

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 2024
FOR
WISBECH EDUCATIONAL FOUNDATION

Wheelers
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 2024

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WISBECH EDUCATIONAL FOUNDATION

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 JANUARY 2024**

The Trustees submit their report and financial statements for the year ended 31 January 2024 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 11 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 for pupils aged 4 to 11, 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, substantial bursaries were paid to assist pupils 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.

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 before gains and losses 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.

WISBECH EDUCATIONAL FOUNDATION

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 JANUARY 2024**

STRATEGIC REPORT

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

2 The Crescent
Wisbech
Cambridgeshire
PE13 1EH

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
Mr I MacLachlan (resigned 22 April 2024)
Dr K Hart MBCRB, FRCPCH
Mr T Chapman (appointed 24 April 2024)

Company Secretary

Mr C Goad BFP FCA

WISBECH EDUCATIONAL FOUNDATION

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

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

Bankers

Lloyds Bank plc

Solicitors

Fraser Dawbarns LLP
21 Tuesday Market Place
King's Lynn
PE30 1JW

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.

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 21 November 2024 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 2024 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 2024 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.

Emphasis of matter - Investment Property Valuation

Included within note 11 to the financial statements are details regarding the valuation of the Investment Property. The Charity has undertaken an assessment of the carrying value of the property which has resulted in the recognition of an impairment loss of £1,608,130. As detailed in the note, the assessment is based on various assumptions regarding the outcome of ongoing negotiations with the tenant which may have a material impact on the carrying value of the Investment Property. Our opinion is not modified in respect to this matter.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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: 22 November 2024

WISBECH EDUCATIONAL FOUNDATION**STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 JANUARY 2024

	Notes	Unrestricted funds £	Restricted funds £	31.1.24 Total funds £	31.1.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	3	220,463	-	220,463	240,114
Other income		<u>17,218</u>	<u>-</u>	<u>17,218</u>	<u>-</u>
Total		<u>237,681</u>	<u>-</u>	<u>237,681</u>	<u>240,114</u>
EXPENDITURE ON					
Charitable activities	4				
Charitable activities		<u>91,673</u>	<u>-</u>	<u>91,673</u>	<u>107,610</u>
Net gains/(losses) on investments		-	269	269	(56)
Revaluation of investment property		(1,608,130)	-	(1,608,130)	25,000
Capital contribution		<u>(63,514)</u>	<u>-</u>	<u>(63,514)</u>	<u>29,392</u>
NET INCOME/(EXPENDITURE)		(1,525,636)	269	(1,525,367)	186,840
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>5,218,006</u>	<u>5,124</u>	<u>5,223,130</u>	<u>5,036,290</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>3,692,370</u></u>	<u><u>5,393</u></u>	<u><u>3,697,763</u></u>	<u><u>5,223,130</u></u>

The notes form part of these financial statements

WISBECH EDUCATIONAL FOUNDATION

BALANCE SHEET
31 JANUARY 2024

	Notes	31.1.24 £	31.1.23 £
FIXED ASSETS			
Investments			
Investments	10	9,344	9,075
Investment property	11	<u>4,176,870</u>	<u>5,785,000</u>
		4,186,214	5,794,075
CURRENT ASSETS			
Debtors	12	126,000	132,000
Cash at bank		<u>166,697</u>	<u>98,916</u>
		292,697	230,916
CREDITORS			
Amounts falling due within one year	13	(80,626)	(109,645)
		<u> </u>	<u> </u>
NET CURRENT ASSETS		<u>212,071</u>	<u>121,271</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,398,285	5,915,346
CREDITORS			
Amounts falling due after more than one year	14	(326,138)	(266,328)
PENSION LIABILITY	18	(374,384)	(425,888)
		<u> </u>	<u> </u>
NET ASSETS		<u>3,697,763</u>	<u>5,223,130</u>
FUNDS	17		
Unrestricted funds		3,692,370	5,218,006
Restricted funds		<u>5,393</u>	<u>5,124</u>
TOTAL FUNDS		<u>3,697,763</u>	<u>5,223,130</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 21 November 2024 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 2024

