

THE WELLS CATHEDRAL SCHOOL FOUNDATION

England & Wales · Charity number 1118159

Details

Status Registered

Legal form Charitable company

Company number [02804495](#)

Registered 2007-02-28

Register [View on the Charity Commission register](#)

Contact

Address Wells Cathedral School
The Bursary
College Road
Wells
BA5 2SX

Phone 01749834282

Website www.wellsfoundation.org.uk

Activities

Objects: TO ADVANCE THE EDUCATION OF THE PUPILS AT WELLS CATHEDRAL SCHOOL WHICH IS REGISTERED AS A CHARITY NUMBER 310212 (THE 'SCHOOL') FOR THE PUBLIC BENEFIT AND TO PROMOTE ANY OTHER CHARITABLE PURPOSE OR CHARITABLE ORGANISATION CONNECTED WITH OR OTHERWISE ASSOCIATED WITH THE SCHOOL, AND SUCH OTHER SCHOOL AS THE TRUSTEES SHALL FROM TIME TO TIME IN THEIR ABSOLUTE DISCRETION DETERMINE, AND IN PARTICULAR, BUT NOT EXCLUSIVELY, TO ASSIST IN: A THE PROVISION OF FINANCIAL ASSISTANCE TOWARDS THE MAINTENANCE AND DEVELOPMENT OF THE SCHOOL; B RAISING MONEY FOR AWARDS TO PUPILS TO PURSUE THEIR EDUCATION AT THE SCHOOL INCLUDING PUPILS WHOSE PARENTS OR GUARDIANS ARE IN NEED OF FINANCIAL ASSISTANCE; C THE PROVISION OF FACILITIES AND EQUIPMENT TO SUPPORT THE EDUCATION (INCLUDING THE SOCIAL AND PHYSICAL TRAINING) OF PUPILS IN THE SCHOOL.

Activities: The objects of the charity are to advance the education of pupils at Wells Cathedral School for the public benefit and to assist in financial assistance towards the maintenance and development of the school, raising money for bursaries for pupils and the provision of facilities and equipment to support education.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** Education/training
- **Who:** Children/young People, Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, NATIONAL AND OVERSEAS.
- Somerset

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£240,325	£167,809	-	-
2024-08-31	£224,506	£219,911	-	-
2023-08-31	£227,977	£107,913	-	-
2022-08-31	£157,766	£129,219	-	-
2021-08-31	£269,068	£145,168	-	-
2020-07-31	£279,285	£136,218	-	-

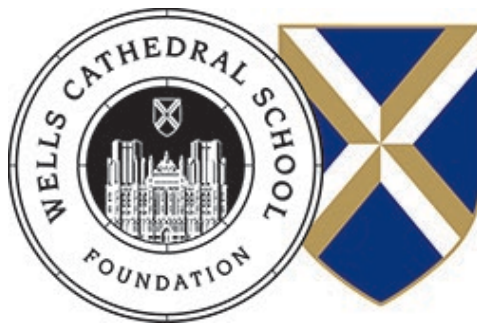
Trustees

Name	Role	Appointed
CHRISTOPHER SHAUN TUDOR SEATON	Chair	
ALAN DURRANT		2019-11-14
Alastair Geoffrey Tighe		2018-09-01
Charlotte Ann Sheaf		2024-10-08
DAVID ALFRED JOHN BROWN OBE		2015-02-03
MASSIMILANO COSTANTINI		2013-05-29
Melissa Potter		2024-06-20
PHILIP ROBERT LEMANSKI FCA MA		
Timothy William Hunt Lewis		

THE WELLS CATHEDRAL SCHOOL FOUNDATION

England & Wales - Charity number 1118159

Accounts



THE WELLS CATHEDRAL SCHOOL FOUNDATION

(A charitable company Limited by Guarantee)

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2025

Company Number: 02804495

Registered Charity Number: 1118159

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REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees	Mr Chris Seaton BSc (Hons) (Chair) Mr David Brown MA, OBE Mr Max Costantini Mr Alan Durrant BSc (Econ) Mr Philip Lemanski MA (Oxon), FCA Mr Tim Lewis BA (Cantab), FCA Mrs Melissa Potter BA (Hons) Mrs Charlotte Sheaf BSocSc Mr Alastair Tighe MA (Cantab)
Company Secretary	Mr Robert McCartney BSc (Hons), FCA
Registered and Principal Office	Wells Cathedral School, Limited College Road Wells Somerset BA5 2SX
Independent Auditor	Crowe U.K. LLP 4 th Floor St James House St James Square Cheltenham GL50 2PR
Bankers	National Westminster Bank PLC 7 High Street Wells Somerset BA5 2AD
Connected Charity	Wells Cathedral School, Limited (Charity No. 310212) The Bursary College Road Wells Somerset BA5 2SX

TRUSTEES' REPORT

The Trustees present their Annual Report together with the Financial Statements for the year ended 31 August 2025. The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Charities' Statement of Recommended Practice (Charities SORP (FRS 102)) issued in October 2019. These Financial Statements form part of the audited Consolidated Financial Statements of Wells Cathedral School, Limited ("the School") for the year ended 31 August 2024.

Structure, governance and management

The Wells Cathedral School Foundation ("the Foundation") is registered with the Charity Commission (Registered Charity Number: 1118159) and was incorporated on 28 February 2007 as a registered company, Limited by Guarantee, not having a share capital. The Foundation was created to act as the legal entity for the recording and control of all fundraising activity on behalf of the School.

Charitable Benefit

The Foundation's charitable benefit is to raise income for the School and the parents of its pupils in the form of bursaries and grants, and for the purchase of equipment and facilities for the use of its pupils.

Charitable Objectives

The Foundation's objectives as set out in its Memorandum and Articles are as follows:

- To advance the education of pupils at the School and to promote any other charitable purpose or charitable organisation that the Trustees shall determine, and in particular to assist in:
 - The provision of financial assistance towards the maintenance and development of the School;
 - Raising money for awards to pupils to pursue their education at the School, including pupils whose parents or guardians are in need of financial assistance;
 - The provision of facilities and equipment to support the education of pupils in the School; and
 - The organisation of events to promote the good name of the School and further its educational objectives, including orchestral and choral concerts in the UK and overseas.

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in the planning of future activities. In particular, the Trustees consider how planned activities for the year will contribute to the aims and objectives they have set.

Our Trustees

The Trustees who served during the year, and up to the date of signing the Financial Statements, are listed below. The Trustees of the Foundation are directors of the Foundation for Companies Act 2006 purposes.

Mr Christopher Jackson MA (Hons), OBE, SBS, (Chair – until March 2025) (resigned 25 March 2025)
Mr Chris Seaton BSc (Hons) (Chair – from April 2025)
Mr David Brown MA, OBE
Mr Max Costantini
Mr Alan Durrant BSc (Econ)
Mrs Ann Gummer BSc (Hons) (resigned 8 October 2024)
Mr Philip Lemanski MA (Oxon), FCA
Mr Tim Lewis MA (Cantab), FCA
Mrs Melissa Potter BA (Hons)
Mrs Charlotte Sheaf BSocSc (appointed 8 October 2024)
Mr Alastair Tighe MA (Cantab)

TRUSTEES' REPORT (cont'd)

The Foundation's Executive Board comprises the Chair of the Foundation, an elected School Governor, the Head Master of the School and an elected Foundation Trustee. These four "member" Trustees are joined by the other Trustees in the running of the Foundation and in all appropriate Board meeting decisions but only the member Trustees have the power to vote at the Annual General Meeting ("AGM"). The member Trustees are Mr Chris Seaton (Chair); Mr Tim Lewis; Mr Alastair Tighe; and, Mr David Brown. A maximum of 25 Trustees may be appointed to the Board.

Recruiting and Training of Governors

The Trustees are appointed at a meeting of the Board on the basis of nominations agreed between the Chair, the Head Master of the School and the Director of Development and Head of the Foundation ("Head of Foundation"), having regard to the Board's requirements concerning eligibility, personal competence, specialist skills and availability for meetings. New Trustees are inducted into the working of the Foundation, including its aims and objectives, by the Chair and the Head of the Foundation. A document outlining the responsibilities and expectations of the Trustees is provided to all prospective Trustees.

