

Charity number: 1105256
Company number: 05176879

THE WELLINGTON SCHOOL FOUNDATION

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

THE WELLINGTON SCHOOL FOUNDATION
FOR THE YEAR ENDED 31 AUGUST 2021

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THE WELLINGTON SCHOOL FOUNDATION
TRUSTEES, OFFICERS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021

TRUSTEES

The directors of the charitable company, who are also the charity trustees, who served during the year and up to the date of signing the accounts were:

Mr J H Bradnock (resigned 1st March 2021)
Mr R A Hooper
Mr G Nye (retired 6th December 2021)
Mr R Palfrey
Mr K B Phillips (Chairman)
Dr D R Lungley (appointed 14th June 2021)
Mrs A Weekes
Mr J P Darvall (appointed 6th December 2021)

The Trustees are considered to be the key management personnel of the charitable company.

SECRETARY

F A V Taylor ACMA, CGMA

REGISTERED AND PRINCIPAL OFFICE

Wellington School
South Street
Wellington
Somerset
TA21 8NT

**THE WELLINGTON SCHOOL FOUNDATION
TRUSTEES, OFFICERS AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

ADVISERS

Bankers

Lloyds Bank plc
Canons House
Canons Way
Bristol
Somerset
BS1 5LL

Solicitors

Porter Dodson
15 High Street
Wellington
Somerset
TA21 8QR

Stone King LLP
13 Queen Square
Bath
BA1 2HJ

Independent Auditor

Crowe U.K. LLP
4th Floor, St James House
St James Square
Cheltenham
Gloucestershire
GL50 3PR

THE WELLINGTON SCHOOL FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

The Directors, who are also the Trustees for the purposes of charity law, present their report together with the financial statements of the charitable company for the year ended 31 August 2021. The annual report serves as both a Trustees Report and Directors Report under the applicable laws.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Wellington School Foundation is registered with the Charity Commission in England and Wales under charity number 1105256. It is also a company limited by guarantee, registered in England and Wales company number 05176879. The Trustees, Officers and Advisers of the Charity are set out on pages 1 and 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Wellington School Foundation is a charitable company, set up 12th July 2004, limited by guarantee and governed by its Memorandum and Articles of Association, last updated on 23rd July 2021.

Governing Body

The body of Trustees consists, when complete, of six persons, being five nominees of the Governors of Wellington School 1837 (of whom one shall be serving as a governor during the term of appointment as a Trustee of the Foundation), one nominee of the Old Wellingtonians' Association.

Recruiting and Training of Trustees

The Foundation Trustees are recruited for their background knowledge of the School and its support organisations, their business and professional acumen and their knowledge of charity law and have a sympathy for the objects of the Foundation and Wellington School 1837. Training is provided both internally using the expertise of the Officers and Trustees, and from external professionals to provide detailed information on accounting procedures, legal guidance and investment advice.

Risk Management

The major risks to which the Charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks. The risks identified are a potential reduction in property values. The Trustees employ a qualified external adviser to review the values of the properties on an ongoing basis.

**THE WELLINGTON SCHOOL FOUNDATION
REPORT OF THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

OBJECTS AND ACTIVITIES

Charitable Objects

The Charity's objects are:

- (i) To promote the charitable work of Wellington School 1837.
- (ii) To further the education and the advancement in life of present and past pupils of Wellington School 1837 through the provision of scholarships, bursaries and grants and such other means as the Trustees shall consider appropriate from time to time.
- (iii) To preserve for the benefit of the public, the School Chapel and such other parts of the School site as are worthy of preservation in view of their historical, architectural or environmental significance.
- (iv) To promote the education principally, but not exclusively, of persons resident or working in Wellington and its environs through the provision of teaching and the facilities for learning in such other ways and on such terms as the Trustees shall consider appropriate.
- (v) To promote community participation in healthy recreation for the benefit of persons resident or working in Wellington and its environs by the provision of instruction and facilities for the same as such terms as the Trustees shall consider appropriate.
- (vi) To further such other charitable purposes as the Trustees shall from time to time decide.

ACTIVITIES

After disposing of its investments during the 2019/20 financial year, the Wellington School Foundation seeks to refund its investments in order, inter alia, to assist the School to provide bursaries for deserving children whose parents, without assistance, would not be able to afford an Independent School education for them. The Trustees of the Foundation may approve annually the award of two 100% bursaries to enable two children to enter the School who would otherwise not have been able to do so. The Foundation also provides general bursarial assistance to pupils on an on-going basis on the advice and guidance of the Headmaster. The Wellington School Foundation also receives donations and bequests to support specific Wellington School 1837 capital projects.