	Notes	31.1.24 £	31.1.23 £
Cash flows from operating activities			
Cash generated from operations	1	149,432	137,677
Interest paid		(3,773)	(6,533)
Interest element of hire purchase payments paid		<u>(28)</u>	<u>(328)</u>
Net cash provided by operating activities		<u>145,631</u>	<u>130,816</u>
 Cash flows from investing activities			
Interest received		<u>9</u>	<u>4</u>
Net cash provided by investing activities		<u>9</u>	<u>4</u>
 Cash flows from financing activities			
Loan repayments in year		(26,139)	(114,869)
Capital repayments in year		(216)	(2,600)
Pension liability capital repayment		<u>(51,504)</u>	<u>(48,774)</u>
Net cash used in financing activities		<u>(77,859)</u>	<u>(166,243)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		67,781	(35,423)
Cash and cash equivalents at the beginning of the reporting period		<u>98,916</u>	<u>134,339</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>166,697</u></u>	<u><u>98,916</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 2024

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.1.24 £	31.1.23 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(1,525,367)	186,840
Adjustments for:		
Losses/(gain) on investments	1,607,861	(24,943)
Interest received	(9)	(4)
Interest paid	3,773	6,533
Interest element of hire purchase and finance lease rental payments	28	328
Capital contribution adjustment	63,514	(29,392)
Interest paid	22,036	18,516
Decrease/(increase) in debtors	6,000	(40,240)
(Decrease)/increase in creditors	<u>(28,404)</u>	<u>20,039</u>
Net cash provided by operations	<u>149,432</u>	<u>137,677</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.2.23 £	Cash flow £	At 31.1.24 £
Net cash			
Cash at bank	<u>98,916</u>	<u>67,781</u>	<u>166,697</u>
	<u>98,916</u>	<u>67,781</u>	<u>166,697</u>
Debt			
Finance leases	<u>(216)</u>	<u>216</u>	<u>-</u>
	<u>(216)</u>	<u>216</u>	<u>-</u>
Total	<u>98,700</u>	<u>67,997</u>	<u>166,697</u>

The notes form part of these financial statements

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 JANUARY 2024**

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 £3.99m (2023: £5.6m). The 2024 valuation is based on a discounted cash flow forecast, accounting for the trustees expected rental increases over the remaining term of the lease.

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, second and third installments settled in September 2021, August 2022 and February 24 respectively. The Charity has not received any indication that the cessation liability will be revised.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2024

2. ACCOUNTING POLICIES - continued

Basis of preparing the financial statements

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.

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2024

2. ACCOUNTING POLICIES - continued

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.

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

	31.1.24	31.1.23
	£	£
Rent and lettings	220,336	239,992
COIF and Charifund shares	118	118
Deposit account interest	<u>9</u>	<u>4</u>
	<u>220,463</u>	<u>240,114</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5)	Support costs (see note 6)	Totals
	£	£	£
Charitable activities	<u>5,095</u>	<u>86,578</u>	<u>91,673</u>

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2024

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.1.24	31.1.23
	£	£
Bad debts	(19,904)	(22,792)
Grant expenditure	<u>24,999</u>	<u>49,999</u>
	<u>5,095</u>	<u>27,207</u>

The Charity, during the year, provided grants to support students of Wisbech Grammar School Limited with their school fees totalling £24,999 (2023: £49,996). The amount committed but not paid at the 31 January 2024 amounted to £30,988 (2023: £47,700).

6. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Charitable activities	<u>51,993</u>	<u>25,837</u>	<u>8,748</u>	<u>86,578</u>

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

Management

	31.1.24 Charitable activities £	31.1.23 Total activities £
Legal and professional fees	960	1,275
Rates, water, gas, electricity and rent	12,000	12,000
Insurance	38,985	33,655
Other costs	<u>48</u>	<u>77</u>
	<u>51,993</u>	<u>47,007</u>

Finance

	31.1.24 Charitable activities £	31.1.23 Total activities £
Bank interest	52	82
Interest on pension scheme liabilities	3,721	6,451
Loan interest	22,036	18,516
Hire purchase interest	<u>28</u>	<u>328</u>
	<u>25,837</u>	<u>25,377</u>