Fundraising compliance

As required under S162A of the Charities Act 2011, the Foundation has continued to undertake fundraising activities during the year using its database, as in previous years. These fundraising activities have been undertaken by staff employed by the School and no external persons have been used. The Foundation voluntarily subscribes to the Fundraising Regulator which holds the Foundation to the Code of Fundraising Practice. Over the course of the financial year there have been no failures to comply with the Code, nor have any complaints been received.

Safeguarding Policy

In order to protect vulnerable people the Foundation complies with the School's Safeguarding Policy to report concerns of abuse, as well as complying with guidance in the Fundraising Code of Practice and shared by the Chartered Institute of Fundraising.

Indemnity Insurance

As permitted by the Articles of Association, the Trustees are the beneficiaries of a qualifying third party indemnity as defined by Section 234 of the Companies Act 2006. The School also purchased and maintained throughout the financial year Governors' and Officers' liability insurance in respect of itself, its Governors and the Trustees of the Foundation.

The cost of insurance which is included in the cost of public liability cover in the Consolidated Financial Statements of the School, amounted to £29,310 (2024: £29,309) in the year for the School and Foundation.

Statement of Going Concern

In their consideration of the presumption of going concern as the basis for the preparation of the Report and Financial Statements, the Trustees have concluded that no material uncertainties have been identified that may cast significant doubt on the ability of the Foundation to continue as a going concern.

The Trustees therefore have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis continues to be adopted in preparing the Financial Statements.

TRUSTEES' REPORT (cont'd)

Organisational Management

The Foundation's fundraising and related activities are carried out by staff of the School's Development Office, managed in the year by the Head of the Foundation, and supported by the School's Development Committee. An allocation of the Development Office's operating costs, including School staff costs and other direct costs associated with the Foundation, which are borne by the School, has been made to the Foundation based on time actually spent by the Development Office's staff on the Foundation's affairs. These operating expenses from the School of £83,979 (2024: £69,610) are reflected in the Statement of Financial Activities in operating expenses and income from the School of £83,979 (2024: £69,610) recognised as "Gift in kind – School" in *Income from Charitable Activities*.

The Head of the Foundation is responsible for maintaining the operational processes required to run the Foundation, and for providing professional advice and strategic direction in fundraising, communications and alumni relations. The Head of the Foundation is supported by a part-time Development Officer and part-time Administrative Assistant, plus marketing and other support as required. Staff pay is set by the School. Benchmarking with comparable salaries is achieved through visiting websites such as Pay Scale, the Independent Schools' Bursars Association ("ISBA") and the Institute of Development Professionals in Education ("IDPE").

STRATEGIC REPORT

The new Development Director & Head of the Foundation took up post in April 2025, and set about building on the six-year Strategy for the Foundation, in alignment with the School's Wells 2030 plan. The Strategy sets out our aims, to build relationships with our global Wellensian Community that last a lifetime, and raise sustainable revenue that meets the needs of the School with a broad fundraising portfolio that supports inclusivity.

We intend to achieve this by delivering against five clear strategic objectives:

- Engaging our whole Wellensian Community;
- Developing long term, sustainable income streams;
- Establishing and growing a major gifts programme;
- Building a legacy pipeline;
- Supporting small capital projects that will enhance the Wells Cathedral School experience.

The Play Your Part campaign underpins all of the Foundation's engagement and fundraising activity, encouraging and enabling the Wellensian Community and friends to get involved and make a difference. In the last year, we have:

- Launched a Regular Giving product in June 2024 – the Quilter Fund – which raises funds in support of bursaries. Twenty-one people set up new regular gifts, increased their current regular gift value or switched their previous giving to the Quilter Fund. Regular giving is a fundamental part of the strategy because it provides consistent, reliable income which enables us to plan for the future.
- Grown engagement with our Wellensian Community, introducing new stewardship channels; breaking down silos between audiences; and, increasing attendance at key alumni events.
- We are very grateful to a number of Trusts which have shown their support by continuing to give grants which are funding a range of projects, from bursaries to music outreach.

In the coming year, we plan to build on the successes of 2024-25 and encourage our community to Play Their Part in whichever way they can – whether that's setting up a regular gift; leaving a gift in their Will; coming to an alumni event; or, offering career advice to a peer.

TRUSTEES' REPORT (cont'd)

FINANCIAL REVIEW

During the year, the Foundation received £123,581 (2024: £125,506) in financial contributions in the form of donations and legacies, which is a decrease of 2% (2024: a decrease of 20%) in incoming resources.

The Foundation's net movement in funds during the year was a surplus of £115,078 (2024: a surplus of £129,567).

Investment Policy, Powers and Performances

In accordance with the Trust Deed, Trustees of the Foundation may authorise the funds of the Foundation to be invested in any stocks, shares or insurance policies. Endowment Funds are defined as donations made to the School in perpetuity, the income from which is to be used for the benefit of future pupils. The investment objective is to outperform the MSCI Wealth Management Association Growth Index return.

The objective of the portfolio is to grow the capital over time, such that, in the future, the portfolio is of sufficient size to meaningfully contribute towards the advancement of education. The portfolio achieved a positive return, net of all costs, of 6.1% over the twelve months to the end of August, compared with a return of 12.3% in the prior year. Over the same timeframe the MSCI PIMFA Growth Index increased by 10.5%. The portfolio of investments was well balanced and diversified in line with the agreed medium level of risk and the criteria set out in the wider investment policy. It should be noted that equity indices remain heavily concentrated in a small number of interconnected digital businesses which are perceived to be beneficiaries of Artificial Intelligence, and over this twelve-month period market index performance was primarily driven by these companies. Since the end of August the portfolio has been liquidated in order to provide a cash reserve.

The Foundation's Endowment Funds have been entrusted to Evelyn Partners to invest in a portfolio of equities, funds, bonds and cash. The investment is classed as a non-current asset as it will be held for longer than twelve months. The investment objectives and risk parameters are reviewed every year by the Foundation's Investment Committee.

Any gains and losses on sale or revaluation of investments are recorded within the Statement of Financial Activities.

The Foundation adopts the "Total Return" approach to investments which are considered to be permanent endowments under which, once the value of the permanent endowments reaches a sufficient amount, the total returns earned on the investments will be available to be used to award bursaries to pupils of the School, consistent with the Foundation's objectives.

Political and Charitable Contributions

The Foundation made no political or charitable contributions during the year under review (2023: £nil) other than donations to the School of £36,832 (2024: £137,933), as disclosed in its Statement of Financial Activities. The Foundation's grant making policy is to make donations only to the School.

Reserves Policy

The Foundation had unrestricted general funds of £206,336 (2024: £222,095) at the year end. The policy of the Trustees is to use available unrestricted general funds for bursaries, other financial assistance for pupils and the general expenses of the Foundation. At the year end, it had restricted funds of £499,154 (2024: £418,573) and endowment funds of £1,174,797 (2024: £1,124,541), giving a total of £1,880,287 (2024: £1,765,209).

TRUSTEES' REPORT (cont'd)

Risk Management

The Trustees have considered the principal areas of the Foundation's operations and assessed the major risks faced in each of these areas. They have identified the following risks and controls:

- Failure to attract Trustees with relevant expertise which adds value to the existing Trustee skillset and supports delivery of the strategy – this is reviewed regularly by the Trustees;
- Change in management of the Foundation – continually reviewed by the Head Master and the Foundation Chair;
- Reputational damage caused by inappropriate activity, or failure to secure necessary funds – ongoing professional vigilance and early consideration of possible issues by the Trustees;
- Loss or misuse of funds provided to the Foundation – all donations received are fully documented and transactions are documented and authorised appropriately.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with the going concern basis under the historic cost convention, with the exception of listed investments which are held at fair value, 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 (FRS 102) 'Accounting and Reporting by Charities' ('the Charities SORP'), the Charities Act 2011 and the Companies Act 2006.

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 they give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources, including the income and expenditure, of the Foundation for the year. In preparing these Financial Statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles set out in the Charities SORP;
- Make judgements 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 Foundation will continue in operation.

