

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

Report and Financial Statements

Year Ended

31 March 2016

KING EDWARD VI SCHOOL AT CHELMSFORD

Details

Charity name & number

King Edward VI School at Chelmsford - registered charity No 310861

Correspondence address

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

Governors

Mr W Hall JP, Chairman

Mr JF Aldridge, Vice Chairman

Mr AF Ball

Cllr RL Bass

Mrs DJ Beazeley

Mr RL Brooker

Mr JP Candler (Passed away 18 April 2016)

Mr A Carpenter

Mr J Galley

Mr KG Heseltine

Mr ID Hook

Mr PJL Hutchinson

Mr GW Miller FCA, Treasurer

Mr RJ Shepherd

Mr AB Sosin

Mr RT Whitehead

Dr CJ Willis

Mr DM Crook (Associate Governor)

Bankers

Barclays Bank PLC, High Street Chelmsford

Investment advisors

Walker Crips Stockbrokers Limited, London EC1Y 8LZ

Independent examiner

Mr Peter Crisp FCMA, CGMA, ACIS. Chelmsford, CM2 8BX

KING EDWARD VI SCHOOL AT CHELMSFORD

Annual Report of the Governors Year ended 31 March 2016

The Governors of King Edward VI School at Chelmsford ("the Foundation") present their Annual Report for the year ended 31 March 2016.

Status

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

Objects

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

Management and governance arrangements

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

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

Procedures and policy for charitable expenditure

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

The Governors continued to designate funds to cover three projects. Two sums of up to £5,000 each are set aside each year; firstly to provide assistance to pupils at the School who otherwise would be excluded from certain educational experiences upon the grounds of cost and secondly to enable the purchase of capital assets which otherwise the School would not be able to afford from its own resources. In addition a sum of up to £10,000 is invested in accumulation funds each year in order to re-instate the investment base of the Foundation which had been depleted previously by, with the consent of the Charity Commission, a donation of £200,000 out of the permanent endowment towards the costs of building the 6th form centre at the School.

A separate sub-committee has been formed to receive requests for bursaries. Seven bursaries have been agreed and paid in the year.

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

Investment policy

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

Public benefit

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

Governors recruitment and induction.

The six Governors appointed by Essex County Council may be councillors but it may, at its discretion appoint other persons. The four Governors nominated by Chelmsford Borough Council are all councillors and the Old Chelmsfordians' Association Governor is elected by the committee of that association. The two Parent Governors are elected by the parents of current pupils of the School, the election process being conducted by the School. The remaining four co-opted Governors are found by nomination and election by the rest 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 incoming resources for the year of £25,080 (2015: £5,614).

The Foundation made an unrealised loss of £10,955 on it's investments in the year (2015: surplus of £15,685).

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

Signed on behalf of the Governors

GW Miller FCA

Treasurer

Date: 31 January 2017

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

I report on the accounts of the Foundation for the year ended 31 March 2016 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(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 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 matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Peter Crisp FCMA, CGMA, ACIS

Galleywood Road
Chelmsford
CM2 8BX

Date: 31 January 2017

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 2016

	Note	Un-restricted funds 2016	De-signated funds 2016	Restricted scholarship funds 2016	Other restricted funds 2016	Total funds 2016	Total funds 2015
Incoming resources from generated funds							
Donations and bequests		0	0	0	0	0	0
Investment income		10,153	0	519	0	10,672	10,360
Rent receivable		20,000	0	0	0	20,000	20,000
Building Works Appeal	4	0	0	0	0	0	989
Total incoming resources		30,153	0	519	0	30,672	31,349
Resources expended							
Direct charitable expenditure							
Donation to the School	5	0	0	0	0	0	18,340
Awards made	6	750	1,400	400	0	2,550	4,755
Governance costs							
Clerk's fee		2,600	0	0	0	2,600	2,600
General expenses		441	0	0	0	441	40
		3,791	1,400	400	0	5,591	25,735
Total resources expended							
Net incoming/(outgoing) resources before transfers							
		26,361	-1,400	119	0	25,080	5,614
Transfers between funds	9	-21,557	20,557	0	1,000	0	0
Net resources before other recognised gains and losses		4,804	19,157	119	1,000	25,080	5,614
Profit/(loss) on investment assets							
Realised on disposal		0	0	0	0	0	0
Unrealised on revaluation	2/9	0	-557	-570	-9,828	-10,955	15,685
Net movement in funds for the year		4,804	18,600	-451	-8,828	14,125	21,299
Total funds at 1 April 2015		30,201	63,270	14,885	286,276	394,632	373,333
Total funds at 31 March 2016		35,005	81,870	14,434	277,448	408,757	394,632

