

REGISTERED COMPANY NUMBER: 04234021 (England and Wales)
REGISTERED CHARITY NUMBER: 1087799

REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022
FOR
WISBECH EDUCATIONAL FOUNDATION

Wheeler
Chartered Accountants, Tax Consultants
& Statutory Auditors
27-29 Old Market
Wisbech
Cambridgeshire
PE13 1NE

WISBECH EDUCATIONAL FOUNDATION

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FOR THE YEAR ENDED 31 JANUARY 2022

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WISBECH EDUCATIONAL FOUNDATION

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 JANUARY 2022**

The Trustees submit their report and financial statements for the year ended 31 January 2022 under the Companies Act 2006, the Company's Memorandum & Articles of Association, the Foundation's Scheme and the Charities (FRS102) '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 2015)'.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Wisbech Educational Foundation is a charity with the objective of "advancing education for the public benefit in or near Wisbech in particular but not exclusively by promoting the education of children attending independent schools in the area through the provision of grants to those in financial need, scholarships or prizes."

The Foundation is a continuation of the Wisbech Grammar School Charity which can trace its history back to 1379 when a school was founded by the Wisbech Guild of the Holy Trinity at St Peter's and St Paul's church. Chartered by Edward VI in 1549 as a grammar school for boys, for much of its history it offered a largely classical curriculum of Greek, Latin and arithmetic under the governance of the Wisbech Corporation. After the first 150 years the school moved premises to the old guildhall in Hill Street and then on to South Brink before merging with the Wisbech High School for Girls in 1970 at their present site on North Brink.

For much of the 20th century, it was a non-fee paying voluntary-aided school, but following local council plans to remove this status and merge the Grammar School with a nearby secondary modern school, the governors took the decision to become fully independent in 1983 becoming a fee-paying day school, run by the charity for pupils aged 4 to 18 to attend from the three counties of Cambridgeshire, Norfolk and Lincolnshire. Following the closure of the nearby St Audrey's Convent, a significant feeder for the senior school, a new junior and infant preparatory school was opened in 1997, now known as Magdalene House.

In 2020, the charity transferred the business of the day to day running of the school to Wisbech Grammar School Ltd and Wisbech Educational Foundation now carries on charitable educational work within the local community. This includes awarding bursaries to those pupils who fulfil the academic criteria for entry to an independent school, and who will act as a positive role model, but who would otherwise be unable to afford the education on offer. The Foundation will also consider bursaries for other fee paying educational courses on its merits.

The trustees have regard to the Charity Commission's guidance on public benefit.

STRATEGIC REPORT

Achievement and performance

Charitable activities

During the year, the charity continued to help a number of local families who had suffered hardship for a variety of reasons, principally related to the Coronavirus pandemic, with financial support toward school fees to ensure that their child's education was not disrupted and started to pay a substantial bursary to assist a sixth form pupil to attend Wisbech Grammar School who would not otherwise have been able to do so.

Fundraising activities

The charity does not carry out significant fundraising activities.

WISBECH EDUCATIONAL FOUNDATION

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 JANUARY 2022**

STRATEGIC REPORT

Financial review

Financial review (including reserves policy)

Having relinquished the day to day running of the school to Wisbech Grammar School Ltd, the charity's finances are on a much sounder footing. The trustees have kept a tight control on the charity's running costs and the charity has made a surplus during the course of the year.

The charity ceased participation in the Cambridgeshire County Council Pension Fund on 31 January 2020 and the liability in the accounts is in accordance with the cessation valuation report dated 1 September 2020. The charity intends on repaying this liability in ten annual instalments, with the first instalment paid in September 2021, however, it is still in the process of formally agreeing and documenting the payment plan.

The charity's principal source of funding is the income it receives from its land and buildings. The trustees intend to use approximately one third of its rental income to fund bursaries, one third toward settlement of the pension cessation liability and one third to cover the charity's running costs and build its reserves so they can be invested to provide investment income to enable the charity to meet its objectives.

Plans for future periods

The charity is hoping to provide bursaries to pay 100% of the School fees for pupils from the local area who wish to attend the Sixth Form and earlier years at the Senior School of Wisbech Grammar School but whose parents are unable to afford the fees.

To qualify for such a bursary, the pupil would ideally be someone who does not attend the school and would have to apply to Wisbech Grammar School for a place.

