

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

Report and Financial Statements

Year Ended

31 March 2019

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 (stood down 13 June 2019)

Mrs DJ Beazeley

Mr RL Brooker

Mr A Carpenter

Mr J Galley

Mr KG Heseltine

Mr ID Hook

Mr PJL Hutchinson

Mr GW Miller FCA, Treasurer

Mr RJ Shepherd

Mr GR Smith

Mr AB Sosin

Mr RT Whitehead

Dr CJ Willis

Bankers

Barclays Bank PLC, High Street Chelmsford

Investment advisors

Walker Crips Stockbrokers Limited, London EC1Y 8LZ

Independent examiner

Matthew Cranfield FCCA, Chelmsford, CM1 7BU

KING EDWARD VI SCHOOL AT CHELMSFORD

Annual Report of the Governors Year ended 31 March 2019

The Governors of King Edward VI School at Chelmsford ("the Foundation") present their Annual Report for the year ended 31 March 2019.

Status

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

Objects

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

Management and governance arrangements

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

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

Procedures and policy for charitable expenditure

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

At the year end the Governors have designated funds of £1,384 to provide assistance to pupils at the School who otherwise would be excluded from certain educational experiences upon the grounds of cost. During the year funds previously designated in order to re-instate the investment base of the Foundation were transferred back into undesignated funds as the Governors agreed a special donation of £50,000 towards capital projects being undertaken at the School.

A separate sub-committee has been formed to receive requests for bursaries. Three bursaries have been agreed and paid in the year with a total value of £1,136.

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

Investment policy

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

Public benefit

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

Governors recruitment and induction.

The six Governors appointed by Essex County Council may be councillors but it may, at its discretion appoint other persons. The four Governors nominated by Chelmsford Borough Council are all councillors and the Old Chelmsfordians' Association Governor is elected by the committee of that association. The two Parent Governors are elected by the parents of current pupils of the School, the election process being conducted by the School. 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 of £2,637 (2018: £28,128).

The Foundation made an unrealised surplus of £20,477 on its investments in the year (2018: £29,433) and realised a surplus of £4,162 from investments related to previously designated funds being sold to enable a substantial donation to be made to the School

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 2020

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 2018 as set out on pages 4 to 10

Respective responsibilities of trustees and examiner

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

It is my responsibility to:

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

Basis of independent examiner's report

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

Independent examiner's statement

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

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

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

Matthew Cranfield FCCA

Chelmsford CM1 7BU

Date: 31 January 2020

KING EDWARD VI SCHOOL AT CHELMSFORD

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

		Un- restricted funds 2019	De- signated funds 2019	Restricted scholarship funds 2019	Other restricted funds 2019	Total funds 2019	Total funds 2018
	Note						
Incoming resources from generated funds							
Donations and bequests		500	0	0	0	500	0
Investment income		11,689	0	551	0	12,239	11,507
Rent receivable		20,000	0	0	0	20,000	20,000
Total incoming resources		32,189	0	551	0	32,739	31,507
Resources expended							
Direct charitable expenditure							
Donations granted	4	50,000	0	0		50,000	25,275
Awards made	5	1,000	1,136	400	0	2,536	3,895
Governance costs							
Clerk's fee		3,300	0	0	0	3,300	3,000
General expenses		48	0	0	0	48	642
Total resources expended		54,348	1,136	400	0	55,884	32,812
Net incoming/(outgoing) resources before Investment gains/(losses)		-22,159	-1,136	151	0	-23,145	-1,305
Profit/(loss) on investment assets							
Realised on disposal		4,162	0	0	1,143	5,305	0
Unrealised on revaluation	2/8	0	0	1,187	19,290	20,477	29,433
Net movement on investments		4,162	0	1,187	20,433	25,782	29,433
Net incoming/(outgoing) resources		-17,997	-1,136	1,338	20,433	2,637	28,128
Transfers between funds	8	63,901	-64,901	0	1,000	0	0
Net movement in funds for the year		45,904	-66,037	1,338	21,433	2,637	28,128
Total funds at 1 April 2018		6,631	77,421	16,989	349,373	450,414	422,286
Total funds at 31 March 2019		52,535	11,384	18,327	370,806	453,051	450,414

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

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

KING EDWARD VI SCHOOL AT CHELMSFORD

Balance Sheet 31 March 2019

		Un- restricted funds 2019	De- signated funds 2019	Restricted scholarship funds 2019	Other restricted funds 2019	Total funds 2019	Total funds 2018
	Note						
Fixed assets							
Investments	2/10	0	0	16,748	366,601	383,349	434,526
		<u>0</u>	<u>0</u>	<u>16,748</u>	<u>366,601</u>	<u>383,349</u>	<u>434,526</u>
Current assets							
Debtors		5,000	0	0	0	5,000	0
Cash at bank and in hand							
General accounts		48,384	12,284	1,580	4,205	66,453	16,638
		<u>53,384</u>	<u>12,284</u>	<u>1,580</u>	<u>4,205</u>	<u>71,453</u>	<u>16,638</u>
Creditors: amounts falling due within one year	3	850	900	0	0	1,750	750
Net current assets		<u>52,534</u>	<u>11,384</u>	<u>1,580</u>	<u>4,205</u>	<u>69,703</u>	<u>15,888</u>
Net assets		<u>52,534</u>	<u>11,384</u>	<u>18,327</u>	<u>370,806</u>	<u>453,052</u>	<u>450,414</u>
Charity funds							
Unrestricted funds	8	52,535	0	0	0	52,535	6,631
Designated funds	8	0	11,384	0	0	11,384	77,421
Restricted scholarship funds	8	0	0	18,327	0	18,327	16,989
Other restricted funds	8	0	0	0	370,806	370,806	349,373
		<u>52,535</u>	<u>11,384</u>	<u>18,327</u>	<u>370,806</u>	<u>453,052</u>	<u>450,414</u>

