THE KING EDWARD VI HIGH SCHOOL FOR GIRLS BIRMINGHAM TRUST

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

Charity No: 1159413

THE KING EDWARD VI HIGH SCHOOL FOR GIRLS BIRMINGHAM TRUST

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THE KING EDWARD VI HIGH SCHOOL FOR GIRLS BIRMINGHAM TRUST

REPORT OF THE TRUSTEES
31 December 2020

The Trustees are pleased to present their report and financial statements for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting of Charities: Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives

The aims of the King Edward VI High School for Girls Birmingham Trust are to:

"Promote the education of pupils at King Edward VI High School for Girls Birmingham ("KEHS") in such ways as the Trustees think fit, including awarding to pupils at the School scholarships, bursaries, assisted places, maintenance allowances and grants on the basis of financial need to enable them to attend the school.

To advance the education of pupils at the School by providing and assisting the provision of facilities for education at the School"

Public benefit

The Trustees refer to the Charity Commission's general guidance on public benefit when reviewing the charity's objectives and in planning for future activities, giving full consideration to how planned activities will contribute to the Trust's aims and objectives.

Assisted Places are an important means of widening access to KEHS for academically able girls whose families are unable to afford the cost of school fees. By widening access to all girls with the talent to flourish at KEHS, Assisted Places facilitate social mobility in the region. They enable recipients to make the most of their talents as a result of a KEHS education, providing a public benefit both to the individuals who receive funding and the society the recipients go on to serve, whatever their chosen profession.

Fundraising for Assisted Places is inextricably linked to the School's outreach and marketing, all designed to ensure that aspirations to attend KEHS are raised across the region. Outreach activities led by teaching staff target both primary and secondary schools, enabling a greater awareness of what a KEHS education can provide and ensuring that girls from a wide range of backgrounds feel the School is a place for them. KEHS has more than 60 schools in its outreach network. In Autumn 2020, during the pandemic restrictions, KEHS launched TuneUp Tuesday – an online one-day 'arts school', available free of charge to any school who wanted to participate. This outreach project was designed to show the benefit of the arts to mental health and youth wellbeing, and the range of interesting and rewarding careers in the sector. More than 440 schools registered to take part, representing over 100,000 students aged 4-18.

Donations in support of Assisted Places ensure that the aspirations raised by outreach activity can be made a reality. This is especially important for increasing access to KEHS from groups who might not otherwise consider the School as a place for them, for a variety of social and cultural reasons.

Assisted Places also help to reverse history. Since the demise of the Direct Grant system which existed between 1944 and 1979, the School's population has swung from 80% of pupils on Direct Grants, to just 20% of girls on Assisted Places. In 2020, 648 girls registered for the entrance examination that took place in October 2020 (for September 2021 entry). Of those 56.79% asked for fee remission. There were 39 applications for Assisted Places in the top 150 on the Order of Merit. Twelve were initially offered funding and later, one girl from the Assisted Place waiting list accepted an offer. A total of nine Assisted Place offers were accepted for entry to the Thirds.

The Trust sought to address this with the Delyvere fundraising campaign for Assisted Places, which was launched in June 2017 at the House of Lords, to promote this goal and attract new supporters to donate.

By September 2020 when Delyvere concluded, the Trust created 27 new Assisted Places for entry to the Thirds or to the Lower Sixth. The majority of these were sponsored by individual donors, whose commitment to accessibility has been key to ensuring all bright girls can consider a future here. Four Assisted Places have since been agreed for 2021 entry.

Throughout Delyvere, student fundraising for Regular Direct Debit and single gifts has also been a key part of our strategy. Our 2018 Tes Fundraising Initiative of the Year Award recognised the enthusiasm and dedication of the student team, embedding student engagement within our campaign for Assisted Places.

REPORT OF THE TRUSTEES
31 December 2020

With Delyvere now concluded, the Trust will consider its next steps. The Trust's role in providing educational opportunities for all – not just those who can afford to attend KEHS – sends a powerful message to families of all backgrounds. Assisted Places will remain at the heart of its work.

The Trust's fundraising helps talented girls to access an outstanding, truly life-changing education. This is evidenced in the School's academic results: in 2020's GCSEs, 94% grades came in at 9-7 or A*/A equivalent, 46% of the year achieved at least eight grade 9s and 20 girls secured grade 9 in all subjects! A Level results were equally impressive, with a remarkable 48% grades at A*, the highest percentage since the A* grade was introduced, and 87% at A*/A. These statistics illustrate how Assisted Places lay strong foundations for the future.