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 2016

	Note	Un- restricted funds 2016	De- signed funds 2016	Restricted scholarship funds 2016	Other restricted funds 2016	Total funds 2016	Total funds 2015
Fixed assets							
Investments	2/11	0	57,872	13,274	277,031	348,177	338,152
		0	57,872	13,274	277,031	348,177	338,152
Current assets							
Debtors		0	0	0	0	0	0
Cash at bank and in hand							
General accounts		36,055	23,998	1,160	417	61,630	56,480
Appeal accounts		0	0	0	0	0	0
		36,055	23,998	1,160	417	61,630	56,480
Creditors: amounts falling due within one year	3	1,050	0	0	0	1,050	0
Net current assets		35,005	23,998	1,160	417	60,580	56,480
Net assets		35,005	81,870	14,434	277,448	408,757	394,632
Charity funds							
Unrestricted funds	9	35,005	0	0	0	35,005	30,201
Designated funds	9	0	81,870	0	0	81,870	63,270
Restricted scholarship funds	9	0	0	14,434	0	14,434	14,885
Other restricted funds	9	0	0	0	277,448	277,448	286,276
		35,005	81,870	14,434	277,448	408,757	394,632

The financial statements were approved by the Governors on 31 January 2017 and signed on their behalf by
MR GW Miller FCA

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

KING EDWARD VI SCHOOL AT CHELMSFORD

Notes forming part of the financial statements Year ended 31 March 2016

1 Accounting policies

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of recommended practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014 and the Financial Reporting Standard for Smaller Entities (effective January 2015).

Fund accounting

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

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

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

Incoming resources

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

Expenditure

Expenditure is included in the accounts on an accruals basis

Investments

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

Unrealised investment surpluses/defecits

2 These are shown net in the statement of financial activities

Investments	UK Listed investments	Cash	Total
Market value as at 1 April 2015	337,601	551	338,152
Additions at cost	21,020	-40	20,980
Disposals at 1 April 2015 market value	0	0	0
Unrealised surplus on revaluation at 31 March 2016	-10,955	0	-10,955
Market value as at 31 March 2016	347,666	511	348,177

3 assets in the United Kingdom

Creditors: amounts falling due within one year	2016	2015
Other creditors	1,050	0

KING EDWARD VI SCHOOL AT CHELMSFORD**Notes forming part of the financial statements (continued)
Year ended 31 March 2016**

	2016	2015
4 Building Works Appeal - net income		
Incoming resources		
Covenants and gift aid	0	986
Charities Aid Fund	0	0
Tax refund	0	0
Bank interest	0	3
Total incoming resources	<u>0</u>	<u>989</u>
Resources expended		
Direct costs and fees	<u>0</u>	<u>0</u>
Net income	<u><u>0</u></u>	<u><u>989</u></u>
5 Donations to the School		
Special donations	0	8,215
From Building Works Appeal	0	10,125
	<u><u>0</u></u>	<u><u>18,340</u></u>
6 Awards made		
Foundation prizes awarded	750	700
Bursaries paid	1,400	3,655
Scholarship awards	400	400
	<u><u>2,550</u></u>	<u><u>4,755</u></u>

7 Employees and Governors

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 2016 there were no transactions with any party, other than the School itself in which any Governor had a related interest.