The pupil would have to satisfy the Grammar School that they had the necessary academic qualifications for a place in the Sixth Form and his or her parents would have to satisfy the Grammar School's criteria for the award of a 100% bursary. The Grammar School would then initially make the recommendation to the charity to fund the Bursary.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing instruments

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Co-opted trustees are elected by the Board of Trustees. The term of office for co-opted trustees is three years following which they are eligible for re-election.

The Bishop of Ely has the right to nominate one trustee and the Master and Fellows of Magdalene College Cambridge has the right to nominate two trustees. All nominations are confirmed by the Board of Trustees.

New trustees receive an induction into the workings of the Charity and are provided with Terms of Reference relevant to their position.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04234021 (England and Wales)

Registered Charity number

1087799

Registered office

Wisbech Grammar School
Chapel Road
Wisbech
Cambridgeshire
PE13 1RH

WISBECH EDUCATIONAL FOUNDATION

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 JANUARY 2022**

Trustees

Chairman: Mrs E Morris, LLB

Vice Chairman: Dr Q Wong, MB.BS, FRCGP, DRCOG,

Treasurer: Mr C Goad, BFP, FCA

Dr C Mair BSc, BVetMed, MRCVS

Mrs J Bodger BEd

The Venerable Hugh McCurdy, Archdeacon of Huntingdon and Wisbech, BA (retired on 11 April 2021)

Mr I MacLachlan

Dr K Hart MBCRB, FRCPCH

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary

Mr C Goad BFP FCA

Auditors

Wheeler

Chartered Accountants, Tax Consultants

& Statutory Auditors

27-29 Old Market

Wisbech

Cambridgeshire

PE13 1NE

Bankers

Barclays Bank PLC

Solicitors

Veale Wasbrough Vizards

Narrow Quay House

Narrow Quay

Bristol

BS1 4QA

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Wisbech Educational Foundation for the purposes of company law) 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).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

WISBECH EDUCATIONAL FOUNDATION

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2022

AUDITORS

The auditors, Wheelers, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 13 October 2022 and signed on the board's behalf by:

Mrs E Morris LLB - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WISBECH EDUCATIONAL FOUNDATION**

Opinion

We have audited the financial statements of Wisbech Educational Foundation (the 'charitable company') for the year ended 31 January 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 January 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WISBECH EDUCATIONAL FOUNDATION

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WISBECH EDUCATIONAL FOUNDATION**

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility of the prevention and detection of fraud rests with those charged with governance of the entity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant are those that relate to the reporting framework (United Kingdom Accounting Standards in conformity with the Companies Act 2006, Charities SORP (FRS 102) '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) and FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland") and the relevant tax regulations in the United Kingdom.
- We understood how Wisbech Educational Foundation is complying with those frameworks by identifying the Charity's policies and procedures regarding compliance with laws and regulations.
- We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might occur by enquiry during the planning and execution phases of our audit.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved:
 - o Review of trustee minutes of meetings to identify any instances of non-compliance with laws and regulations, including communications with regulators and tax authorities.
 - o Auditing the risk of management override of controls, including through review of adjustments for appropriateness.

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 Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WISBECH EDUCATIONAL FOUNDATION

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Garrett BA FCA, CTA (Senior Statutory Auditor)
for and on behalf of Wheelers
Chartered Accountants, Tax Consultants
& Statutory Auditors
27-29 Old Market
Wisbech
Cambridgeshire
PE13 1NE

Date: 17 October 2022

WISBECH EDUCATIONAL FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JANUARY 2022

		Unrestricted funds	Restricted funds	31.1.22 Total funds	31.1.21 Total funds as restated
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Investment income	3	227,489	-	227,489	230,152
EXPENDITURE ON					
Charitable activities	4				
Charitable activities		126,879	-	126,879	142,731
Net gains on investments		-	67	67	115,163
Capital contribution		<u>(15,028)</u>	<u>-</u>	<u>(15,028)</u>	<u>(19,680)</u>
NET INCOME		85,582	67	85,649	182,904
RECONCILIATION OF FUNDS					
Total funds brought forward					
As previously reported		4,722,820	5,113	4,727,933	4,767,737
Prior year adjustment	10	<u>222,708</u>	<u>-</u>	<u>222,708</u>	<u>-</u>
As restated		4,945,528	5,113	4,950,641	4,767,737
TOTAL FUNDS CARRIED FORWARD		<u>5,031,110</u>	<u>5,180</u>	<u>5,036,290</u>	<u>4,950,641</u>