The Trustees are responsible for ensuring that adequate accounting records are kept by the Foundation that are sufficient to show and explain the Foundation's transactions, disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the Financial Statements comply with the Companies Act 2006 and the provisions of the Foundation's constitution. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TRUSTEES' REPORT (cont'd)

Statement on Disclosure of Information to the Auditor

So far as each Trustee is aware, there is no relevant audit information of which the Foundation's auditor is unaware. 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 auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the page of the School's website dealing with the Foundation. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Independent Auditor

Crowe U.K. LLP have indicated their willingness to accept reappointment as the Foundation's auditors and a resolution for their reappointment will be proposed at the Annual General Meeting.

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

Approved by the Trustees on 10 March 2026 and signed on their behalf:

Mr Chris Seaton
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WELLS CATHEDRAL SCHOOL FOUNDATION

Opinion

We have audited the financial statements of The Wells Cathedral School Foundation (“the charitable company”) for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the 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 2025 and of the 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 the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WELLS CATHEDRAL SCHOOL FOUNDATION

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 and the strategic 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 strategic report and the directors' report included within the Trustees' report have 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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 and proper 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 on page 6, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WELLS CATHEDRAL SCHOOL FOUNDATION

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out 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 charity 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, Charities Act 2011, together with 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 charity'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 Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Investment Committee about their own identification and assessment of the risks of irregularities, sample 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WELLS CATHEDRAL SCHOOL
FOUNDATION**

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

16 March 2026

THE WELLS CATHEDRAL SCHOOL FOUNDATION (Limited by Guarantee)
REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2025

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an Income and Expenditure Account)

<i>Note</i>	Endowment funds	Restricted funds	Unrestricted funds	Total 2025	Total 2024
	£	£	£	£	£
INCOME FROM:					
Donations & Legacies <i>3</i>	-	109,981	13,600	123,581	125,506
Investment income <i>8, 9, 10</i>	25,561	-	5,568	31,129	29,390
Gifts in kind - School <i>11</i>	-	-	83,979	83,979	69,610
Event Income	-	-	1,636	1,636	-
Total Income	25,561	109,981	104,783	240,325	224,506
EXPENDITURE ON:					
Charitable activities – donations to School <i>9</i>	-	(36,832)	-	(36,832)	(137,933)
Raising funds – operating costs <i>11</i>	(8,812)	-	(120,338)	(129,150)	(78,583)
Other expenditure <i>4</i>	-	(1,623)	(204)	(1,827)	(3,395)
Total expenditure	(8,812)	(38,455)	(120,542)	(167,809)	(219,911)
Gain on investments <i>5, 8, 9</i>	42,562	-	-	42,562	124,972
Net (expenditure)/ income	59,311	71,526	(15,759)	115,078	129,567
Transfers between funds	(9,055)	9,055	-	-	-
Net movement in funds	50,256	80,581	(15,759)	115,078	129,567
Fund balances brought forward at 1 September 2024	1,124,541	418,573	222,095	1,765,209	1,635,642
Fund balances carried forward at 31 August 2025 <i>13</i>	1,174,797	499,154	206,336	1,880,287	1,765,209

The Statement of Financial Activities includes all gains and losses in the year. Full comparative figures for the year ended 31 August 2024 are shown in Note 16.

The notes on pages 14 to 24 form part of these financial statements.

THE WELLS CATHEDRAL SCHOOL FOUNDATION (Limited by Guarantee)
 REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
 YEAR ENDED 31 AUGUST 2025

BALANCE SHEET
AS AT 31 AUGUST 2025

	<i>Note</i>	£	2025 £	£	2024 £
Fixed assets					
Investments	<i>5</i>		1,366,768		1,303,002
Current assets					
Debtors	<i>6</i>	19,130		45,149	
Cash at bank and in hand		517,022		427,453	
Total current assets					
		536,152		472,602	
Creditors: Amounts falling due within one year	<i>7</i>	(22,633)		(10,395)	
Net current assets					
			513,519		462,207
Total assets less current liabilities					
			1,880,287		1,765,209
Net assets					
			1,880,287		1,765,209
The funds of the charity					
Endowment funds	<i>8</i>		1,174,797		1,124,541
Restricted funds	<i>9</i>		499,154		418,573
Unrestricted funds	<i>10</i>		206,336		222,095
Total charity funds					
			1,880,287		1,765,209

The financial statements have been prepared in accordance with the Small Companies' Regime of the Companies Act 2006.

These financial statements were approved by the Trustees on 10 March 2026, and were signed on their behalf by:

Mr Chris Seaton
 Chair of Trustees

Mr Tim Lewis
 Trustee

Company Registration No.: 02804495

The notes on pages 14 to 24 form part of these accounts.

NOTES TO THE ACCOUNTS

1. Company status

The Foundation is a charitable company, registered in England and Wales (Company Number: 02804495) limited by guarantee, and not having a share capital. The member Trustees undertake to contribute to the assets of the Foundation in the event of it being wound up, either whilst members or within one year of their membership ceasing. The maximum contribution required from each member would be £1.

The Foundation is also a charity registered in England and Wales (Charity Number: 1118159).

The Foundation's registered and principal address is The Bursary, College Road, Wells, Somerset, BA5 2SX.

2. Accounting policies

The following accounting policies have been applied consistently throughout the year in dealing with items which are considered material in relation to the Foundation's financial statements. There have been no material changes to accounting policies since the prior year.

The financial statements have been prepared on the going concern basis under the historic cost convention with the exception of listed investments which are held at fair value, 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 'Accounting and Reporting by Charities' ("the Charities SORP"), the Charities Act 2011 and the Companies Act 2006.

The Foundation has taken advantage of the exemption from the requirement to prepare a cash flow statement in accordance with section 1.12 of FRS102.

The Foundation is a public benefit entity and its functional and presentational currency is the pound sterling.

The principal accounting policies adopted in the preparation of the financial statements are as follows:

i) Going concern

The accounts have been prepared on the going concern basis as the Trustees consider this to be appropriate.

The Trustees have a reasonable expectation that the Foundation has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the Foundation's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

NOTES TO THE ACCOUNTS (cont'd)

2. Accounting policies (cont'd)

ii) Income

Income in furtherance of the Foundation's activities is represented by:

- Donations, which comprise primarily donations and charitable gifts from individuals, grant giving trusts and foundations, are accounted for on an accruals basis. Such income is recognised when there is a legally binding commitment to the Foundation for the transfer of funds. Donations of assets are brought into the balance sheet and statement of financial activities at market value, at the date of acquisition. Gift aid on donations is subsequently applied for where applicable;
- Legacies, which are accounted for at the earliest of the receipt of estate accounts or cash received. An assessment is performed post year end of up to two months on legacies not yet received. Any legacies received are considered, their value reliably measured and then accounted for appropriately;
- Income from investments, which represents the interest and dividends earned during the year from bonds, deposits and the endowment funds and any realised gains on their disposal. Income is accounted for on an accruals basis; and,
- Gifts in kind, which are recorded in income to reflect the value of the Foundation's operating costs that are borne by the School, which include the employees of the Foundation.

iii) Accrued Income

When, as a result of performing a service or otherwise meeting the requirements of any arrangements with a third party, income falls due but has not been invoiced at the year end, an accrual is made for this income.

iv) Expenditure

All expenditure is included in the statement of financial activities on an accruals basis. Costs directly attributable to a specific expense heading are allocated to that heading.

Expenditure is recognised when a liability is incurred and in the following categories:

- The costs of charitable activities which consist of charitable donations to the School; and,
- Operating costs, which are the allocated operating costs of the School's development office and the direct costs associated with the Foundation which are borne by the School.

v) Investments

In accordance with the Trust Deed, the Trustees of the Foundation may authorise its funds to be invested in any stocks, shares, or insurance policies. The Trustees' aim is to generate long-term total return from endowment funds invested, combining both capital growth and income, and to invest other funds received in bank deposits and bonds at attractive rates of interest. The basis for determining fair value is the quoted market price in an active market.

Any gains and losses on sale or revaluation of investments are recorded within the statement of financial activities.