FUNDRAISING PERFORMANCE

The Wellington School Foundation receives donations and bequests through Wellington School 1837. The Wellington School Foundation does not therefore carry out any direct marketing activity by mail or in person and no undue pressure is ever placed on any person to give money or other resources to the charity.

ACHIEVEMENTS

The Old Wellingtonians' Association (OWA) and Friends of Wellington School continue to support the School through the Foundation by raising money for various projects in the School and in preserving the heritage of the School. The Foundation, in conjunction with the OWA, has continued to encourage alumni to pledge legacies for future means tested bursaries and these pledges will, in due course, benefit future pupils. During the year one ex-pupil has continued to fund the full fees

**THE WELLINGTON SCHOOL FOUNDATION
REPORT OF THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

ACHIEVEMENTS (CONTINUED)

for a boarding place to allow a deserving child to have a full education. In total the Foundation donated £119,738 to Wellington School to fund bursaries.

FINANCIAL REVIEW

Income for the year has decreased from £183,400 to £174,349 reflecting the disposal of investments during 2019/20. Expenditure has decreased from £804,135 to £159,637. The increased expenditure in 2019/20 reflected a one-off donation of £678,117 made to Wellington School 1837. The overall surplus for the year was £14,712 compared to the deficit of £621,760 last year.

The Trustees believe that the Charity's financial resources and contingency planning is sufficient to ensure the ability of the Charity to continue as a going concern for the foreseeable future and therefore the financial statements have been prepared on this basis.

PUBLIC BENEFIT

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future operations. The Wellington School Foundation continues to be part of a wider community in which the School shares its resources for educational, sporting and cultural activities.

RESERVES POLICY

The unrestricted funds arise from past operating results. The Trustees have examined the requirement to maintain free reserves and are satisfied that the balance of the fund is adequate to continue the operations of the Charity. Total funds at 31 August 2021 amounted to £2,920,804 of which £2,877,845 was restricted and £42,959 unrestricted. Free reserves of the Charity are £42,959. The Trustees consider this level of free reserves appropriate for the Charity to meet its charitable objectives.

FUTURE PLANS

The Trustees continue to work to increase the value of the Foundation through sound investment and will start proactive fund raising to benefit the School in allowing it to increase its provision of bursaries and improve its facilities.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of The Wellington School Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that

**THE WELLINGTON SCHOOL FOUNDATION
REPORT OF THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES (CONTINUED)

they 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 these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITOR

Insofar as each of the Trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

AUDITOR

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

The Trustees' Report is approved by the Board of Trustees and signed on their behalf by:

K B Phillips
Chairman
Date:


6th December 2021

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
THE WELLINGTON SCHOOL FOUNDATION
FOR THE YEAR ENDED 31 AUGUST 2021**

Opinion

We have audited the financial statements of The Wellington School Foundation for the year ended 31 August 2021 which comprise the Statement of Financial Activities, Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 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 Auditor's 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
THE WELLINGTON SCHOOL FOUNDATION (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 directors' report included within the trustees' report.

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

- adequate accounting records have not been kept; 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 trustees' responsibilities statement set out on page 5, 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

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
THE WELLINGTON SCHOOL FOUNDATION (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

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.

Auditor's 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

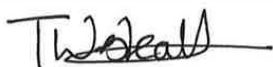
**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
THE WELLINGTON SCHOOL FOUNDATION (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Trustee Board about their own identification and assessment of the risks of irregularities, designing audit procedures over income, testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.



Tara Westcott

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

4th Floor, St James House

St James Square

Cheltenham

Gloucestershire

GL50 3PR

Date: 17 December 2021

**THE WELLINGTON SCHOOL FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
INCOME FROM:					
Donations		-	20,125	20,125	20,150
Investment income	3	-	154,224	154,224	163,250
TOTAL INCOME		-	174,349	174,349	183,400
EXPENDITURE ON:					
Raising funds		-	-	-	1,471
Charitable activities		-	159,637	159,637	802,664
TOTAL EXPENDITURE	4	-	159,637	159,637	804,135
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT (LOSSES)/GAINS					
		-	14,712	14,712	(620,735)
Net losses on investments	7	-	-	-	(74,025)
Net gain on investment property	6	-	-	-	73,000
NET INCOME/(EXPENDITURE) AND MOVEMENT IN FUNDS		-	14,712	14,712	(621,760)
RECONCILIATION OF FUNDS					
Total funds brought forward	11	42,959	2,863,133	2,906,092	3,527,852
Total funds carried forward	11	42,959	2,877,845	2,920,804	2,906,092

The notes on pages 13 to 21 form part of these financial statements.