The notes form part of these financial statements

WISBECH EDUCATIONAL FOUNDATION

BALANCE SHEET
31 JANUARY 2022

	Notes	31.1.22 £	31.1.21 as restated £
FIXED ASSETS			
Investments			
Investments	11	9,131	9,064
Investment property	12	<u>5,760,000</u>	<u>5,760,000</u>
		5,769,131	5,769,064
CURRENT ASSETS			
Debtors	13	91,760	56,554
Cash at bank		<u>134,339</u>	<u>164,609</u>
		226,099	221,163
CREDITORS			
Amounts falling due within one year	14	<u>(102,923)</u>	<u>(109,684)</u>
NET CURRENT ASSETS		<u>123,176</u>	<u>111,479</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,892,307	5,880,543
CREDITORS			
Amounts falling due after more than one year	15	(381,355)	(404,902)
PENSION LIABILITY	20	<u>(474,662)</u>	<u>(525,000)</u>
NET ASSETS		<u>5,036,290</u>	<u>4,950,641</u>
FUNDS	19		
Unrestricted funds		5,031,110	4,945,528
Restricted funds		<u>5,180</u>	<u>5,113</u>
TOTAL FUNDS		<u>5,036,290</u>	<u>4,950,641</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 13 October 2022 and were signed on its behalf by:

Mrs E Morris LLB - Trustee

Mr C Goad BFP FCA - Trustee

The notes form part of these financial statements

WISBECH EDUCATIONAL FOUNDATION

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2022

	Notes	31.1.22 £	31.1.21 as restated £
Cash flows from operating activities			
Cash generated from operations	1	83,612	(1,563,168)
Interest paid		(4,925)	(57)
Interest element of hire purchase payments paid		<u>(689)</u>	<u>(1,411)</u>
Net cash provided by/(used in) operating activities		<u>77,998</u>	<u>(1,564,636)</u>
 Cash flows from investing activities			
Interest received		<u>-</u>	<u>411</u>
Net cash provided by investing activities		<u>-</u>	<u>411</u>
 Cash flows from financing activities			
Loan repayments in year		(53,062)	(62,990)
Capital repayments in year		(4,867)	(9,402)
Pension liability capital repayment		<u>(50,339)</u>	<u>-</u>
Net cash used in financing activities		<u>(108,268)</u>	<u>(72,392)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		(30,270)	(1,636,617)
Cash and cash equivalents at the beginning of the reporting period		<u>164,609</u>	<u>1,801,226</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>134,339</u></u>	<u><u>164,609</u></u>

The notes form part of these financial statements

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.1.22	31.1.21 as restated
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	85,649	403,450
Adjustments for:		
Gain on investments	(67)	(115,163)
Interest received	-	(411)
Interest paid	22,013	18,215
Interest element of hire purchase and finance lease rental payments	689	1,411
Capital contribution adjustment	15,028	(200,866)
(Increase)/decrease in debtors	(35,206)	91,219
Decrease in creditors	<u>(4,494)</u>	<u>(1,761,023)</u>
Net cash provided by/(used in) operations	<u><u>83,612</u></u>	<u><u>(1,563,168)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.2.21 £	Cash flow £	At 31.1.22 £
Net cash			
Cash at bank	<u>164,609</u>	<u>(30,270)</u>	<u>134,339</u>
	<u>164,609</u>	<u>(30,270)</u>	<u>134,339</u>
Debt			
Finance leases	<u>(7,684)</u>	<u>4,868</u>	<u>(2,816)</u>
	<u>(7,684)</u>	<u>4,868</u>	<u>(2,816)</u>
Total	<u><u>156,925</u></u>	<u><u>(25,402)</u></u>	<u><u>131,523</u></u>

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 JANUARY 2022**

1. STATUTORY INFORMATION

Wisbech Educational Foundation is a charitable company, limited by guarantee, registered in England and Wales. The company has no share capital and in the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The register number company number is 04234021 and the registered charity number is 1087799. The registered office is located at Chapel Road, Wisbech, Cambridgeshire PE13 1RH.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The financial statements are prepared in sterling which is the functional currency of the company.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Significant judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements and estimates have had the most significant effect on amounts recognised in the financial statements.

Investment property

Investment property is stated at fair value with changes in the fair value being recognised in the Statement of Financial Activities. No depreciation is provided in respect of investment property in accordance with FRS102 Chapter 16.