NOTES TO THE ACCOUNTS (cont'd)

2. Accounting policies (cont'd)

v) Investments (cont'd)

The Foundation adopts the "Total Return" approach to investments which are considered to be permanent endowments under which, once the value of the permanent endowments reaches a sufficient amount, the total returns earned on the investments will be available to be used to award bursaries to pupils at the School.

vi) Cash and cash equivalents

Cash is represented by cash in hand.

vii) Creditors

Creditors and provisions are recognised where the Foundation has a present obligation resulting from a past event that will probably result in the transfer of funds, and the amount due to settle the obligation can be measured or estimated reliably.

viii) Endowment funds (restricted)

Endowment funds are defined as donations made to the School in perpetuity, and the total returns approach is applied such that the income from them is to be used for the benefit of future pupils.

ix) Restricted funds

These funds have been donated for specific purposes, such as bursaries or projects.

x) Unrestricted funds

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the Foundation. In addition to expenditure on the principal activities of the Foundation, such funds may be held in order to finance working capital.

xi) Financial instruments

The Foundation has financial assets and financial liabilities of a kind that qualify as basic financial instruments. These are initially recognised at transaction value and subsequently measured at their amortised cost or fair value depending on the nature of the financial instrument.

xii) Critical Accounting Judgements and Estimation of Uncertainty

Estimates and judgements are continually made and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

- **Critical judgements**

The Trustees do not believe that any critical judgements have been made in preparing the financial statements.

The accruals and prepayments are calculated based on firm or historical evidence, except pledges which are included based on a firm judgement by the Foundation.

- **Estimates and assumptions**

The estimates and assumptions made by the Foundation consist mainly of an allocation of the School's development office's operating costs associated with the Foundation based on the knowledge of key management personnel.

NOTES TO THE ACCOUNTS (cont'd)

3. Donations and Legacies

	2025	2024
	£	£
Trusts	30,415	13,000
Legacies	8,450	42,038
Corporate	550	1,382
Individuals	84,166	69,086
	123,581	125,506

4. Expenditure

	2025	2024
	£	£
Professional fees	1,611	3,327
Bank charges	216	68
	1,827	3,395

Auditor's remuneration is borne by the School.

5. Investments

	2025	2024
	£	£
Investments at valuation		
At 1 September 2024	1,303,002	1,161,052
Additions	186,499	309,733
Disposals proceeds	(520,601)	(276,581)
Gain on investment portfolio	44,312	125,492
Cash management movement	353,610	(16,174)
Gain on cash management	(54)	(520)
	1,366,768	1,303,002
These balances can be further analysed as:		
Cash held	364,565	10,792
Investments	1,002,203	1,292,210
	1,366,768	1,303,002

The investments are represented by the following funds:

Endowed funds £1,185,091 (2024: £1,127,980)
 Restricted funds £181,677 (2024: £175,022)

NOTES TO THE ACCOUNTS (cont'd)

5. Investments (cont'd)

The investments consist of a portfolio of equities, funds, bonds and cash managed by Evelyn Partners, the majority of which comprise UK assets. They are categorised as non-current assets as they are held for longer than 12 months.

The objective of the portfolio is to grow the capital over time, such that, in the future, the portfolio is of sufficient size to meaningfully contribute towards the advancement of education. The portfolio achieved a positive return, net of all costs, of 6.1% over the twelve months to the end of August, compared with a return of 12.3% in the prior year. Over the same timeframe the MSCI PIMFA Growth Index increased by 10.5%. The portfolio of investments was well balanced and diversified in line with the agreed medium level of risk and the criteria set out in the wider investment policy. It should be noted that equity indices remain heavily concentrated in a small number of interconnected digital businesses which are perceived to be beneficiaries of Artificial Intelligence, and over this twelve-month period market index performance was primarily driven by these companies. Since the end of August the portfolio has been liquidated in order to provide a cash reserve.

6. Debtors

	2025	2024
	£	£
Accrued income	19,130	45,149
	19,130	45,149

7. Creditors: amounts falling due within one year

	2025	2024
	£	£
Accruals	7,404	3,825
Amounts owed to ultimate holding company	15,229	6,570
	22,633	10,395

8. Endowment funds

	2025	2024
	£	£
At 1 September 2024	1,124,541	1,002,500
Income from investments	25,561	22,437
Operating costs	(8,812)	(5,568)
Unrealised gains on investments	42,562	124,972
Transfers to restricted funds	(9,055)	(19,800)
	1,174,797	1,124,541

NOTES TO THE ACCOUNTS (cont'd)

8. Endowment funds (cont'd)

The endowment fund represents part of the investment portfolio held by Evelyn Partners. The endowment funds are defined as donations for bursaries made to the School in perpetuity, the income from which is to be used as bursaries for the benefit of future pupils.

9. Restricted Funds

	Balance at 1 Sep 24 £	Incoming £	Outgoing £	Transfer £	Balance at 31 Aug 25 £
Legacies	27,688	-	-	-	27,688
Cedars Hall Project	2,638	-	-	-	2,638
Bursaries – General	76,564	17,019	(16,400)	-	77,183
Wells Music Society Hong Kong	727	-	(1,610)	-	(883)
Bursaries – Music Travel	3,202	708	-	-	3,910
Bursaries – Sport Travel	2,727	61	(400)	-	2,388
Bursaries – Music	4,029	450	-	-	4,479
Junior Instruments	5	-	-	-	5
Sierra Leone	3,236	1,069	(3,421)	-	884
String Department	26,445	9,500	(3,437)	-	32,508
Woodwind Department	3,379	600	(1,000)	-	2,979
Music Department	3,889	-	-	-	3,889
David Nasmyth	1,000	-	-	-	1,000
St Brandon's Fund *	54,058	-	(3,200)	2,795	53,653
Quilter Family Bursary Fund	23,139	13,159	-	-	36,298
Choralia tour	1,480	-	-	-	1,480
Russell Fox Heath Trust *	116,968	-	(2,610)	6,260	120,618
Alan Powell Fund	6,470	-	(690)	-	5,780
Charitable Volunteering Fund	21,210	-	-	-	21,210
Drama Fund	158	-	-	-	158
Sport	8,737	62,500	(9,486)	-	61,751
Football Equipment	12	-	-	-	12
Music Anxiety Fund	2,975	-	-	-	2,975
Well Being Fund	2,920	-	(401)	-	2,519
Sixth Form Centre Fund	1,350	-	-	-	1,350
Hockey Department	144	-	-	-	144
Art Department	23,423	-	4,200	-	27,623
Wellensian Association	-	4,915	-	-	4,915
	418,573	109,981	(38,455)	9,055	499,154

NOTES TO THE ACCOUNTS (cont'd)

9. Restricted Funds (cont'd)

Comparative Statement of Restricted Funds for the year ended 31 August 2024:

	Balance at 1 Sep 23 £	Incoming £	Outgoing £	Transfer £	Balance at 31 Aug 24 £
Legacies	26,150	1,538	-	-	27,688
Cedars Hall Project	2,013	625	-	-	2,638
Bursaries – General	76,906	14,658	(15,000)	-	76,564
Wells Music Society Hong Kong	4,003	-	(3,276)	-	727
Bursaries – Music Travel	5,375	737	(2,910)	-	3,202
Bursaries – Sport Travel	2,927	-	(200)	-	2,727
Bursaries – Music	3,591	438	-	-	4,029
Roland Jacob Award	50	-	(50)	-	-
Junior Instruments	5	-	-	-	5
Sierra Leone	3,711	75	(550)	-	3,236
String Department	20,145	7,500	(1,200)	-	26,445
Woodwind Department	2,329	1,050	-	-	3,379
Music Department	3,239	650	-	-	3,889
David Nasmyth	1,000	-	-	-	1,000
St Brandon's Fund *	48,781	-	(1,000)	6,277	54,058
Quilter Family Bursary Fund	2,781	20,358	-	-	23,139
Choralia tour	1,148	332	-	-	1,480
Russell Fox Heath Trust *	105,445	-	(2,000)	13,523	116,968
Alan Powell Fund	7,945	-	(1,475)	-	6,470
Charitable Volunteering Fund	21,210	-	-	-	21,210
Drama Fund	158	-	-	-	158
Sport	8,437	300	-	-	8,737
Football Equipment	12	-	-	-	12
Music Anxiety Fund	4,450	-	(1,475)	-	2,975
Ukraine Disaster Relief Fund	523	-	(523)	-	-
Well Being Fund	2,796	124	-	-	2,920
Sixth Form Centre Fund	7,100	150	(5,900)	-	1,350
Hockey Department	144	-	-	-	144
Brass Department	895	-	(895)	-	-
Art Department	91,120	-	(67,697)	-	23,423
Turkey Earthquake Fund	1,505	-	(1,505)	-	-
	455,894	48,535	(105,656)	19,800	418,573

* Most of the Russell Fox Heath Trust and the St Brandon's Fund restricted funds are held within the Evelyn Partners investment portfolio. Income generated by the portfolio has been allocated to these funds in proportion to their capital value. During the year, the restricted funds earned income of £3,398 (2024: £3,014) and benefited from a gain on revaluation of investments of £5,657 (2024: a gain of £16,787).