8 Capital commitments

There were no capital commitments at 31 March 2016 (2015 : Nil).

KING EDWARD VI SCHOOL AT CHELMSFORD

Notes forming part of the financial statements (continued)
Year ended 31 March 2016

9 Funds	At 1 April 2015	Net (outgoing) /incoming resources	Transfers	Other recognised gains and (losses)	At 31 March 2016
Unrestricted funds					
Income and expenditure account	30,201	26,361	-21,557	0	35,005
Total unrestricted funds	30,201	26,361	-21,557	0	35,005
Designated funds					
Capital replacement fund	40,000	0	10,557	-557	50,000
Bursary fund	12,485	-1,400	5,000	0	16,085
Capital donation fund	10,785	0	5,000	0	15,785
Total designated funds	63,270	-1,400	20,557	-557	81,870
Restricted funds					
Scholarship funds	13,844	0	0	-570	13,274
Accumulated scholarship income	1,041	119	0	0	1,160
Recoupment capital accounts	4,613	0	1,000	-166	5,446
Building Works Appeals	0	0	0	0	0
Endowment funds	281,664	0	0	-9,662	272,002
Total restricted funds	301,162	119	1,000	-10,398	291,882
Total funds	394,632	25,080	0	-10,955	408,757

Transfers between funds

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

Income from investments

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

Scholarship funds - capital and accumulated income

10 a) Accumulated income

	1 April 2015	Investment income	Awards	31 March 2016
Movement for the year	1,041	519	(400)	1,160

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 2016

10 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 2015	2,961
	13,844
Unrealised surplus on investment - movement in the year	-570
	13,274

11 Schedule of investments at 31 March 2016

	Cost £	Holding	Market price (p)	Value £
Restricted funds				
Permanent endowment fund				
Blackrock Smaller C'os Trust 25p ord	18,591	7,250	869.01	63,003
Baillie Gifford High Yeild Bond	18,161	15,500	124.70	19,329
City of London Inv Trust 25p ord	27,768	11,345	369.50	41,920
Ecofin Water & Power Opportunities £0.001 ords	21,604	17,650	113.25	19,989
Scottish American Investment Co 25p ord	22,098	9,000	257.00	23,130
COIF Income shares	52,267	8,582	1,213.07	104,103
Cash	511			511
	161,001			271,985
2012 Recoupment fund				
COIF Income shares	3,400	416	1,213.07	5,046
Scholarship capital funds				
COIF Income shares	10,883	1,094	1,213.07	13,274
	175,284			290,305
Designated funds				
Capital replacement fund				
COIF Accumulation shares	50,442	487	11,884.77	57,872
	225,726			348,177

The 2012 recoupment is for £1,000 per annum for 130 years (126 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 2016

12 Information relating to the year ended 31 March 2015

Prior year Statement of Financial Activities	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
Incoming resources				
Investment income	9,851	0	509	10,360
Rent receivable	20,000	0	0	20,000
Building Works Appeal	0	0	989	989
Total incoming resources	<u>29,851</u>	<u>0</u>	<u>1,498</u>	<u>31,349</u>
Resources expended				
Donation to the School	0	8,215	10,125	18,340
Awards made	700	3,655	400	4,755
Clerk's fee	2,600	0	0	2,600
General expenses	40	0	0	40
Total resources expended	<u>3,340</u>	<u>11,870</u>	<u>10,525</u>	<u>25,735</u>
Net incoming/(outgoing) resources before transfers	26,511	-11,870	-9,027	5,614
Transfers between funds	-13,013	12,013	1,000	0
Profit/(loss) on investment assets	0	4,725	10,961	15,686
Net movement in funds for the year	<u>13,498</u>	<u>4,868</u>	<u>2,934</u>	<u>21,300</u>
Total funds at 1 April 2014	16,703	58,402	298,227	373,332
Total funds at 31 March 2015	<u><u>30,201</u></u>	<u><u>63,270</u></u>	<u><u>301,161</u></u>	<u><u>394,632</u></u>