The fair value of investment property is assessed on an annual basis by the trustees. The main investment property has been included at a valuation of £5.6m based on a valuation of the property in 2019 by an external valuer and in accordance with a property option agreement in place. The option gives the tenant, Wisbech Grammar School Limited, an option to purchase the land and buildings from the Charity in the future at a value pre-determined by a qualified independent surveyor until 30 January 2025 and by reference to future RPI increases during the period 31 January 2025 and 30 January 2030. The trustees still consider this valuation to be appropriate.

Pensions liability

The Charity ceased participation in the Cambridgeshire County Council Pension Fund on 31 January 2020. The Charity has had various discussions with Cambridgeshire County Council and the appointed actuary of the scheme, who have indicated that the cessation liability amounts to £525,000. This liability together with the associated assumptions is the liability referred to in these financial statements as detailed in note 20, reduced by the first instalment settled in September 2021. The Charity has not received any indication that the cessation liability will be revised.

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2022

2. ACCOUNTING POLICIES - continued

Interest free loans

The charity has a long term liability being a loan which is interest free until 31 January 2030. In accordance with FRS102, this loan is discounted to its present value. From 31 January 2030, the agreement provides that interest will be charged at 2% above base. The trustees consider that this is a market rate of interest and as a result, this rate is considered appropriate for use in the discounting calculations.

Income

Income is recognised in the Statement of Financial Activities once the company has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

i) The Charity's general fund consists of funds which the Charity may use for its purpose at its discretion, in furtherance of the general objectives of the Charity.

ii) The Charity's restricted funds are those where the donors have imposed restrictions on the use of the funds which are legally binding.

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 quoted bid market price or market value. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the period.

Trade and other debtors

Trade and other debtors are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision for impairment is made through the Statement of Financial Activities when there is objective evidence that the company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand includes cash and short term highly liquid investments with an original maturity date of three months or less. For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recorded at transaction price.

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2022

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts are capitalised in the balance sheet and are depreciated over the shorter of the lease term and the asset's useful lives. A corresponding liability is recognised for the lower of the fair value of the leased asset and the present value of the minimum lease payments in the balance sheet. Lease payments are apportioned between the reduction of the lease liability and finance charges in the Statement of Financial Activities so as to achieve a constant rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged in the Statement of Financial Activities on a straight-line basis over the lease term. Lease incentives are recognised over the lease term on a straight-line basis.

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at their fair value.

Financing transactions are measured initially at the present value of future cashflows discounted at a market rate of interest and subsequently measured at amortised cost using the effective interest method.

3. INVESTMENT INCOME

	31.1.22	31.1.21 as restated
	£	£
Rent and lettings	227,374	229,627
COIF and Charifund shares	115	113
Deposit account interest	<u>-</u>	<u>412</u>
	<u>227,489</u>	<u>230,152</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5) £	Support costs (see note 6) £	Totals £
Charitable activities	<u>47,936</u>	<u>78,943</u>	<u>126,879</u>

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2022

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.1.22	31.1.21 as restated
	£	£
Bad debts	(14,208)	6,971
Grants	<u>62,144</u>	<u>49,013</u>
	<u>47,936</u>	<u>55,894</u>

The Charity, during the year, committed to providing grants to support students of Wisbech Grammar School with their school fees totalling £62,144 (2021: £49,013).

6. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Charitable activities	<u>48,740</u>	<u>22,703</u>	<u>7,500</u>	<u>78,943</u>

Support costs, included in the above, are as follows:

Management

	31.1.22 Charitable activities £	31.1.21 as restated Total activities £
Advertising	-	14
Legal and professional fees	6,034	11,480
Rates, water, gas, electricity and rent	12,000	14,387
Insurance	30,306	27,299
Other costs	<u>400</u>	<u>3,371</u>
	<u>48,740</u>	<u>56,551</u>

Finance

	31.1.22 Charitable activities £	31.1.21 as restated Total activities £
Bank interest	38	57
Interest on pension scheme liabilities	4,887	-
Loan interest	17,089	18,158
Hire purchase interest	<u>689</u>	<u>1,411</u>
	<u>22,703</u>	<u>19,626</u>