NOTES TO THE ACCOUNTS (cont'd)

9. Restricted Funds (cont'd)

The Russell Fox Heath Trust provides funds for those undertaking outdoor expeditions both within and outside of School. The Outdoor Education Department applies to the Trustees of the fund for funds, as do pupils of the School for their individual expeditions.

The Art Department Fund is to facilitate upgrading the Art Department facilities.

The St Brandon’s Fund makes awards to former pupils of the St Brandon’s School in Weston-Super-Mare and their relatives who attend Wells Cathedral School. Awards are made at the discretion of the School Bursar.

General Bursaries are awards made to support pupils, in conjunction with the School and other external trusts, to attend Wells Cathedral School.

10. Unrestricted Funds

	Balance at 1 Sep 24 £	Interest £	Incoming £	Outgoing £	Balance at 31 Aug 25 £
General Funds	222,095	5,568	99,215	(120,542)	206,336

Unrestricted funds comprise gifts or donations made to the Foundation that are not committed to any project being undertaken by the Foundation. The Trustees determine how such funds shall be used.

Comparative Statement of Unrestricted Funds for the year ended 31 August 2024

	Balance at 1 Sep 23 £	Interest £	Incoming £	Outgoing £	Balance at 31 Aug 24 £
General Funds	177,248	6,953	146,581	(108,687)	222,095

11. Remuneration of the Trustees

The Foundation had no employees in either this or the preceding financial year and therefore no employee earned more than £60,000 in the current or previous year. The Trustees did not receive any emoluments, benefits or reimbursement of expenses during the year (2024: Nil).

NOTES TO THE ACCOUNTS (cont'd)

12. Financial Instruments

The Foundation has the following financial instruments:

Financial assets that are measured at amortised cost	2025	2024
	£	£
Debtors	19,130	45,149

Financial assets that are measured at fair value	2025	2024
	£	£
Investments	1,366,768	1,303,002

Financial liabilities that are measured at amortised cost	2025	2024
	£	£
Accruals	22,633	10,395

13. Allocation of Net Assets

The net assets are held for the various funds as follows:

	Fixed assets	Net current assets	Total 2025
	£	£	£
Endowment Funds	1,185,091	(10,294)	1,174,797
Restricted Funds	181,677	317,477	499,154
Unrestricted Funds	-	206,336	206,336
	1,366,768	513,519	1,880,287

Comparative Allocation of Net Assets for the year ended 31 August 2024:

	Fixed assets	Net current assets	Total 2024
	£	£	£
Endowment Funds	1,127,980	(3,439)	1,124,541
Restricted Funds	175,022	243,551	418,573
Unrestricted Funds	-	222,095	222,095
	1,303,002	462,207	1,765,209

NOTES TO THE ACCOUNTS (cont'd)

14. Connected Parties

Wells Cathedral School, Limited ("the School") is a connected charity and parent within the terms of the SORP in that it has common, parallel or related objects and activities and unity of administration.

The School funded the initial set up costs of the Foundation and will fund certain ongoing costs of operation of the Foundation as agreed in the 'memorandum of understanding' between the School and the Foundation. In 2025, the Foundation's operating costs of £83,979 (2024: £69,610) were recharged to the School.

The staff employed by the School were paid £78,138 (2024: £70,169), £59,187 (2024: £37,750) of which is incorporated in the operating expenses and gifts in kind from the School of £83,979 (2024: £69,610), the balance of £18,951 (2024: £32,419) being borne by the Foundation. The remainder of the gift in kind from the School of £24,792 (2024: £31,860) comprises expenses borne by the Foundation for office administration, travel and events of the Foundation.

There were transactions with the School of £36,832 (2024: £137,933) during the year representing donations for bursaries and specific projects, and a total of £Nil (2024: £Nil) pledges were due to the Foundation at the year end.

During the year 2 Trustees (2024: 1 Trustee) was a parent of a pupil at the School and paid fees on the same terms as any other parent and received the benefits of appropriate discounts where appropriate.

During the year, no Trustee (2024: Nil) donated to the Foundation.

The results of the Foundation have been consolidated with those of the School. A copy of the Financial Statements for the year ended 31 August 2025 are available from the Company Secretary of the School at the registered address.

15. Taxation

The Foundation is not liable to taxation on the revenue from its primary activities or on its investment income as it is a registered charity.

NOTES TO THE ACCOUNTS (cont'd)

16. Comparative Statement of Financial Activities for the year ended 31 August 2024

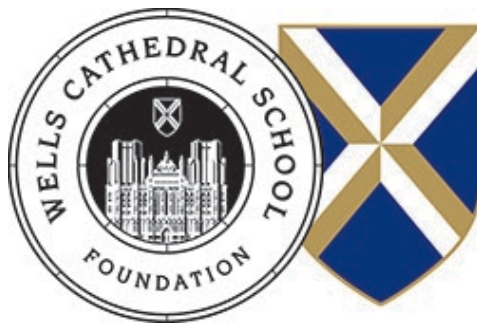
Comparative results for the year ended 31 August 2024:

	Endowment funds £	Restricted funds £	Unrestricted funds £	Total 2024 £
Income from:				
Donations and Legacies	-	48,535	76,971	125,506
Income from investments	22,437	-	6,953	29,390
Gifts in kind – School	-	-	69,610	43,634
Total Income	22,437	48,535	153,534	224,506
Expenditure on:				
Charitable activities – donations to School	-	(102,329)	(35,604)	(137,933)
Raising funds – operating costs	(5,562)	-	(73,021)	(78,583)
Other expenditure	(6)	(3,327)	(62)	(3,395)
Total Expenditure	(5,568)	(105,656)	(108,687)	(219,911)
Net gains / (losses) on investments	124,972	-	-	124,972
Net (expenditure) / income and net movement in funds	141,841	(57,121)	44,847	129,567
Transfer between funds	(19,800)	19,800	-	-
Fund balance brought forward at 1 September	1,002,500	455,894	177,248	1,635,642
Fund balances carried forward at 31 August	1,124,541	418,573	222,095	1,765,209

THE WELLS CATHEDRAL SCHOOL FOUNDATION

England & Wales - Charity number 1118159

Accounts



THE WELLS CATHEDRAL SCHOOL FOUNDATION

(A charitable company Limited by Guarantee)

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2024

Company Number: 02804495

Registered Charity Number: 1118159

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REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees	Mr Chris Seaton BSc (Hons) (Chair) Mr David Brown MA, OBE Mr Max Costantini Mr Alan Durrant BSc (Econ) Mr Philip Lemanski MA (Oxon), FCA Mr Tim Lewis BA (Cantab), FCA Mrs Melissa Potter BA (Hons) Mrs Charlotte Sheaf BSocSc Mr Alastair Tighe MA (Cantab)
Company Secretary	Mr Robert McCartney BSc (Hons), FCA
Registered and Principal Office	Wells Cathedral School, Limited College Road Wells Somerset BA5 2SX
Independent Auditor	Crowe U.K. LLP 4 th Floor St James House St James Square Cheltenham GL50 2PR
Bankers	National Westminster Bank PLC 7 High Street Wells Somerset BA5 2AD
Connected Charity	Wells Cathedral School, Limited (Charity No. 310212) The Bursary College Road Wells Somerset BA5 2SX

TRUSTEES' REPORT

The Trustees present their Annual Report together with the Financial Statements for the year ended 31 August 2024. The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Charities' Statement of Recommended Practice (Charities SORP (FRS 102)) issued in October 2019. These Financial Statements form part of the audited Consolidated Financial Statements of Wells Cathedral School, Limited ("the School") for the year ended 31 August 2024.

Structure, governance and management

The Wells Cathedral School Foundation ("the Foundation") is registered with the Charity Commission (Registered Charity Number: 1118159) and was incorporated on 28 February 2007 as a registered company, Limited by Guarantee, not having a share capital. The Foundation was created to act as the legal entity for the recording and control of all fundraising activity on behalf of the School.