The KEHS curriculum enables girls on Assisted Places to build upon their individual strengths and talents. The curriculum is regularly reviewed and updated to incorporate national developments and girls are encouraged to take every opportunity to broaden their learning experience and explore a wide range of unusual options. Links to free online resources, such as the Harvard and Yale courses, are available via the School's website and cover subjects including coding and the moral foundations of politics. KEHS also coordinates a programme of research seminars, where students present academic research papers to a panel of invited guests including academics, teachers and fellow students. These resources are particularly helpful for girls on Assisted Places, who may be from backgrounds which lack the cultural capital of their peers. Throughout the pandemic, the School has offered a series of online lectures with eminent speakers, culminating in a Political Awareness Week just before face-to-face schooling resumed in March. Without Assisted Places, talented girls would miss out on this exposure and chance to develop additional skills and insights.

The extracurricular offer complements the curriculum by helping girls to develop the soft skills valued by future employers. KEHS is the only independent girls' school in the Midlands to provide over 70 high quality clubs and activities each week, including top-class music-making, dance and drama, all run by highly-qualified staff or outside experts. Other options include Debating, Ceramics, Lifesaving, Model United Nations, Performance Poetry, Digital Arts, Symphony Orchestra and German Club.

Many of these unique offerings provide girls with the chance to flourish in subjects which may otherwise be off-limits. For instance, KEHS offers GCSE Astronomy. The continued popularity of this course reflects a wider strength in science across the school community, bucking a national gender imbalance in STEM subjects. KEHS girls are encouraged to follow their interests unfettered by gender stereotypes, going on to populate national pipelines of female scientific talent and serve as role models for subsequent generations of girls.

A further public benefit of the Assisted Places Fund is the community service undertaken by KEHS girls. Through this and the Trust, the local community receives a twofold benefit: the first being the availability of Assisted Places, and the second the contribution which all girls, including Assisted Place holders, make to their communities. Through community service, girls develop confidence in a wide range of non-academic skills. The Community Service programme at KEHS is extensive, including Christmas and spring parties for the elderly, farm trips for children from inner city primary schools, and weekly collections and charity events to raise funds for chosen Form charities. Sixth Formers also spend one term completing a voluntary placement on a Friday afternoon.

Grant making policy

In the Autumn Term each year, the Trustees decide the number of Assisted Places to allocate for the following September, based on both received income and pledged income. The Trustees will grant an Assisted Place over seven years based on pledged regular income, even if the income has not yet been received. However, the Trustees will only grant a place using received single cash income if the total cost of the place over the whole seven years is available. Grants can be made three times per year at the Trustees' meetings in the Spring, Summer and Autumn Terms.

Grants

The Trustees are pleased to report that they made grants totalling £197,026 (2019: £152,965) during the year, funding Assisted Places for 22 girls.

In November 2020, the Trustees agreed to make further funds available for purpose of providing up to four new Assisted Places for girls starting in September 2021.

Achievements and performance

The Trustees are very pleased with the achievements and performance of the Trust during its sixth year of operation and they are very grateful to all their supporters. £341,316 (2019: £440,015) was received in donations in 2020, from 310 donors, meaning we have raised £3.1 million in gifts and pledges to date. Almost all of this income was donated for the provision of Assisted Places and will be so applied.

Fundraising for Assisted Places in 2020 was impacted by the pandemic. Whilst donor numbers increased (2020: 310; 2019: 263), the average gift amount declined. This demonstrates that the support from our community remains strong and growing, despite the pandemic's impact on disposable income for many households. Anecdotally, one donor contacted by our student team in Summer 2020 mentioned that they had been significantly affected, but had chosen to cancel an online streaming subscription so that they could continue to donate to the Assisted Places Fund. This touching gesture was one of the highlights of the appeal, and is indicative of the strength of support we have within the community.

The Assisted Places Fund continues to grow, providing a strong foundation from which to increase further.

Financial Review

The Trust's financial statements are set out on pages 11 to 24.

The total value of the incoming resources received by the Trust was £361,832, of which £26,864 was reclaimed Gift Aid and £49,197 an 'in-kind' donation from The Schools of King Edward the Sixth of Birmingham for Development Office staffing costs. The Trust received donations from 310 different donors during the year.

Investment policy and performance

All the investments of the Trust are managed by Ruffer LLP who were appointed as the Trust's investment manager because of their charity experience, their record of consistent returns over varying market cycles and a long-held goal of protecting capital over rolling 12 month periods. All Trust investments are invested in accordance with their investment policy.

