluded from certain educational experiences upon the grounds of cost. Payments totalling £350 were also made out of the restricted scholarship funds.

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

Investment policy

The Governors are aware of the responsibility to balance the needs of current and future beneficiaries. Investment policy is set to achieve appropriate income whilst protecting the capital value of the endowment fund. All investments are in funds which aim to generate unrestricted income for the Foundation. Following a review of historic arrangements the Governors centralised all of its investments into COIF Charities Investment Funds.

Public benefit

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

Governors recruitment and induction.

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

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

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

Review of the developments, activities, achievements and financial transactions

The Statement of Financial Activities shows net outgoing resources of £19,250 (2022: incoming £228,405).

During the previous period the Foundation received a restricted donation of £200,000 from the son of a former teacher at the school. The capital is held in a separate fund and the income is to be spent on the performing arts. The Foundation has registered for gift-aid and this will be accounted for in the period in which it is received.

The Foundation suffered an unrealised deficit of £26,077 on its investments during the year (2022: unrealised surplus of £3,675 plus realised surplus of £16,445).

The Foundation's investments are shown on page 9.

Going Concern

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

Signed on behalf of the Governors

GW Miller FCA

Treasurer

Date: 19 January 2024

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

I report on the accounts of Charity no 310861 for the year ended 31 March 2023 as set out on pages 4 to 10

Respective responsibilities of trustees and examiner

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

It is my responsibility to:

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

Basis of independent examiner's report

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

Independent examiner's statement

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Matthew Cranfield FCCA
Chelmsford CM1 7BU
Date: 19 January 2024

KING EDWARD VI SCHOOL AT CHELMSFORD

Statement of Financial Activities (incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the year ended 31 March 2023

		Un- restricted funds 2023	De- signated funds 2023	Restricted scholarship funds 2023	Other restricted funds 2023	Total funds 2023	Total funds 2022
	Note						
Incoming resources							
from generated funds							
Donations and bequests		1,164	0	0	0	1,164	200,000
Investment income		12,833	0	596	5,270	18,699	13,655
Rent receivable		20,000	0	0	0	20,000	20,000
Total incoming resources		33,997	0	596	5,270	39,863	233,655
Resources expended							
Direct charitable expenditure							
Donations granted	4	54,000	0	0	0	54,000	0
Awards made	5	1,000	450	300	0	1,750	750
Governance costs							
Clerk's fee		3,633	0	0	0	3,633	3,600
General expenses		0	0	0	0	0	900
Total resources expended		58,633	450	300	0	59,383	5,250
Net incoming/(outgoing) resources before Investment gains/(losses)		-24,636	-450	296	5,270	-19,520	228,405
Profit/(loss) on investment assets							
Realised on disposal		0	0	0		0	16,445
Unrealised on revaluation	2/8	0	0	-831	-25,246	-26,077	3,675
Net movement on investments		0	0	-831	-25,246	-26,077	20,120
Net incoming/(outgoing) resources		-24,636	-450	-535	-19,976	-45,597	248,525
Transfers between funds	8	-1,000	0	0	1,000	0	0
Net movement in funds for the year		-25,636	-450	-535	-18,976	-45,597	248,525
Total funds at 1 April 2022		55,451	11,384	24,106	659,210	750,151	501,626
Total funds at 31 March 2023		29,815	10,934	23,571	640,234	704,554	750,151

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

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

KING EDWARD VI SCHOOL AT CHELMSFORD

Balance Sheet 31 March 2023

		Un- restricted funds 2023	De- signated funds 2023	Restricted scholarship funds 2023	Other restricted funds 2023	Total funds 2023	Total funds 2022
	Note						
Fixed assets							
Investments	2/10	0	0	20,477	621,833	642,310	668,388
		<u>0</u>	<u>0</u>	<u>20,477</u>	<u>621,833</u>	<u>642,310</u>	<u>668,388</u>
Current assets							
Debtors		0	0	0	0	0	0
Cash at bank and in hand							
General accounts		30,815	10,934	3,094	18,401	63,244	81,763
		<u>30,815</u>	<u>10,934</u>	<u>3,094</u>	<u>18,401</u>	<u>63,244</u>	<u>81,763</u>
Creditors: amounts falling due within one year	3	1,000	0	0	0	1,000	0
Net current assets		<u>29,815</u>	<u>10,934</u>	<u>3,094</u>	<u>18,401</u>	<u>62,244</u>	<u>81,763</u>
Net assets		<u>29,815</u>	<u>10,934</u>	<u>23,571</u>	<u>640,234</u>	<u>704,554</u>	<u>750,151</u>
Charity funds							
Unrestricted funds	8	29,815	0	0	0	29,815	55,451
Designated funds	8	0	10,934	0	0	10,934	11,384
Restricted scholarship funds	8	0	0	23,571	0	23,571	24,106
Other restricted funds	8	0	0	0	640,234	640,234	659,210
		<u>29,815</u>	<u>10,934</u>	<u>23,571</u>	<u>640,234</u>	<u>704,554</u>	<u>750,151</u>

The financial statements were approved by the Governors on 19 January 2024 signed on their behalf by
MR GW Miller FCA

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

1 Accounting policies

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

Fund accounting

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

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

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

Incoming resources

Income is recognised in the period in which the Charity is entitled to receipt and the amount can be measured with reasonable certainty. Gift-aid is recognised in the period in which it is received.