Charitable Benefit

The Foundation's charitable benefit is to raise income for the School and the parents of its pupils in the form of bursaries and grants, and for the purchase of equipment and facilities for the use of its pupils.

Charitable Objectives

The Foundation's objectives as set out in its Memorandum and Articles are as follows:

- To advance the education of pupils at the School and to promote any other charitable purpose or charitable organisation that the Trustees shall determine, and in particular to assist in:
 - The provision of financial assistance towards the maintenance and development of the School;
 - Raising money for awards to pupils to pursue their education at the School, including pupils whose parents or guardians are in need of financial assistance;
 - The provision of facilities and equipment to support the education of pupils in the School; and
 - The organisation of events to promote the good name of the School and further its educational objectives, including orchestral and choral concerts in the UK and overseas.

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in the planning of future activities. In particular, the Trustees consider how planned activities for the year will contribute to the aims and objectives they have set.

Our Trustees

The Trustees who served during the year, and up to the date of signing the Financial Statements, are listed below. The Trustees of the Foundation are directors of the Foundation for Companies Act 2006 purposes.

Mr Christopher Jackson MA (Hons), OBE, SBS, (Chair – until March 2025) (resigned 25 March 2025)

Mr Chris Seaton BSc (Hons) (Chair – from April 2025)

Mr David Brown MA, OBE

Mr Max Costantini

Mr Alan Durrant BSc (Econ)

Mrs Ann Gummer BSc (Hons) (resigned 8 October 2024)

Mr Philip Lemanski MA (Oxon), FCA

Mr Tim Lewis MA (Cantab), FCA

Mrs Melissa Potter BA (Hons) (appointed 20 June 2024)

Mrs Charlotte Sheaf BSocSc (appointed 8 October 2024)

Mr Alastair Tighe MA (Cantab)

TRUSTEES' REPORT (cont'd)

The Foundation's Executive Board comprises the Chair of the Foundation, an elected School Governor, the Head Master of the School and an elected Foundation Trustee. These four "member" Trustees are joined by the other Trustees in the running of the Foundation and in all appropriate Board meeting decisions but only the member Trustees have the power to vote at the Annual General Meeting ("AGM"). The member Trustees are Mr Christopher Jackson (Chair); Mr Alastair Tighe; Mr Tim Lewis; and, Mr David Brown. A maximum of 25 Trustees may be appointed to the Board.

Recruiting and Training of Governors

The Trustees are appointed at a meeting of the Board on the basis of nominations agreed between the Chair, the Head Master of the School and the Director of Development and Head of the Foundation ("Head of Foundation"), having regard to the Board's requirements concerning eligibility, personal competence, specialist skills and availability for meetings. New Trustees are inducted into the working of the Foundation, including its aims and objectives, by the Chair and the Head of the Foundation. A document outlining the responsibilities and expectations of the Trustees is provided to all prospective Trustees.

Fundraising compliance

As required under S162A of the Charities Act 2011, the Foundation has continued to undertake fundraising activities during the year using its database, as in previous years. These fundraising activities have been undertaken by staff employed by the School and no external persons have been used. The Foundation voluntarily subscribes to the Fundraising Regulator which holds the Foundation to the Code of Fundraising Practice. Over the course of the financial year there have been no failures to comply with the Code, nor have any complaints been received.

Safeguarding Policy

In order to protect vulnerable people the Foundation complies with the School's Safeguarding Policy to report concerns of abuse, as well as complying with guidance in the Fundraising Code of Practice and shared by the Chartered Institute of Fundraising.

Indemnity Insurance

As permitted by the Articles of Association, the Trustees are the beneficiaries of a qualifying third party indemnity as defined by Section 234 of the Companies Act 2006. The School also purchased and maintained throughout the financial year Governors' and Officers' liability insurance in respect of itself, its Governors and the Trustees of the Foundation.

The cost of insurance which is included in the cost of public liability cover in the Consolidated Financial Statements of the School, amounted to £29,309 (2023: £10,658) in the year for the School and Foundation.

Statement of Going Concern

In their consideration of the presumption of going concern as the basis for the preparation of the Report and Financial Statements, the Trustees have concluded that no material uncertainties have been identified that may cast significant doubt on the ability of the Foundation to continue as a going concern.

The Trustees therefore have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis continues to be adopted in preparing the Financial Statements.

TRUSTEES' REPORT (cont'd)

Organisational Management

The Foundation's fundraising and related activities are carried out by staff of the School's Development Office, managed in the year by the Head of the Foundation, and supported by the School's Development Committee. An allocation of the Development Office's operating costs, including School staff costs and other direct costs associated with the Foundation, which are borne by the School, has been made to the Foundation based on time actually spent by the Development Office's staff on the Foundation's affairs. These operating expenses from the School of £69,610 (2023: £43,634) are reflected in the Statement of Financial Activities in operating expenses and income from the School of £69,610 (2023: £43,634) recognised as "Gift in kind – School" in *Income from Charitable Activities*.

The Head of the Foundation is responsible for maintaining the operational processes required to run the Foundation, and for providing professional advice and strategic direction in fundraising, communications and alumni relations. The Head of the Foundation is supported by a full-time Development Officer and part-time Administrative Assistant, plus marketing and other support as required. Staff pay is set by the School. Benchmarking with comparable salaries is achieved through visiting websites such as Pay Scale, the Independent Schools' Bursars Association ("ISBA") and the Institute of Development Professionals in Education ("IDPE").

STRATEGIC REPORT

The new Development Director & Head of the Foundation took up post in late September 2023, and set about researching, benchmarking and creating a new six year Strategy for the Foundation, in alignment with the School's Wells 2030 plan. The Strategy sets out our aims, to build relationships with our global Wellensian Community that last a lifetime, and raise sustainable revenue that meets the needs of the School with a broad fundraising portfolio that supports inclusivity.

We intend to achieve this by delivering against five clear strategic objectives:

- Engaging our whole Wellensian Community;
- Developing long term, sustainable income streams;
- Establishing and growing a major gifts programme;
- Building a legacy pipeline;
- Supporting small capital projects that will enhance the Wells Cathedral School experience.

The new Play Your Part campaign underpins all of the Foundation's engagement and fundraising activity, encouraging and enabling the Wellensian community and friends to get involved and make a difference. In the last year, we have:

- Launched a Regular Giving product in June – the Quilter Fund – which raises funds in support of bursaries. Twentyone people have set up new regular gifts, increased their current regular gift value or switched their previous giving to the Quilter Fund. Regular giving is a fundamental part of the strategy because it provides consistent, reliable income which enables us to plan for the future.
- Grown engagement with our Wellensian Community, introducing new stewardship channels; breaking down silos between audiences; and, increasing attendance at key alumni events.
- We are very grateful to a number of Trusts which have shown their support by continuing to give grants which are funding a range of projects, from bursaries to music outreach.

In the coming year, we plan to build on the successes of 2023-24 and encourage our community to Play Their Part in whichever way they can – whether that's setting up a regular gift; leaving a gift in their Will; coming to an alumni event; or, offering career advice to a peer.

TRUSTEES' REPORT (cont'd)

FINANCIAL REVIEW

During the year, the Foundation received £125,506 (2023: £156,225) in financial contributions in the form of donations and legacies, which is a decrease of 20% (2023: an increase of 78%) in incoming resources.

The Foundation's net movement in funds during the year was a surplus of £129,567 (2023: a surplus of £118,353).

Investment Policy, Powers and Performances

In accordance with the Trust Deed, Trustees of the Foundation may authorise the funds of the Foundation to be invested in any stocks, shares or insurance policies. Endowment Funds are defined as donations made to the School in perpetuity, the income from which is to be used for the benefit of future pupils. The investment objective is to outperform the MSCI Wealth Management Association Growth Index return.

The objective of the portfolio is to grow the capital over time, such that, in the future, the portfolio is of sufficient size to meaningfully contribute towards the advancement of education. The portfolio achieved a positive return of 12.3% over the twelve months to the end of August, compared to a positive return of 1.4% in the prior year. Over the same timeframe the MSCI PIMFA Growth Index increased by 16.4% compared to an increase of 3.4% in the prior year. In recent years, equity market capitalisation has become increasingly concentrated in a small number of large businesses and, over the last twelve months, performance in market indices was largely driven by these companies. Whilst lagging slightly behind the target, the portfolio's performance, net of costs, reflects the genuinely diversified approach being taken and is ahead of similar charity portfolios.