At the year end, the value of the portfolio was £967,315 (2019: £826,330). The Trust's portfolio has seen a 14.5% total return in 2020, and a 5.6% annualised return over the past three years.

The portfolio delivered across a variety of market environments in 2020. The first quarter was all about the unconventional protections cushioning the portfolio from the steep falls in global equity markets. The second and third quarters saw the conventional protective assets (gold and inflation-linked bonds) perform strongly as governments and central banks unleashed the fiscal and monetary arsenal. The fourth quarter was powered by the portfolio's value-oriented equities. This is the essence of an all-weather portfolio, with different contributors for different market conditions producing an overall robust portfolio outcome with limited losses and low volatility.

Over the same period, prices have risen by 1.2% per annum as measured by the Consumers' Price Index and by 0.65% per annum as measured by the Retail Prices Index. The Trustees receive regular reports from the investment manager and carry out regular market testing exercises. Such reviews might lead to a change of manager or to the addition of a further manager should this be required to access a particular investment expertise.

Trustees remain pleased with the portfolio's performance since year end, despite the on-going impact of the Coronavirus pandemic. From 1 January 2021 to 31 March 2021, the portfolio had a total return of 6.8%.

Risk Management

The Trustees continue to review the major operational and strategic risks to which the Trust is exposed and are satisfied that systems and controls are in place to minimise exposure to risk.

As part of this review procedure, the Trustees have considered the continued effect of the Coronavirus on the going concern position of the Trust. As a result of the significant cash balance and strong net current asset position at the year-end, the Trustees are satisfied that the Trust will continue to operate on a going concern basis.

The Trustees have produced the following policy documents: an ethical policy, a systems and controls document, a gift acceptance policy, and a data protection policy. Details of these are outlined below and are subject to regular scrutiny. The Trustees continue to take all necessary steps to ensure compliance with UK GDPR.

The Trust is a member of the Fundraising Regulator and adheres to its guidance and standards of best practice across all of its activities.

Ethical Policy

As part of the ethical controls on fundraising, the Trustees approve the fundraising strategy which is undertaken by the Development Office on the Trust's behalf. The ethical policy also outlines the professional code of ethics which volunteers and employees who solicit or receive funds on behalf of the Trust must adhere to.

The Trust's full ethical policy is available here: https://oldeds.kehs.org.uk/about/the-kehs-trust/ethical-policy.

The Development Office is a member of the Council for Advancement and Support of Education, and the Institute of Development Professionals in Education and so keeps regularly appraised of best practice and developments in the sector.

The Trust's financial affairs are conducted in a responsible manner, consistent with the ethical obligations of stewardship and the legal requirements of national regulators. Annual financial reports are factual and accurate in all material respects, and are prepared in accordance with generally accepted accounting principles and standards.

Systems and controls document

This document covers the storage of and access to confidential data and financial information in accordance with data protection legislation and financial regulations. It also covers the communications sent out by the Development Office on behalf of the Trust, our fundraising and financial/donations processes, and the management of our investments.

Gift acceptance policy

The Trust's gift acceptance policy is reviewed regularly to ensure it complies with new legislation. The most up to date version is available at: https://oldeds.kehs.org.uk/about/the-kehs-trust/gift-acceptance-policy.

Data policy

In order to advance the Trust's legitimate interest (fundraising for needs-based bursaries which enable talented girls to attend King Edward VI High School for Girls), a database is held by the School. This holds information on donors and potential donors, and all reasonable care is used to keep this data up to date and secure.

The Trust and the School ensure they comply with all relevant data protection legislation, including the UK GDPR, in respect of any data which it processes as the data controller. All data is treated confidentially and held securely by the School and Trust in accordance with the relevant legislation and having obtained the consent of all individuals whose data is processed.

The Privacy Statement covers the collection, usage, sharing, accuracy and retention of data, as well as the rights of those whose data is held by the School. The Privacy Statement is regularly reviewed to ensure it reflects the standards of the UK GDPR, including how it profiles and wealth screens potential donors. A full Privacy Statement is available at: https://oldeds.kehs.org.uk/contact/privacy.

External changes and recommendations

Changes to fundraising self-regulation have been noted in the above references to the Fundraising Regulator and the UK GDPR. The trustees continue to stay abreast of the situation regarding the on-going impact of Brexit and any potential impact on our data processing. As well as advice from our professional bodies, we receive regular updates from our software provider, Blackbaud, who are internationally renowned as leaders in their field.

Reputational risk management and fundraising

The relationship between the School's academic results and the Trust's fundraising militates against the risk of either a reduction in donations or a decline in the School's academic success. The two are inextricably linked.