Governance costs

	31.1.24 Charitable activities £	31.1.23 Total activities £
Auditors' remuneration	<u>8,748</u>	<u>8,022</u>

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2024

7. NET INCOME/(EXPENDITURE)

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

	31.1.24	31.1.23
	£	£
Auditors remuneration	<u>8,748</u>	<u>8,022</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 January 2024 nor for the year ended 31 January 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 January 2024 nor for the year ended 31 January 2023.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Investment income	<u>240,114</u>	<u>-</u>	<u>240,114</u>
EXPENDITURE ON			
Charitable activities			
Charitable activities	<u>107,610</u>	<u>-</u>	<u>107,610</u>
Net gains/(losses) on investments	<u>54,392</u>	<u>(56)</u>	<u>54,336</u>
NET INCOME/(EXPENDITURE)	186,896	(56)	186,840
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>5,031,110</u>	<u>5,180</u>	<u>5,036,290</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>5,218,006</u></u>	<u><u>5,124</u></u>	<u><u>5,223,130</u></u>

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2024

10. FIXED ASSET INVESTMENTS

	31.1.24	31.1.23
	£	£
Shares	4,344	4,075
Other	<u>5,000</u>	<u>5,000</u>
	<u>9,344</u>	<u>9,075</u>

Additional information as follows:

	Unlisted investments £
MARKET VALUE	
At 1 February 2023	4,075
Revaluations	<u>269</u>
At 31 January 2024	<u>4,344</u>
NET BOOK VALUE	
At 31 January 2024	<u>4,344</u>
At 31 January 2023	<u>4,075</u>

There were no investment assets outside the UK.

Cost or valuation at 31 January 2024 is represented by:

	Unlisted investments £
Valuation in 2024	<u>4,344</u>

Investments (neither listed nor unlisted) were as follows:

	31.1.24	31.1.23
	£	£
Valuation brought forward	<u>5,000</u>	<u>5,000</u>

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

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2024

11. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 February 2023	5,785,000
Revaluation	<u>(1,608,130)</u>
At 31 January 2024	<u>4,176,870</u>
NET BOOK VALUE	
At 31 January 2024	<u>4,176,870</u>
At 31 January 2023	<u>5,785,000</u>

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, is let under two non-cancellable leases which commenced on 31 January 2020 for 25 years. The leases have a remaining term of 21 years with provisions for rent reviews on 31 January 2025 and every five years thereafter.

The rental from these leases in the year amounted to £190,000 (2023 - £140,000).

On 1 February 2023, the Trustees agreed with the tenant a variation to the leases which results in the ongoing rent passing being reduced from £240,000 to £190,000 for a period of 2 years, which coincides with the option to purchase the property for £5.6m on 31 January 2025. On the 31 January 2025 it was intended that the rent would revert back to that calculated under the terms of the lease being a base rent of £290,000 adjusted for RPI from November 2019 to January 2025 capped at a maximum increase of 15%. The tenant has approached the Charity to request that a further variation is effected for the period 1 February 2025 to 31 January 2028 with the revised rent being £218,500 per annum for the next 3 years. The above factors indicate that the property has been impaired and the Trustees have undertaken a review of the carrying value using a discounted cashflow model based on the likely rent over the remaining period of the lease together with an assessment of the reversionary interest at the end of the lease term discounted using a discount rate of 6.75%. This has indicated a carrying value of £3,991,870 and as a result the carrying value has been impaired by £1,608,130.

Based on the assumptions made the future minimum lease rentals receivable are as follows:

Not later than one year	£190,000
Later than one year but not later than five years	£874,000
Later than five years	£4,581,260

The property known as Town Field, Elm, which does not form part of the purchase option agreement, was valued by Alan J Faulkner, a RICS registered valuer, of Maxey Grounds as at 24 November 2023, based on its market value in accordance with the requirements of the RICS Valuation - Global Standards 2022, at £185,000. The trustees consider this valuation to be appropriate at 31 January 2024.