The Foundation's Endowment Funds have been entrusted to Evelyn Partners to invest in a portfolio of equities, funds, bonds and cash. The investment is classed as a non-current asset as it will be held for longer than twelve months. The investment objectives and risk parameters are reviewed every year by the Foundation's Investment Committee.

Any gains and losses on sale or revaluation of investments are recorded within the Statement of Financial Activities.

The Foundation adopts the "Total Return" approach to investments which are considered to be permanent endowments under which, once the value of the permanent endowments reaches a sufficient amount, the total returns earned on the investments will be available to be used to award bursaries to pupils of the School, consistent with the Foundation's objectives.

Political and Charitable Contributions

The Foundation made no political or charitable contributions during the year under review (2023: £nil) other than donations to the School of £137,933 (2023: £53,393), as disclosed in its Statement of Financial Activities. The Foundation's grant making policy is to make donations only to the School.

Reserves Policy

The Foundation had unrestricted general funds of £222,095 (2023: £177,248) at the year end. The policy of the Trustees is to use available unrestricted general funds for bursaries, other financial assistance for pupils and the general expenses of the Foundation. At the year end, it had restricted funds of £418,573 (2023: £455,894) and endowment funds of £1,124,541 (2023: £1,002,500), giving a total of £1,765,209 (2023: £1,635,642).

TRUSTEES' REPORT (cont'd)

Risk Management

The Trustees have considered the principal areas of the Foundation's operations and assessed the major risks faced in each of these areas. They have identified the following risks and controls:

- Failure to attract Trustees with relevant expertise which adds value to the existing Trustee skillset and support delivery of the strategy – this is reviewed regularly by the Trustees;
- Change in management of the Foundation – continually reviewed by the Head Master and the Foundation Chair;
- Reputational damage caused by inappropriate activity, or failure to secure necessary funds – ongoing professional vigilance and early consideration of possible issues by the Trustees;
- Loss or misuse of funds provided to the Foundation – all donations received are fully documented and transactions are documented and authorised appropriately.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with the going concern basis under the historic cost convention, with the exception of listed investments which are held at fair value, 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 (FRS 102) 'Accounting and Reporting by Charities' ("the Charities SORP"), the Charities Act 2011 and the Companies Act 2006.

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 they give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources, including the income and expenditure, of the Foundation for the year. In preparing these Financial Statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles set out in the Charities SORP;
- Make judgements 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 Foundation will continue in operation.

The Trustees are responsible for ensuring that adequate accounting records are kept by the Foundation that are sufficient to show and explain the Foundation's transactions, disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the Financial Statements comply with the Companies Act 2006 and the provisions of the Foundation's constitution. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TRUSTEES' REPORT (cont'd)

Statement on Disclosure of Information to the Auditor

So far as each Trustee is aware, there is no relevant audit information of which the Foundation's auditor is unaware. 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 auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the page of the School's website dealing with the Foundation. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Independent Auditor

Crowe U.K. LLP have indicated their willingness to accept reappointment as the Foundation's auditors and a resolution for their reappointment will be proposed at the Annual General Meeting.

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

Approved by the Trustees on 27 May 2025 and signed on their behalf:

Mr Chris Seaton
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WELLS CATHEDRAL SCHOOL FOUNDATION

Opinion

We have audited the financial statements of The Wells Cathedral School Foundation (“the charitable company”) for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the 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 2024 and of the 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 the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WELLS CATHEDRAL SCHOOL FOUNDATION

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 and the strategic 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 strategic report and the directors' report included within the Trustees' report have 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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 and proper 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 on page 6, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WELLS CATHEDRAL SCHOOL FOUNDATION

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out 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 charity 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, Charities Act 2011, together with 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 charity'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 Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Investment Committee about their own identification and assessment of the risks of irregularities, sample 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WELLS CATHEDRAL SCHOOL FOUNDATION

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

28 May 2025

THE WELLS CATHEDRAL SCHOOL FOUNDATION (Limited by Guarantee)
REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2024

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an Income and Expenditure Account)

	<i>Note</i>	Endowment funds £	Restricted funds £	Unrestricted funds £	Total 2024 £	Total 2023 £
INCOME FROM:						
Donations & Legacies	3	-	48,535	76,971	125,506	156,225
Investment income	8, 9, 10	22,437	-	6,953	29,390	28,118
Gifts in kind - School	11	-	-	69,610	69,610	43,634
Total Income		22,437	48,535	153,534	224,506	227,977
EXPENDITURE ON:						
Charitable activities – donations to School	9	-	(102,329)	(35,604)	(137,933)	(53,393)
Raising funds – operating costs	11	(5,562)	-	(73,021)	(78,583)	(50,777)
Other expenditure	4	(6)	(3,327)	(62)	(3,395)	(3,743)
Total expenditure		(5,568)	(105,656)	(108,687)	(219,911)	(107,913)
Gain/(Loss) on investments	5, 8, 9	124,972	-	-	124,972	(1,711)
Net (expenditure)/ income		141,841	(57,121)	44,847	129,567	118,353
Transfers between funds		(19,800)	19,800	-	-	-
Net movement in funds		122,041	(37,321)	44,847	129,567	118,353
Fund balances brought forward at 1 September 2023		1,002,500	455,894	177,248	1,635,642	1,517,289
Fund balances carried forward at 31 August 2024	13	1,124,541	418,573	222,095	1,765,209	1,635,642

The Statement of Financial Activities includes all gains and losses in the year. Full comparative figures for the year ended 31 August 2023 are shown in Note 16.

The notes on pages 14 to 24 form part of these financial statements.

THE WELLS CATHEDRAL SCHOOL FOUNDATION (Limited by Guarantee)
 REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
 YEAR ENDED 31 AUGUST 2024

BALANCE SHEET
AS AT 31 AUGUST 2024

	<i>Note</i>	2024	2023
		£'000	£'000
Fixed assets			
Investments	5	1,303,002	1,161,052
Current assets			
Debtors	6	45,149	1,156
Cash at bank and in hand		427,453	485,923
Total current assets		472,602	487,079
Creditors: Amounts falling due within one year	7	(10,395)	(12,489)
Net current assets		462,207	474,590
Total assets less current liabilities		1,765,209	1,635,642
Net assets		1,765,209	1,635,642
The funds of the charity			
Endowment funds	8	1,124,541	1,002,500
Restricted funds	9	418,573	455,894
Unrestricted funds	10	222,095	177,248
Total charity funds		1,765,209	1,635,642

The financial statements have been prepared in accordance with the Small Companies' Regime of the Companies Act 2006.

These financial statements were approved by the Trustees on 27 May 2025, and were signed on their behalf by:

Mr Chris Seaton
 Chair of Trustees

Mr Tim Lewis
 Trustee

Company Registration No.: 02804495

The notes on pages 14 to 24 form part of these accounts.

NOTES TO THE ACCOUNTS

1. Company status

The Foundation is a charitable company, registered in England and Wales (Company Number: 02804495) limited by guarantee, and not having a share capital. The member Trustees undertake to contribute to the assets of the Foundation in the event of it being wound up, either whilst members or within one year of their membership ceasing. The maximum contribution required from each member would be £1.

The Foundation is also a charity registered in England and Wales (Charity Number: 1118159).

The Foundation's registered and principal address is The Bursary, College Road, Wells, Somerset, BA5 2SX.

2. Accounting policies

The following accounting policies have been applied consistently throughout the year in dealing with items which are considered material in relation to the Foundation's financial statements. There have been no material changes to accounting policies since the prior year.

The financial statements have been prepared on the going concern basis under the historic cost convention with the exception of listed investments which are held at fair value, 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 'Accounting and Reporting by Charities' ("the Charities SORP"), the Charities Act 2011 and the Companies Act 2006.

The Foundation has taken advantage of the exemption from the requirement to prepare a cash flow statement in accordance with section 1.12 of FRS102.

The Foundation is a public benefit entity and its functional and presentational currency is the pound sterling.