The introduction of Trust-funded Assisted Places can be directly linked to a marked increase in academic performance, as outlined in the Public Benefit section of our report. This success makes a strong case for continued support, as the Trust continues its fundraising efforts.

The diversity of the pupil population reflects Birmingham's broader ethnic demography, further reinforcing the sense that the Trust is providing a public benefit to the community. This provides current and potential donors with the reassurance that they are making an impact on the lives of the most deserving and talented girls from across the region.

Reserves policy

It is the policy of the Trustees to distribute the majority, although not necessarily the total amount, of received and projected Trust income. As a result, the Trustees may carry some undistributed income forward to the following financial year. The operational costs are borne by The Schools of King Edward the Sixth in Birmingham.

Plans for the future

The Trustees recognise that the Trust has been very successful, with £3 million raised to date including pledges, and an additional £650,000 in legacy pledges.

The Trustees will be working closely with the Development Office on the fundraising strategy beyond the Delyvere campaign, ensuring we retain our current momentum. The long-term aim of the Trust is to secure an income (from endowment and expendable gifts) that will ensure needs-blind access for the School.

Structure, governance and management

The King Edward VI High School for Girls Birmingham Trust is a registered charity (Number: 1159413) and is established as an independent scheme under a Declaration of Trust dated 3 October 2014.

Reference and administration information

Charity Name	THE KING EDWARD VI HIGH SCHOOL FOR GIRLS BIRMINGHAM TRUST
Charity Registration Number	1159413
Registered Office	King Edward VI High School for Girls Edgbaston Park Road Birmingham B15 2UB

REPORT OF THE TRUSTEES
31 December 2020

Trustees
The Trustees who served during the period and up to the date of this report are set out below.

Mrs A Clark	Appointed by virtue of being Principal, until 31 August 2020
Mrs Kirsty von Malaisé	Appointed by virtue of being Principal 1 September 2020
Mrs G Stanley	Re-elected 4 November 2019; term expires 2 October 2022
Mrs J A Dyke (Chairman)	Term of office expires 2 October 2023
Mr T Clarke	Term of office expires 2 October 2023
Mrs H Evenett	Expired 26 January 2021; re-elected 16 March 2021, expiring 16 March 2024.
Mrs A Duffy	Term of office expires 2 October 2023
Mrs C Soderman	Term of office expires 2 October 2023
Mrs J Hundle	Appointed 10 June 2019; term of office expires 10 June 2022

Auditors
Cooper Parry Group Limited
Chartered Accountants and Statutory Auditors
Park View
One Central Boulevard
Blythe Valley Business Park
Solihull
B90 8BG

Bankers
Lloyds
134 New Street
Birmingham
B2 4QZ

Investment Managers
Ruffer LLP
80 Victoria Street
London
SW1E 5JL

Trustee recruitment and training

The Declaration of Trust provides for a minimum of 3 Trustees to a maximum of 15 Trustees. The Principal of the School is normally a Trustee, and both the Governors of the Schools of King Edward the Sixth in Birmingham and the Directors of the Birmingham Girls' Old Edwardian Club have the right to appoint two Trustees each. New Trustees are appointed by the existing Trustees and serve for three years, after which they may nominate themselves for re-appointment. When recruiting new Trustees, individuals are sought who have the skills knowledge and experience needed for the effective management of the Trust.

New Trustees are made aware of their responsibilities and are helped to familiarise themselves with the practical and financial operations. To assist them they are provided with a copy of the Declaration of Trust, minutes of recent Trustees' meetings, the latest Trust report and statement of accounts and any appropriate Charity Commission publications. All Trustees give of their time freely and no Trustee remuneration was paid in the year.

Organisational structure

All matters of policy and management are determined by the Trustees, who meet three times per year and at such other times as circumstances require. The Principal and School Governors present on the trust board help inform fundraising practice as it relates to the ongoing needs of the School; the School's major requirement continues to be the provision of Assisted Places.

REPORT OF THE TRUSTEES
31 December 2020

Responsibilities of the Trustees

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Cooper Parry Group Limited has expressed its willingness to continue in office and will be proposed for re-appointment at the Annual General Meeting.

Approved by the Trustees on 7 October 2021 and signed on their behalf by:

Judy Dyke

JA Dyke
Chairman of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE KING EDWARD VI HIGH SCHOOL FOR GIRLS BIRMINGHAM TRUST

Opinion

We have audited the financial statements of The King Edward VI High School for Girls Birmingham Trust ('the charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows 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 charity's affairs as at 31 December 2020, and of its incoming resources and application of resources, 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 Charities Act 2011.