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2024

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.1.24	31.1.23
	£	£
Other debtors	<u>126,000</u>	<u>132,000</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.1.24	31.1.23
	£	£
Hire purchase (see note 15)	-	216
Trade creditors	-	8,721
Other creditors	19,656	53,985
Accruals and deferred income	<u>60,970</u>	<u>46,723</u>
	<u>80,626</u>	<u>109,645</u>

Included within deferred income is rent of £54,970 (2023: £40,724) received in advance.

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

	31.1.24	31.1.23
	£	£
Other creditors	<u>326,138</u>	<u>266,328</u>

Included within other creditors is an amount of £314,806 (2023: £255,395) 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. Effective from 1 February 2023, it was agreed that rental income will be offset against this loan for an amount up to £50,000 per annum. The principal amount outstanding at 31 January 2024 amounts to £390,723 (2023: £416,862). The difference between the principal amount and present value of the loan is included within unrestricted general funds as a capital contribution.

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31.1.24	31.1.23
	£	£
Net obligations repayable:		
Within one year	<u>-</u>	<u>216</u>
	Non-cancellable operating	
	leases	
	31.1.24	31.1.23
	£	£
Within one year	13,427	15,141
Between one and five years	35,833	43,427
In more than five years	<u>-</u>	<u>5,833</u>
	<u>49,260</u>	<u>64,401</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. All operating lease liabilities have now been assigned to Wisbech Grammar School Limited with the exception of one vehicle lease. The hire purchase contracts have been fully settled.

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2024

15. LEASING AGREEMENTS - continued

The amounts paid in respect of non-cancellable operating leases for the year ended 31 January 2024 amounted to £12,000 (2023: £12,000).

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	31.1.24 Total funds £	31.1.23 Total funds £
Investments	4,181,870	4,344	4,186,214	5,794,075
Current assets	291,648	1,049	292,697	230,916
Current liabilities	(80,626)	-	(80,626)	(109,645)
Long term liabilities	(326,138)	-	(326,138)	(266,328)
Pension liability	<u>(374,384)</u>	<u>-</u>	<u>(374,384)</u>	<u>(425,888)</u>
	<u>3,692,370</u>	<u>5,393</u>	<u>3,697,763</u>	<u>5,223,130</u>

17. MOVEMENT IN FUNDS

	At 1.2.23 £	Net movement in funds £	At 31.1.24 £
Unrestricted funds			
General fund	5,218,006	(1,525,636)	3,692,370
Restricted funds			
Restricted fund	5,124	269	5,393
	<u>5,223,130</u>	<u>(1,525,367)</u>	<u>3,697,763</u>
TOTAL FUNDS			

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	237,681	(91,673)	(1,671,644)	(1,525,636)
Restricted funds				
Restricted fund	-	-	269	269
	<u>237,681</u>	<u>(91,673)</u>	<u>(1,671,375)</u>	<u>(1,525,367)</u>
TOTAL FUNDS				

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2024

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.2.22 £	Net movement in funds £	At 31.1.23 £
Unrestricted funds			
General fund	5,031,110	186,896	5,218,006
Restricted funds			
Restricted fund	5,180	(56)	5,124
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u><u>5,036,290</u></u>	<u><u>186,840</u></u>	<u><u>5,223,130</u></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	240,114	(107,610)	54,392	186,896
Restricted funds				
Restricted fund	-	-	(56)	(56)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u><u>240,114</u></u>	<u><u>(107,610)</u></u>	<u><u>54,336</u></u>	<u><u>186,840</u></u>

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

	At 1.2.22 £	Net movement in funds £	At 31.1.24 £
Unrestricted funds			
General fund	5,031,110	(1,338,740)	3,692,370
Restricted funds			
Restricted fund	5,180	213	5,393
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u><u>5,036,290</u></u>	<u><u>(1,338,527)</u></u>	<u><u>3,697,763</u></u>

WISBECH EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2024

17. 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	477,795	(199,283)	(1,617,252)	(1,338,740)
Restricted funds				
Restricted fund	-	-	213	213
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>477,795</u>	<u>(199,283)</u>	<u>(1,617,039)</u>	<u>(1,338,527)</u>

18. 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 subsequent payments in an installment 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.

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 January 2024.