Expenditure

Expenditure is included in the accounts on an accruals basis

Investments

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

Unrealised investment surpluses/deficits

These are shown net in the statement of financial activities

Fixed assets

The Foundation owns the freehold land and buildings from which the School operates. In 2011 a 125 year full maintaining lease was granted to the School which now carries the majority risks and rewards of ownership. The land and buildings are therefore carried at nil value in these accounts.

Going concern

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

KING EDWARD VI SCHOOL AT CHELMSFORD

Notes forming part of the financial statements (continued) Year ended 31 March 2023

2 Investments	UK Listed investments	Cash	Total
Market value as at 1 April 2022	668,388	0	668,388
Additions at cost	0	0	0
Disposals at 1 April 2022 market value	0	0	0
Realised profit on disposals	0	0	0
Unrealised (loss)/surplus on revaluation at 31 March 2023	-26,078	0	-26,078
Market value as at 31 March 2023	642,310	0	642,310

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

	2023	2022
3 Creditors: amounts falling due within one year		
Other creditors	1,000	0
4 Donations		
To the School	50,000	750
Corps of Drums	4,000	0
	54,000	750
5 Awards made		
Foundation prizes awarded	1,000	750
Bursaries paid	450	0
	1,450	750

6 Employees, Governors and related parties

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

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

During the year ended 31 March 2023 there were no transactions with any party, other than the School itself in which any Governor had a related interest. (2022: Nil)

7 Capital commitments

There were no capital commitments at 31 March 2023 (2022 : Nil).

KING EDWARD VI SCHOOL AT CHELMSFORD

Notes forming part of the financial statements (continued) Year ended 31 March 2023

8 Funds	At 1 April 2022	Net (outgoing) /incoming resources	Transfers	Other recognised gains and (losses)	At 31 March 2023
Unrestricted funds					
Income and expenditure account	55,451	-24,636	-1,000	0	29,815
Total unrestricted funds	55,451	-24,636	-1,000	0	29,815
Designated funds					
Bursary fund	11,384	-450	0	0	10,934
Total designated funds	11,384	-450	0	0	10,934
Restricted funds					
Scholarship funds	21,308	0	0	-831	20,477
Accumulated scholarship income	2,798	296	0	0	3,094
Recoupment capital accounts	14,501	0	1,000	-316	15,185
The Bil and Diana MacCullum Fund	188,390	0	0	-7,350	181,040
The Bil and Diana MacCullum Fund income	1,308	5,270	0	0	6,578
Endowment funds	455,011	0	0	-17,580	437,431
Total restricted funds	683,316	5,566	1,000	-26,077	663,805
Total funds	750,151	-19,520	0	-26,077	704,554

Transfers between funds

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

Income from investments

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

9 Restricted funds - Accumulated income

a) Accumulated income

	1 April 2022	Investment income	Awards	31 March 2023
Movement for the year	2,798	596	(300)	3,094

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

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

KING EDWARD VI SCHOOL AT CHELMSFORD

Notes forming part of the financial statements (continued) Year ended 31 March 2023

9 Scholarship funds - capital and accumulated income

b) Capital

War	1,066
Lake	300
Hay	508
School	1,031
French	549
Mary Abbott	6,052
Elizabethan	527
Max Pemberton	100
Duthie	750
	10,883
Unrealised surplus on investment at 1 April 2022	10,425
Capital value at 1 April 2022	21,308
Unrealised deficit on investment - movement in the year	-831
Capital value a 31 March 2023	20,477

10 Schedule of investments at 31 March 2023

	Value £
Restricted funds	
Permanent endowment fund	
UK listed investments	433,008
Cash	0
	433,008
2012 Recoupment fund	
UK listed investments	7,785
Scholarship capital funds	
UK listed investments	20,477
Bil and Diana MacCullum Fund	
UK listed investments	181,040
	642,310

The 2012 recoupment is for £1,000 per annum for 130 years (120 years to go)

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

KING EDWARD VI SCHOOL AT CHELMSFORD

Notes forming part of the financial statements (continued)
Year ended 31 March 2023

11 Information relating to the year ended 31 March 2022

Prior year Statement of Financial Activities	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
Incoming resources				
Donations and bequests	0	0	200,000	200,000
Investment income	11,763	0	1,892	13,655
Rent receivable	20,000	0	0	20,000
Building Works Appeal	0	0	0	0
Total incoming resources	31,763	0	201,892	233,655
Resources expended				
Donation to the School	0		0	0
Awards made	750	0	0	750
Clerk's fee	3,600	0	0	3,600
General expenses	900	0	0	900
Total resources expended	5,250	0	0	5,250
Net incoming/(outgoing) resources before transfers	26,513	0	201,892	228,405
Transfers between funds	-1,000		1,000	0
Profit/(loss) on investment assets	0	0	20,120	20,120
Net movement in funds for the year	25,513	0	223,012	248,525
Total funds at 1 April 2021	29,938	11,384	460,304	501,626
Total funds at 31 March 2022	55,451	11,384	683,316	750,151