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 charity 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 trustees' 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 group and parent charitable company's ability to continue as a going concern for a period of at least 12 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 other information comprises the information included in the Trustees Annual Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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 course of 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.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 9, the trustees are responsible for the preparation of financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below:

Our assessment focussed on key laws and regulations the group and parent charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Charities Act 2011, Trustee Act 2000, Charities (Protection and Social Investment) Act 2016, taxation legislation, data protection and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the group and Parent charitable company and how the group and parent charitable company are complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the group and parent charitable company's control environment and how the group and parent charitable company have applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the group and parent charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of noncompliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Cooper Parry Group Ltd.

Cooper Parry Group Limited
Statutory Auditor

Park View
One Central Boulevard
Blythe Valley Business Park
Solihull
West Midlands
B90 8BG

Date: 21 October 2021

Cooper Parry Group Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2020

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total Funds £	2019 Total funds £
Income and endowments from:						
Donations and legacies		49,197	242,119	50,000	341,316	440,015
Fundraising activities		-	269	-	269	1,352
Investments		-	6,152	14,095	20,247	7,094
Total income and endowments	2	49,197	248,540	64,095	361,832	448,461
Expenditure on:						
Raising funds		-	-	(9,718)	(9,718)	(9,071)
Charitable activities	3	(49,197)	(197,026)	-	(246,223)	(222,082)
Total expenditure		(49,197)	(197,026)	(9,718)	(255,941)	(231,153
Realised (loss)/gain in market value of investments		-	-	(2,792)	(2,792)	45,248
Unrealised gain in market value of investments	4	-	-	131,907	131,907	21,311
Net movement in funds		-	51,514	183,492	235,006	283,867
Reconciliation of funds:						
Total funds brought forward	8	-	948,732	1,182,878	2,131,610	1,847,743
Total funds carried forward	8	-	1,000,246	1,366,370	2,366,616	2,131,610

There were no recognised gains and losses in the period other than those included in the Statement of Financial Activities. All income and expenditure relates to continuing operations.

The notes on pages 15 to 24 form part of these financial statements.

SUMMARY INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 December 2020

	Note	2020 £	2019 £
Income		291,585	423,145
Interest and investment income	2	6,152	7,094
Gross income		297,737	430,239
Expenditure		(246,223)	(222,082)
Net income		51,514	208,157

The notes on pages 15 to 24 form part of these financial statements

BALANCE SHEET
as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	4	967,315	826,330
		967,315	826,330
Current assets			
Debtors	6	359,973	322,357
Cash at bank and in hand	5	1,054,568	993,887
		1,414,541	1,316,244
Creditors: amounts falling due within one year	7	(15,240)	(10,964)
Net current assets		1,399,301	1,305,280
Net assets		2,366,616	2,131,610
Charity Funds			
Expendable endowment funds	8	1,366,370	1,182,878
Restricted funds	8	1,000,246	948,732
Total charity funds	8	2,366,616	2,131,610

The financial statements on pages 11 to 24 were approved by the Trustees on 7 October 2021 and signed on its behalf by:

Judy Dyke

JA Dyke
Chairman of Trustees

The notes on pages 15 to 24 form part of these financial statements.

STATEMENT OF CASH FLOWS
for the year ended 31 December 2020

	Note	2020 £	2019 £
Cash flow from operating activities	12	62,022	255,563
Cash flow from investing activities			
Payments to acquire investments		(387,323)	(645,689)
Receipts from sales of investments		375, 453	688,148
Income from investment portfolio		20,247	7,094
Investment manager costs		(9,718)	(9,071)
Net cash flow from investing activities		(1,341)	40,482
Net increase in cash and cash equivalents		60,681	296,045
Cash and cash equivalents at 1 January 2020		993,887	697,842
Cash and cash equivalents at 31 December 2020		1,054,568	993,887
Cash and cash equivalents consists of:			
Cash at bank		1,024,650	944,817
Investment manager account		29,918	49,070
Cash and cash equivalents at 31 December 2020		1,054,568	993,887

Analysis of changes in net debt

	At 1-Jan-20 £	Cashflows £	At 31-Dec-20 £
Cash at bank and in hand	993,887	60,681	1,054,568

The notes on pages 15 to 24 form part of these financial statements.