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

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

Notes forming part of the financial statements
Year ended 31 March 2019

1 Accounting policies

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

Fund accounting

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

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

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

Incoming resources

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

Expenditure

Expenditure is included in the accounts on an accruals basis

Investments

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

Unrealised investment surpluses/defecits

These are shown net in the statement of financial activities

2 Investments

	UK Listed investments	Cash	Total
Market value as at 1 April 2018	434,526	0	434,526
Additions at cost	0	0	0
Disposals at 1 April 2018 market value	-73,916	2,259	-71,657
Unrealised surplus on revaluation at 31 March 2019	20,480	0	20,480
Market value as at 31 March 2019	381,090	2,259	383,349

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

3 Creditors: amounts falling due within one year

	2019	2018
Other creditors	1,750	750

KING EDWARD VI SCHOOL AT CHELMSFORD

Notes forming part of the financial statements (continued) Year ended 31 March 2019

4 Donations	2019	2018
To the School	50,000	25,275
To the Old Chelmsfordians Association	0	0
	<u>50,000</u>	<u>25,275</u>
5 Awards made		
Foundation prizes awarded	1,000	600
Bursaries paid	1,136	2,895
Scholarship awards	400	400
	<u>2,536</u>	<u>3,895</u>

6 Employees, Governors and related parties

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

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

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

7 Capital commitments

There were no capital commitments at 31 March 2019 (2018 : Nil).

KING EDWARD VI SCHOOL AT CHELMSFORD

Notes forming part of the financial statements (continued) Year ended 31 March 2019

8 Funds	At 1 April 2018	Net (outgoing) /incoming resources	Transfers	Other recognised gains and (losses)	At 31 March 2019
Unrestricted funds					
Income and expenditure account	6,631	-22,159	63,901	4,162	52,535
Total unrestricted funds	6,631	-22,159	63,901	4,162	52,535
Designated funds					
Capital replacement fund	64,901	0	-64,901	0	0
Bursary fund	12,520	-1,136	0	0	11,384
Capital donation fund	0		0	0	0
Total designated funds	77,421	-1,136	-64,901	0	11,384
Restricted funds					
Scholarship funds	15,560	0	0	1,187	16,747
Accumulated scholarship income	1,429	151	0	0	1,580
Recoupment capital accounts	8,316	0	1,000	451	9,767
Bequest	0	0	0	0	0
Endowment funds	341,057	0	0	19,981	361,038
Total restricted funds	366,362	151	1,000	21,620	389,133
Total funds	450,414	-23,145	0	25,782	453,051

Transfers between funds

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

Income from investments

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

9 Scholarship funds - capital and accumulated income

a) Accumulated income

	1 April 2018	Investment income	Awards	31 March 2019
Movement for the year	1,429	551	(400)	1,580

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 2019

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 2018	4,677

Capital value at 1 April 2018 **15,560**

Unrealised surplus on investment - movement in the year 1,187

Capital value at 31 March 2019 **16,747**

10 Schedule of investments at 31 March 2019

Restricted funds

Permanent endowment fund

Blackrock Smaller C'os Trust 25p ord	100,050
Baillie Gifford High Yeild Bond	20,662
City of London Inv Trust 25p ord	47,924
Ecofin GBL Utilities £0.001 ords	22,945
EF Realisation £0.001 ords	219
Scottish American Investment Co 25p ord	34,830
COIF Income shares	131,346
Cash	2,259
	360,234

2012 Recoupment fund

COIF Income shares 6,367

Scholarship capital funds

COIF Income shares 16,748

Designated funds

383,348

Capital replacement fund

COIF Accumulation shares 0

383,349

The 2012 recoupment is for £1,000 per annum for 130 years (124 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 2019

11 Information relating to the year ended 31 March 2018

Prior year Statement of Financial Activities	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
Incoming resources				
Donations and bequests	0	0	0	0
Investment income	10,967	0	540	11,507
Rent receivable	20,000	0	0	20,000
Building Works Appeal	0	0	0	0
Total incoming resources	<u>30,967</u>	<u>0</u>	<u>540</u>	<u>31,507</u>
Resources expended				
Donation to the School	25,275		0	25,275
Awards made	600	2,895	400	3,895
Clerk's fee	3,000	0	0	3,000
General expenses	642	0	0	642
Total resources expended	<u>29,517</u>	<u>2,895</u>	<u>400</u>	<u>32,812</u>
Net incoming/(outgoing) resources before transfers	1,450	-2,895	140	-1,305
Transfers between funds	-1,000	0	1,000	0
Profit/(loss) on investment assets	0	4,117	25,317	29,434
Net movement in funds for the year	<u>450</u>	<u>1,222</u>	<u>26,457</u>	<u>28,129</u>
Total funds at 1 April 2017	6,181	76,199	339,905	422,285
Total funds at 31 March 2018	<u>6,631</u>	<u>77,421</u>	<u>366,362</u>	<u>450,414</u>