THE WELLINGTON SCHOOL FOUNDATION
REGISTERED COMPANY NUMBER 05176879
BALANCE SHEET
AS AT 31 AUGUST 2021

	Notes	2021 £	2020 £
FIXED ASSETS:			
Investment property	6	2,678,000	2,678,000
		<u>2,678,000</u>	<u>2,678,000</u>
CURRENT ASSETS:			
Debtors: due after more than one year	8	152,000	190,000
Debtors: due within one year	8	55,342	18,829
Cash at bank and in hand		43,988	24,473
		<u>251,330</u>	<u>233,302</u>
LIABILITIES:			
Creditors falling due within one year	9	(8,526)	(5,210)
NET CURRENT ASSETS		242,804	228,092
TOTAL NET ASSETS		<u>2,920,804</u>	<u>2,906,092</u>
CHARITY FUNDS			
Restricted funds		2,877,845	2,863,133
Unrestricted funds		42,959	42,959
	11	<u>2,920,804</u>	<u>2,906,092</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

The financial statements were approved by the Trustees on 6th December 2021 and were signed on its behalf by:

D R Lungley
Trustee
Date:

D.R. Lungley
6th December 2021

K B Phillips
Chairman
Date:

K B Phillips
6th December 2021

The notes on pages 13 to 21 form part of these financial statements.

THE WELLINGTON SCHOOL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Charitable company status

The charitable company is limited by guarantee and does not have any share capital. The liability of the guarantors, who are the members, is limited to £1 per guarantor. The company is registered in England and Wales (registered no. 05176879).

The registered and principal office is Wellington School, South Street, Wellington, Somerset TA21 8NT.

The charitable company is also registered as a charity with the Charity Commission in England and Wales (registered no. 1105256).

2. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom including the Financial Reporting Standard 102, 'the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' (FRS 102), Statement of Recommended Practice (FRS102) 2015 ('the SORP') 'Accounting and Reporting by Charities', the Charities Act 2011 and the Companies Act 2006.

The financial statements have been prepared in sterling under the historical cost convention as modified by the recognition of certain assets at fair value.

The charity meets the definition of a public benefit entity under FRS 102.

Going concern

The Trustees believe that the Charity's financial resources and contingency planning is sufficient to ensure the ability of the Charity to continue as a going concern for the foreseeable future and therefore the financial statements have been prepared on this basis. The Trustees reviewed the activities of the Charity and have looked at budgets and forecasts of the Charity and the School.

After making enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue its activities for the foreseeable future. There are no material uncertainties about the charitable company's ability to continue as a going concern.

In assessing the going concern of the Charity, the Trustees have considered the impact of the Covid-19 pandemic. Management and the Trustees have been closely monitoring the finances and cash flow position of the Charity believe they can continue as a going concern for the foreseeable future.

Statement of cash flows

The financial statements do not include a Statement of Cash flows because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement in accordance with Charities SORP (FRS 102).

2. Accounting policies (continued)

Investment properties

Investment properties are stated at fair value. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities (SOFA).

Debtors

Short debtors are measured at their settlement amount.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions.

Creditors

Short term creditors are measured at their settlement amount.

Income

Income including donations, gifts and legacies is recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

Expenditure

Expenditure is accounted for on an accruals basis. Expenditure is allocated to expense headings either on a direct cost basis. The irrecoverable element of VAT is included with the items of expense to which it relates.

Donations and fund accounting

Donations received for the general purposes of the charity are included as unrestricted funds. Donations where the donor has expressed a specific wish as to how the gift should be used are taken to "restricted funds".

Taxation

The charity has charitable status and therefore, there is no liability to taxation on income or capital gains which are applied for charitable purposes.