NOTES TO THE ACCOUNTS
for the year ended 31 December 2020

1 Summary of significant accounting policies

(a) General information and basis of preparation

The King Edward VI High School for Girls Birmingham Trust was formed on 3 October 2014 and became a registered unincorporated charity in the United Kingdom on 1 December 2014. The address of the registered office is given in the charity information on page 5 of these financial statements. The nature of the charity's operations and principal activities are to advance education by supporting the provision of education at The King Edward VI High School for Girls Birmingham Trust ("the school") in such ways that the Trustees see fit in particular by providing funds to support the provision of bursaries to girls on the basis of financial need to enable them to attend school.

The charity constitutes a public benefit entity as defined by FRS 102. 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 applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

Coronavirus and going concern

At the time of signing these accounts, the Trustees have considered the continuing effect of the Coronavirus on the going concern position. Trustees continue to monitor the situation. The investments continue to perform well, with a total return of 6.8% in the first quarter of 2021.

At the balance sheet date, the Trust had a significant cash balance and strong net asset position, this indicates that the Trust will continue to operate for a period of at least 12 months from the date of signing these accounts. The financial forecasts prepared by the Trustees also support the going concern principle. On that basis, the Trustees have prepared these financial statements on a going concern basis.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Permanent endowed funds represent donations made to the Trust that are held as permanent endowments at the request of the donor. The interest and investment income generated is then spent on the purpose for which the gift was made. The Trustees will seek to maintain the capital and, through prudent investment management, increase it with the aim of keeping pace with inflation or, in the case of Assisted Places, the inflation in school fees. The capital and capital growth are both protected and cannot be spent on the purpose for which the gift was made.

Expendable endowed funds represent donations made to the Trust that are held as endowments, either at the request of the donor or the decision of the Trustees. The interest and investment income generated is then spent on the purpose for which the gift was made. The Trustees will, in general, seek to maintain the capital and, through prudent investment management, increase it with the aim of keeping pace with inflation or, in the case of Assisted Places, the inflation in school fees. However, the capital and any capital growth will be reviewed annually by the Trustees and, at their discretion, some of the capital and / or capital growth can be spent on the purpose for which the gift was made.

1 Summary of significant accounting policies (continued)

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds
- Expenditure on charitable activities

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs.

They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 3.

1 Summary of significant accounting policies (continued)

(f) Fixed Asset Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment market due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(g) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(h) Tax

The charity meets the definition of charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

2 Incoming Resources

	2020 £	2019 £
Unrestricted		
Donations in kind (Note 3)	49,197	69,117
	49,197	69,117
Restricted		
Donations and legacies	242,119	352,676
Fundraising activities	269	1,352
Income from investments	6,152	7,094
	248,540	361,122
Endowment		
Donations and legacies	50,000	18,222
Income from investments	14,095	-
Legacy	64,095	18,222
Total income	361,832	448,461

NOTES TO THE ACCOUNTS
for the year ended 31 December 2020

3 Resources expended

	Charitable Activities £	Governance £	2020 Total £	2019 Total £
Grants awarded				
- Assisted Places	197,026	-	197,026	152,965
Support Costs	43,707	5,490	49,197	69,117
	240,733	5,490	246,223	222,082

Of the above costs, £49,197 (2019: £69,117) were attributable to unrestricted funds and £197,026 (2019: £152,965) were attributable to restricted funds.

The Assisted Places Fund has benefited a total of 22 girls (2019: 17 girls) girls during the year.

No Trustee has received any remuneration or has been reimbursed for any expenses. The Trust has no employees; all administration is carried out by employees of The Schools of King Edward the Sixth in Birmingham. These amounts are shown as support costs and are made up as follows:

	2020 £	2019 £
Salaries	27,940	39,459
Communications and mailings	6,425	9,870
Travel	475	6,463
Database maintenance	4,257	5,562
Event expenses	1,872	2,409
Subscriptions and memberships	288	-
Audit and tax fees	5,490	4,620
Legal fees	1,716	-
Bank and general fees	734	734
	49,197	69,117

4 Fixed Asset Investments

	2020 £	2019 £
Movement in fixed asset investments		
Market value as at 1 January 2019	826,330	802,230
Add:		
Additions to investments at cost	387,323	645,689
Net gain on revaluation	131,907	21,311
Less:		
Disposals at carrying value	(378,245)	(642,900)
Market value as at 31 December 2020	967,315	826,330

	2020 £	2019 £
Investments at market value comprised:		
UK equities	163,677	144,184
Overseas equities and funds	248,402	242,894
UK fixed interest securities	128,450	113,096
Overseas fixed interest securities	240,350	197,391
Precious metals	60,813	61,035
Credit and capital funds	125,623	67,730
	967,315	826,330

The value of fixed interest securities held at the year-end excludes interest accrued to the date of the valuation.