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2022

6. SUPPORT COSTS - continued
Governance costs

	31.1.22	31.1.21 as restated
	Charitable activities £	Total activities £
Auditors' remuneration	<u>7,500</u>	<u>10,570</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.1.22	31.1.21 as restated
	£	£
Auditors remuneration	<u>7,500</u>	<u>10,570</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 January 2022 nor for the year ended 31 January 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 January 2022 nor for the year ended 31 January 2021.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds as restated £
INCOME AND ENDOWMENTS FROM			
Investment income	230,152	-	230,152
EXPENDITURE ON			
Charitable activities			
Charitable activities	142,731	-	142,731
Net gains on investments	114,500	663	115,163
Capital contributions	<u>(19,680)</u>	<u>-</u>	<u>(19,680)</u>
NET INCOME	182,241	663	182,904
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>4,763,287</u>	<u>4,450</u>	<u>4,767,737</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>4,945,528</u></u>	<u><u>5,113</u></u>	<u><u>4,950,641</u></u>

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2022

10. PRIOR YEAR ADJUSTMENT

The charity has made a prior year adjustment to reflect a lease incentive provided as lessor of the property to the tenant during the five years to the end of the initial option period. The effect is to increase rental income and debtors as at 31 January 2021 by £40,000.

In addition, the charity has also made a prior year adjustment to reflect a non-interest bearing loan to be recognised at fair value. The effect of the adjustment is to reduce creditors and recognise a capital contribution of £220,546 made on the inception of the loan. Furthermore, notional interest of £18,158 has been charged for the year ended 31 January 2021 together with an adjustment of £19,680 to reflect other loan movements as a reduction to the value of the original capital contribution.

11. FIXED ASSET INVESTMENTS

	31.1.22	31.1.21 as restated
	£	£
Shares	4,131	4,064
Other	<u>5,000</u>	<u>5,000</u>
	<u>9,131</u>	<u>9,064</u>

Additional information as follows:

	Unlisted investments £
MARKET VALUE	
At 1 February 2021	4,064
Revaluations	<u>67</u>
At 31 January 2022	<u>4,131</u>
NET BOOK VALUE	
At 31 January 2022	<u>4,131</u>
At 31 January 2021	<u>4,064</u>

There were no investment assets outside the UK.

Cost or valuation at 31 January 2022 is represented by:

	Unlisted investments £
Valuation in 2022	<u>4,131</u>

Investments (neither listed nor unlisted) were as follows:

	31.1.22	31.1.21 as restated
	£	£
Valuation brought forward	<u>5,000</u>	<u>5,000</u>

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2022

11. FIXED ASSET INVESTMENTS - continued

Other fixed asset investments have been included at a trustee's valuation of £5,000 based on comparable market data.

12. INVESTMENT PROPERTY

FAIR VALUE

At 1 February 2021
and 31 January 2022

£

5,760,000

NET BOOK VALUE

At 31 January 2022

5,760,000

At 31 January 2021

5,760,000

The Investment Property is stated at fair value with changes in fair value being recognised in the Statement of Financial Activities. No depreciation is provided in respect of this property in accordance with FRS 102 Chapter 16. The property, let to Wisbech Grammar School Limited, has been included at a valuation of £5.6m based on a valuation of the property undertaken in 2019 and in accordance with the property option agreement. The property known as Town Field, Elm, which does not form part of the purchase option agreement, was valued by Maxey Grounds as at 31 January 2021, based on its market value in accordance with the requirements of the RICS Valuation - Global Standards 2020, at £160,000. The trustees consider this valuation to be appropriate at 31 January 2022.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.1.22	31.1.21 as restated
	£	£
Trade debtors	11,760	16,554
Other debtors	<u>80,000</u>	<u>40,000</u>
	<u>91,760</u>	<u>56,554</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.1.22	31.1.21 as restated
	£	£
Hire purchase (see note 16)	2,600	4,867
Trade creditors	3,900	5,669
Other creditors	49,699	41,838
Accruals and deferred income	<u>46,724</u>	<u>57,310</u>
	<u>102,923</u>	<u>109,684</u>

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2022

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.1.22	31.1.21 as restated
	£	£
Hire purchase (see note 16)	216	2,817
Other creditors	<u>381,139</u>	<u>402,085</u>
	<u>381,355</u>	<u>404,902</u>

Included within other creditors is an amount of £381,139 which represents the present value of a non interest bearing loan. The terms of this are that it will be interest free for ten years from 30 January 2020 and thereafter accrue interest at 2% above base. The principal amount outstanding at 31 January 2022 amounts to £531,731. The difference between the principal amount and present value of the loan is included within unrestricted general funds as a capital contribution.