Financial instruments

All of the charity's financial assets and liabilities qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Critical accounting judgements and estimation uncertainty

The preparation of the financial statements requires the Trustees to make judgements, estimates and assumptions that affect the application of accounting policies and the amounts recognised in the financial statements. Estimates and judgements are reviewed on an ongoing basis and are based on the historical experience and other relevant factors.

THE WELLINGTON SCHOOL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

Valuation of investment property

The investment properties are valued by an independent, third party valuer on a quinquennial basis. All investment properties were valued during the previous year by Webber Property Services. Each year the Trustees consider whether the valuation of the investment properties remains appropriate. They consider that the value within the financial statements is in line with the market value of the investment properties.

THE WELLINGTON SCHOOL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

3 INVESTMENT INCOME

	2021 £	2020 £
Loan interest	9,503	1,900
Income from investments	-	16,629
Rent	144,721	144,721
	<u>154,224</u>	<u>163,250</u>

4 ANALYSIS OF EXPENDITURE

	Staff costs £	Governance £	Other £	2021 £	2020 £
Raising funds					
Investment management	-	-	-	-	1,471
	-	-	-	-	1,471
Charitable activities					
Charitable activities	-	-	-	-	679,879
Grants paid - bursaries	-	-	119,738	119,738	82,389
Support costs	8,270	13,188	18,441	39,899	40,396
	8,270	13,188	138,179	159,637	802,664
TOTAL EXPENDITURE	<u>8,270</u>	<u>13,188</u>	<u>138,179</u>	<u>159,637</u>	<u>804,135</u>

The grants paid in the year of £119,738 (2020: £82,389) were paid to Wellington School 1837 for bursaries. No further grants were made to the School during the year (2020: £679,879)

Governance costs comprise the following amounts:

	2021 £	2020 £
Audit and corporation tax fees current year	5,367	4,188
Corporation tax fees prior year	2,320	-
Legal fees	5,501	21,396
	<u>13,188</u>	<u>25,584</u>

THE WELLINGTON SCHOOL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

5 NET INCOME OR EXPENDITURE

	2021	2020
	£	£
Auditor's remuneration:		
- audit	3,567	3,121
- corporation tax	1,800	1,067
Wages and salaries	<u>8,270</u>	<u>11,485</u>

Neither the Trustees, who are considered to be the key management personnel, nor any persons connected with them received any remuneration, other benefits or reimbursement of expenses from the charity (2020 - £nil).

There were no employees during the year (2020 – none). No employees received compensation greater than £60,000 during 2021 or 2020.

6 INVESTMENT PROPERTY

	2021	2020
	£	£
Balance at 1 September	2,678,000	2,605,000
Gains on investment property	-	73,000
	<u>2,678,000</u>	<u>2,678,000</u>
Balance at 31 August	<u>2,678,000</u>	<u>2,678,000</u>

The Trustees have reviewed the value of the investment properties and consider it represents a fair value at 31 August 2021. The investment properties are valued by an independent, third party valuer on a quinquennial basis. All investment properties were valued within the last five years by Webbers Property Services.

7 INVESTMENTS

Restricted funds	2021	2020
	£	£
Market value at 1 September	-	926,704
Disposal proceeds	-	(809,213)
Cash withdrawn from portfolio	-	(41,287)
Management fees	-	(2,179)
Decrease in market value	-	(74,025)
Market value at 31 August	<u>-</u>	<u>-</u>

THE WELLINGTON SCHOOL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

8 DEBTORS

	2021 £	2020 £
Due after one year		
Wellington School 1837 loan	152,000	190,000
Due within one year		
Wellington School 1837 loan	38,000	-
Wellington School 1837 loan interest	11,400	-
Accrued Income	4,025	5,950
Prepayments	1,717	12,874
Amounts owed by group undertakings	200	5
	<u>55,342</u>	<u>18,829</u>
	<u><u>207,342</u></u>	<u><u>208,829</u></u>

The Wellington School 1837 loan is due to be repaid over five years in equal annual instalments from September 2021.