4 Fixed Asset Investments (continued)

Material investments with a market value of over 5% of the total market value of investments are as follows:

	2020 £	2019 £
0.125% Treasury Index-Linked 22/03/68	55,322	44,821
Ruffer Multi Strategies Fund	105,536	50,101
LF Ruffer Gold Fund	60,813	59,434
Ruffer SICAV Fixed Income Z Fund	222,014	197,392

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted markets, primarily the London Stock Exchange.

Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

World stock markets continue to be affected by the impact of the Coronavirus pandemic. However, as at 31 March 2021, the portfolio was valued at £1,061,492.35, with a 3 month total return of 6.8%; as such, no adjustments are required in respect of the on-going pandemic.

Ruffer LLP manages the Trust's investments and advises the Trustees on the market outlook, potential risks, investments trends and yield and the prospect for future capital growth.

Ruffer follows the same approach across all of the account, constructing portfolios to preserve capital and deliver a return ahead of the risk-free alternative. On this basis Ruffer considers all of their clients to be medium risk.

5 Cash at bank

	2020 £	2019 £
Revenue account	1,024,650	944,817
Investment manager's account	29,918	49,070
	1,054,568	993,887

6 Debtors

	2020 £	2019 £
Other debtors	359,973	322,357

Other debtors from 2015 to 2020, include a legacy of £285,912 which is expected to be received during 2021.

7 **Creditors:** amounts falling due within one year

	2020 £	2019 £
Accruals	4,740	4,620
Other creditors	10,500	6,344
	15,240	10,964

NOTES TO THE ACCOUNTS
for the year ended 31 December 2020

8 Funds

	Balance at 1 January 2020	Incoming resources	Outgoing resources	Other recognised gains and losses	Balance at 31 December 2020
	£	£	£	£	£
Restricted Funds					
Assisted Places Fund	945,722	247,790	(197,026)	-	996,486
Assisted Places Support Fund	3,010	750	-	-	3,760
	948,732	248,540	(197,026)	-	1,000,246
Endowment Funds					
Miss Davis Fund	285,912	14,095	-	-	300,007
The Birmingham Girls' Old Edwardian Club					
- Old Edwardian Bursary Fund	566,533	-	(6,138)	81,550	641,945
- Margaret Wall Memorial Fund	81,644	-	(885)	11,753	92,512
- Wright Memorial Scholarship	9,464	-	(102)	1,362	10,724
- HSG 125 Anniversary Appeal	205,233	-	(2,224)	29,543	232,552
- HSG Corporate Business	8,788	-	(95)	1,265	9,958
- Sylvia Gordon Memorial Fund	5,275	-	(57)	759	5,977
- Legacy Fund	20,029	50,000	(217)	2,883	72,695
	1,182,878	64,095	(9,718)	129,115	1,366,370
Unrestricted Fund	-	49,197	(49,197)	-	-
	2,131,610	361,832	(255,941)	129,115	2,366,616

NOTES TO THE ACCOUNTS
for the year ended 31 December 2020

8 Funds (continued)

	Balance at 1 January 2019	Incoming resources	Outgoing resources	Other recognised gains and losses	Balance at 31 December 2019
	£	£	£	£	£
Restricted Funds					
Assisted Places Fund	738,325	360,362	(152,965)	-	945,722
Assisted Places Support Fund	2,250	760	-	-	3,010
	740,575	361,122	(152,965)	-	948,732
Endowment Funds					
Miss Davis Fund	285,579	333	-	-	285,912
The Birmingham Girls' Old Edwardian Club					
- Old Edwardian Bursary Fund	529,484	-	(5,846)	42,895	566,533
- Margaret Wall Memorial Fund	76,305	-	(842)	6,182	81,645
- Wright Memorial Scholarship	8,845	-	(98)	717	9,464
- HSG 125 Anniversary Appeal	191,812	-	(2,118)	15,539	205,233
- HSG Corporate Business	8,213	-	(91)	665	8,787
- Sylvia Gordon Memorial Fund	4,930	-	(54)	399	5,275
- Legacy Fund	2,000	17,889	(22)	162	20,029
	1,107,168	18,222	(9,071)	66,559	1,182,878
Unrestricted Fund	-	69,117	(69,117)	-	-
	1,847,743	448,461	(231,153)	66,559	2,131,610

8 Funds (continued)

Assisted Places Fund

This Fund is used to support either full-fee or part-fee Assisted Places for girls who are academically able to attend The School but whose parents are unable to afford the school fees. In 2020, this included funds from a Hardship Appeal for additional support through the pandemic. The money received into this fund is normally used as expendable income.