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts 31.1.22	31.1.21 as restated
	£	£
Net obligations repayable:		
Within one year	2,600	4,867
Between one and five years	<u>216</u>	<u>2,817</u>
	<u>2,816</u>	<u>7,684</u>
	Non-cancellable operating leases	
	31.1.22	31.1.21 as restated
	£	£
Within one year	18,818	71,068
Between one and five years	48,568	176,514
In more than five years	<u>15,833</u>	<u>25,833</u>
	<u>83,219</u>	<u>273,415</u>

Following the completion of the transfer of the business and tangible assets of the school, excluding the freehold land and buildings, on the 31 January 2020 to Wisbech Grammar School Limited, the operating lease and hire purchase contract liabilities were being met by Wisbech Grammar School Limited, however the leases were not assigned. During the year ended 31 January 2022, all but two of the vehicle operating leases were assigned.

17. SECURED DEBTS

The following secured debts are included within creditors:

	31.1.22	31.1.21 as restated
	£	£
Hire purchase contracts	<u>2,816</u>	<u>7,684</u>

As detailed in note 16, the original hire purchase liability is still in the name of the charity even though the assets were sold on 31 January 2020.

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2022

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

			31.1.22	31.1.21 as restated
	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Investments	5,765,000	4,131	5,769,131	5,769,064
Current assets	225,050	1,049	226,099	221,163
Current liabilities	(102,923)	-	(102,923)	(109,684)
Long term liabilities	(381,355)	-	(381,355)	(404,902)
Pension liability	(474,662)	-	(474,662)	(525,000)
	<u>5,031,110</u>	<u>5,180</u>	<u>5,036,290</u>	<u>4,950,641</u>

19. MOVEMENT IN FUNDS

	At 1.2.21 £	Prior year adjustment £	Net movement in funds £	At 31.1.22 £
Unrestricted funds				
General fund	4,722,820	222,708	85,582	5,031,110
Restricted funds				
Restricted fund	5,113	-	67	5,180
	<u>4,727,933</u>	<u>222,708</u>	<u>85,649</u>	<u>5,036,290</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	227,489	(126,879)	(15,028)	85,582
Restricted funds				
Restricted fund	-	-	67	67
	<u>227,489</u>	<u>(126,879)</u>	<u>(14,961)</u>	<u>85,649</u>

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2022

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.2.20 £	Net movement in funds £	At 31.1.21 £
Unrestricted funds			
General fund	4,542,741	402,787	4,945,528
Restricted funds			
Restricted fund	4,450	663	5,113
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>4,547,191</u>	<u>403,450</u>	<u>4,950,641</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	230,152	(142,731)	315,366	402,787
Restricted funds				
Restricted fund	-	-	663	663
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>230,152</u>	<u>(142,731)</u>	<u>316,029</u>	<u>403,450</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.2.20 £	Prior year adjustment £	Net movement in funds £	At 31.1.22 £
Unrestricted funds				
General fund	4,542,741	222,708	488,369	5,253,818
Restricted funds				
Restricted fund	4,450	-	730	5,180
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>4,547,191</u>	<u>222,708</u>	<u>489,099</u>	<u>5,258,998</u>

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2022

19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	457,641	(269,610)	300,338	488,369
Restricted funds				
Restricted fund	-	-	730	730
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>457,641</u>	<u>(269,610)</u>	<u>301,068</u>	<u>489,099</u>

20. PENSION AND SIMILAR OBLIGATIONS

The Charity ceased participation in the Cambridgeshire County Council Pension Fund on 31 January 2020. The liability in the accounts is in accordance with the cessation valuation report dated 1 September 2020.

The Charity has had various discussions with Cambridgeshire County Council and the appointed actuary of the scheme, who have indicated that the cessation liability amounts to £525,000. This liability together with the associated assumptions and reduced by the first payment in an instalment plan, is the liability referred to in these financial statements. The Charity is still however in the process of formally documenting this agreement together with the payment plan by which it is to be settled. The figures advised by the actuary on behalf of the Cambridgeshire County Council includes a fixed interest sum of £27,250 in recognition of the fact that the liability is to be paid over a ten year term. In accordance with the Cambridgeshire County Council cessation valuation report, there is currently pending litigation which may result in changes to the calculated liability. The Charity, however, has not received any indication that the liability will be revised.

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 January 2022.