9 CREDITORS: due within one year

	2021 £	2020 £
Sundry creditors and accruals	8,526	5,210
	<u>8,526</u>	<u>5,210</u>

10 ALLOCATION OF CHARITY NET ASSETS

	Fixed assets £	Net current assets £	Fund balance £
2021			
Restricted funds	2,678,000	199,845	2,877,845
Unrestricted funds	-	42,959	42,959
	<u>2,678,000</u>	<u>242,804</u>	<u>2,9920,804</u>
2020			
Restricted funds	2,678,000	185,133	2,863,133
Unrestricted funds	-	42,959	42,959
	<u>2,678,000</u>	<u>228,092</u>	<u>2,906,092</u>

THE WELLINGTON SCHOOL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

11 FUNDS

	<i>At 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Investment losses £</i>	<i>At 31 August 2021 £</i>
Restricted funds					
Bursary fund	2,860,148	172,974	(159,637)	-	2,873,485
Other restricted funds	2,985	1,375	-	-	4,360
	<u>2,863,133</u>	<u>174,349</u>	<u>(159,637)</u>	<u>-</u>	<u>2,877,845</u>
Unrestricted funds	42,959	-	-	-	42,959
TOTAL	<u>2,906,092</u>	<u>174,349</u>	<u>(159,637)</u>	<u>-</u>	<u>2,920,804</u>

	<i>At 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Investment losses £</i>	<i>At 31 August 2020 £</i>
<i>Restricted funds</i>					
<i>Bursary fund</i>	3,481,045	182,500	(802,372)	(1,025)	2,860,148
<i>Other restricted funds</i>	3,848	900	(1,763)	-	2,985
	<u>3,484,893</u>	<u>183,400</u>	<u>(804,135)</u>	<u>(1,025)</u>	<u>2,863,133</u>
<i>Unrestricted funds</i>	42,959	-	-	-	42,959
TOTAL	<u>3,527,852</u>	<u>183,400</u>	<u>(804,135)</u>	<u>(1,025)</u>	<u>2,906,092</u>

Bursary fund – to provide bursaries for students of Wellington School 1837.

Corner capital fund – for grants towards capital projects at Wellington School 1837.

THE WELLINGTON SCHOOL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

12 FINANCIAL INSTRUMENTS

	2021	2020
	£	£
Financial assets measured at fair value	2,678,000	<i>2,678,000</i>

Financial assets measured at fair value comprise investment properties.

13 SHARE CAPITAL

The charitable company is limited by guarantee and does not have share capital. The liability of the members is limited to £1 each. The number of members at 31 August 2021 was 6 (2020: 8).

14 CONTROLLING PARTY, IMMEDIATE AND ULTIMATE PARENT UNDERTAKING

The charitable company is controlled by its parent company, Wellington School 1837 which prepares the consolidated financial statements that include the subsidiary. Control exists as the body of eight Trustees for The Wellington School Foundation includes five nominees of the Governors of Wellington School 1837.

Wellington School 1837 is a company limited by guarantee (company number: 09316033) registered in England and Wales and a charity registered at the Charity Commission in England and Wales (charity number: 1161447). The registered office of the parent company is Wellington School, Wellington, Somerset, TA21 8NT and consolidated accounts incorporating the results of this entity are available at this address.

The principal activity of Wellington School 1837 as set out in its Articles of Association is 'the provision and conduct, in or near Wellington, of a day or day and boarding school for boys and girls'.

15 RELATED PARTY TRANSACTIONS

Wellington School 1837 paid administrative expenses of £8,270 (2020: £13,363) on behalf of the Foundation during the year. These expenses have been recharged to the Foundation.

The Foundation donated £119,738 (2020: £82,389) for bursaries during the year.

During the 2019/20 financial year the Foundation made a grant to Wellington School 1837 of £678,116 and a loan of £190,000. The loan is repayment in five annual instalments commencing September 2021. Interest of £11,400 was accrued by year end.

THE WELLINGTON SCHOOL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

16 STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds £	Restricted Funds £	2020 £
INCOME FROM:				
Donations		-	20,150	20,150
Investment income	3	-	163,250	163,250
TOTAL			183,400	183,400
EXPENDITURE ON:				
Raising funds		-	1,471	1,471
Charitable activities		-	802,664	802,664
TOTAL	4	-	804,135	804,135
NET (EXPENDITURE) BEFORE INVESTMENT (LOSSES)/GAINS		-	(620,735)	(620,735)
Net losses on investments	7		(74,025)	(74,025)
Net gain on investment property	6	-	73,000	73,000
NET (EXPENDITURE) AND MOVEMENT IN FUNDS		-	(621,760)	(621,760)
RECONCILIATION OF FUNDS				
Total funds brought forward	11	42,959	3,484,893	3,527,852
Total funds carried forward	11	42,959	2,863,133	2,906,092