Assisted Places Support Fund

This fund is used to provide pupils on Assisted Places with additional support for their education, for example by funding music lessons or school trips. The money received into this fund is normally used as expendable income.

Endowment Funds

Miss Davis Fund

These funds represent an endowment gift made to the Trust as part of a legacy benefaction from Miss Margaret Davis. This is a restricted fund to be applied by the Trustees for the provision of a scholarship for the benefit of a musician. The interest and investment income generated is then spent on the purpose for which the gift was made. The Trustees will, in general, seek to maintain the capital and, through prudent investment management, increase it with the aim of keeping pace with inflation or, in the case of Assisted Places, the inflation in school fees.

The Birmingham Girls' Old Edwardian Club

These funds represent investments transferred to The King Edward VI High School for Girls Birmingham Trust from the Birmingham Girls' Old Edwardian Club. The Trustees have treated these funds as Permanent Endowments. The deed of transfer makes reference to the possibility of expending these funds if necessary; this decision is at the discretion of the Trustees.

9 Net assets of the funds

	Investments	Net current assets	Total
The charity's net assets belong to the various funds as follows:	£	£	£
31 December 2020			
Restricted funds	-	1,000,246	1,000,246
Endowment funds	967,315	399,055	1,366,370
	967,315	1,399,301	2,366,616
31 December 2019			
Restricted funds	-	948,732	948,732
Endowment funds	826,330	356,548	1,182,878
	826,330	1,305,208	2,131,610

10 Related parties

The administration duties of the Trust are carried out by employees of The Schools of King Edward the Sixth in Birmingham. The Schools of King Edward the Sixth in Birmingham also reimburse the Trust for administration costs. During the period, administration costs of £49,197 (2019: £69,117) were paid for by The Schools of King Edward the Sixth in Birmingham on behalf of the Trust and are reflected as a donation in kind in these accounts.

Mr T Clarke, a Trustee of the charity, is also Chair of the Independent Schools Governing Body of the Schools of King Edward the Sixth in Birmingham. Transactions between the charities are detailed above. Mrs J Hundle, a Trustee of the charity, is a former Governor of the aforementioned governing body.

Mrs A Duffy and Mrs G Stanley, both Trustees of the charity, are Chairman and Committee Member of the Birmingham Girls' Old Edwardian Club. Mrs A Clark, a Trustee of the charity, was Principal of the School and President of the Birmingham Girls' Old Edwardian Club until 1 September 2020, when her successor, Mrs K von Malaisé, adopted both roles.

Mrs JA Dyke is also a trustee of The Limoges Charitable Trust (RCN: 1016178), which donated £2,500 in 2020.

Donations to the trust from Trustees during the year were as follows:

	£
Mrs A Clark	600
Mrs K von Malaisé	-
Mrs G Stanley	100
Mrs J A Dyke	-
Mr T Clarke	23,343
Mrs H Evenett	-
Mrs A Duffy	-
Mrs C Soderman	-
Mrs J Hundle	200

11 Commitments

At 31 December 2020, the Trust was committed to funding 20 girls on Assisted Places (2019: 17). The estimated total cost of funding these pupils from Spring Term 2021 to the end of their education at the school is £1,198,281. Two additional pupils' families no longer meet the criteria for assistance under the rules of the means testing scheme, however the Trust remains committed to providing financial support in the future should the improvement in their financial circumstances reverse. In addition, the Trustees have committed to funding 4 full fee equivalent places starting in September 2021 and offers have been made to prospective pupils with a total future commitment value of £440,000.

Of this commitment, £530,000 will be met by the donations made under Deeds of Gift entered into by individuals who are sponsoring specific Assisted Places. As at 31 December 2020, the Trust holds assets to the value of £1,000,246 on the Restricted Fund for the purpose of meeting the cost of providing Assisted Places.

In addition, on an annual basis, the Trust expects to receive regular income from three sources (based on 2018): income from regular giving of £36,000, income from its investments of at least £7,000, and gift aid of at least £4,500. The Trust assumes that this level of regular income can be relied on for at least 3 years.

Where there is a surplus of income, this will be used to fund further Assisted Places for future years.

12 Reconciliation of net income to net cash flow from operating activities

	2020	2019
	£	£
Net movement in funds	235,006	283,867
Income from investment portfolio	(20,247)	(7,094)
(Gains) on investments	(129,115)	(66,559)
(Increase)/decrease in debtors	(37,616)	33,691
Add back investment manager costs	9,718	9,071
Increase in creditors	4,276	2,587
Net cash flow from operating activities	62,022	255,563