The principal accounting policies adopted in the preparation of the financial statements are as follows:

i) Going concern

The accounts have been prepared on the going concern basis as the Trustees consider this to be appropriate.

The Trustees have a reasonable expectation that the Foundation has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the Foundation's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

NOTES TO THE ACCOUNTS (cont'd)

2. Accounting policies (cont'd)

ii) Income

Income in furtherance of the Foundation's activities is represented by:

- Donations, which comprise primarily donations and charitable gifts from individuals, grant giving trusts and foundations, are accounted for on an accruals basis. Such income is recognised when there is a legally binding commitment to the Foundation for the transfer of funds. Donations of assets are brought into the balance sheet and statement of financial activities at market value, at the date of acquisition. Gift aid on donations is subsequently applied for where applicable;
- Legacies, which are accounted for at the earliest of the receipt of estate accounts or cash received. An assessment is performed post year end of up to two months on legacies not yet received. Any legacies received are considered, their value reliably measured and then accounted for appropriately;
- Income from investments, which represents the interest and dividends earned during the year from bonds, deposits, and the endowment funds and any realised gains on their disposal. Income is accounted for on an accruals basis; and,
- Gifts in kind, which are recorded in income to reflect the value of the Foundation's operating costs that are borne by the School, which include the employees of the Foundation.

iii) Accrued Income

When, as a result of performing a service or otherwise meeting the requirements of any arrangements with a third party, income falls due but has not been invoiced at the year end, an accrual is made for this income.

iv) Expenditure

All expenditure is included in the statement of financial activities on an accruals basis. Costs directly attributable to a specific expense heading are allocated to that heading.

Expenditure is recognised when a liability is incurred and in the following categories:

- The costs of charitable activities which consist of charitable donations to the School; and,
- Operating costs, which are the allocated operating costs of the School's development office and the direct costs associated with the Foundation which are borne by the School.

v) Investments

In accordance with the Trust Deed, the Trustees of the Foundation may authorise its funds to be invested in any stocks, shares, or insurance policies. The Trustees' aim is to generate long-term total return from endowment funds invested, combining both capital growth and income, and to invest other funds received in bank deposits and bonds at attractive rates of interest. The basis for determining fair value is the quoted market price in an active market.

Any gains and losses on sale or revaluation of investments are recorded within the statement of financial activities.

NOTES TO THE ACCOUNTS (cont'd)

2. Accounting policies (cont'd)

v) Investments (cont'd)

The Foundation has adopted the “Total Return” approach to investments which are considered to be permanent endowments under which, once the value of the permanent endowments reaches a sufficient amount, the total returns earned on the investments will be available to be used to award bursaries to pupils at the School.

vi) Cash and cash equivalents

Cash is represented by cash in hand.

vii) Creditors

Creditors and provisions are recognised where the Foundation has a present obligation resulting from a past event that will probably result in the transfer of funds, and the amount due to settle the obligation can be measured or estimated reliably.

viii) Endowment funds (restricted)

Endowment funds are defined as donations made to the School in perpetuity, and the total returns approach is applied such that the income from them is to be used for the benefit of future pupils.

ix) Restricted funds

These funds have been donated for specific purposes, such as bursaries or projects.

x) Unrestricted funds

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the Foundation. In addition to expenditure on the principal activities of the Foundation, such funds may be held in order to finance working capital.

xi) Financial instruments

The Foundation has financial assets and financial liabilities of a kind that qualify as basic financial instruments. These are initially recognised at transaction value and subsequently measured at their amortised cost or fair value depending on the nature of the financial instrument.

xii) Critical Accounting Judgements and Estimation of Uncertainty

Estimates and judgements are continually made and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

- **Critical judgements**
The Trustees do not believe that any critical judgements have been made in preparing the financial statements.
The accruals and prepayments are calculated based on firm or historical evidence, except pledges which are included based on a firm judgement by the Foundation.
- **Estimates and assumptions**
The estimates and assumptions made by the Foundation consist mainly of an allocation of the School’s development office’s operating costs associated with the Foundation based on the knowledge of key management personnel.

NOTES TO THE ACCOUNTS (cont'd)

3. Donations and Legacies

	2024	2023
	£	£
Trusts	13,000	23,500
Legacies	42,038	16,150
Corporate	1,382	288
Individuals	69,086	116,287
	125,506	156,225

4. Expenditure

	2024	2023
	£	£
Professional fees	3,327	3,233
Irrecoverable VAT	-	346
Bank charges	68	164
	3,395	3,743

Auditor's remuneration is borne by the School.

5. Investments

	2024	2023
	£	£
Investments at valuation		
At 1 September 2023	1,161,052	1,145,970
Additions	309,733	437,958
Disposals proceeds	(276,581)	(367,374)
Gain/(Loss) on investment portfolio	125,492	(26,641)
Cash management movement	(16,174)	(53,791)
Gain on cash management	(520)	24,930
	1,303,002	1,161,052
These balances can be further analysed as:		
Cash held	10,792	28,012
Investments	1,292,210	1,133,040
	1,303,002	1,161,052

The investments are represented by the following funds:

Endowed funds £1,127,980 (2023: £1,002,500)
 Restricted funds £175,022 (2023: £158,552)

NOTES TO THE ACCOUNTS (cont'd)

5. Investments (cont'd)

The investments consist of a portfolio of equities, funds, bonds and cash managed by Evelyn Partners (formerly Smith & Williamson Investment Management), the majority of which comprise UK assets. They are categorised as non-current assets as they are held for longer than 12 months.

The objective of the portfolio is to grow the capital over time, such that, in the future, the portfolio is of sufficient size to meaningfully contribute towards the advancement of education. The portfolio achieved a positive return of 12.3% over the twelve months to the end of August, compared to a positive return of 1.4% in the prior year. Over the same timeframe the MSCI PIMFA Growth Index increased by 16.4% compared to an increase of 3.4% in the prior year. In recent years, equity market capitalisation has become increasingly concentrated in a small number of large businesses and, over the last twelve months, performance in market indices was largely driven by these companies. Whilst lagging slightly behind the target, the portfolio's performance, net of costs, reflects the genuinely diversified approach being taken and is ahead of similar charity portfolios.

6. Debtors

	2024	2023
	£	£
Accrued income	45,149	1,156
	<hr/> 45,149	<hr/> 1,156

7. Creditors: amounts falling due within one year

	2024	2023
	£	£
Accruals	3,825	3,609
Amounts owed to ultimate holding company	6,570	8,880
	<hr/> 10,395	<hr/> 12,489

8. Endowment funds

	2024	2023
	£	£
At 1 September 2023	1,002,500	987,017
Income from investments	22,437	20,749
Operating costs	(5,568)	(7,142)
Unrealised gains/(losses) on investments	124,972	(1,945)
Transfers to restricted funds	(19,800)	3,821
	<hr/> 1,124,541	<hr/> 1,002,500
At 31 August 2024		

NOTES TO THE ACCOUNTS (cont'd)

8. Endowment funds (cont'd)

The endowment fund represents part of the investment portfolio held by Evelyn Partners. The endowment funds are defined as donations for bursaries made to the School in perpetuity, the income from which is to be used as bursaries for the benefit of future pupils.

9. Restricted Funds

	Balance at 1 Sep 23 £	Incoming £	Outgoing £	Transfer £	Balance at 31 Aug 24 £
Legacies	26,150	1,538	-	-	27,688
Cedars Hall Project	2,013	625	-	-	2,638
Bursaries – General	76,906	14,658	(15,000)	-	76,564
Wells Music Society Hong Kong	4,003	-	(3,276)	-	727
Bursaries – Music Travel	5,375	737	(2,910)	-	3,202
Bursaries – Sport Travel	2,927	-	(200)	-	2,727
Bursaries – Music	3,591	438	-	-	4,029
Roland Jacob Award	50	-	(50)	-	-
Junior Instruments	5	-	-	-	5
Sierra Leone	3,711	75	(550)	-	3,236
String Department	20,145	7,500	(1,200)	-	26,445
Woodwind Department	2,329	1,050	-	-	3,379
Music Department	3,239	650	-	-	3,889
David Nasmyth	1,000	-	-	-	1,000
St Brandon's Fund *	48,781	-	(1,000)	6,277	54,058
Quilter Family Bursary Fund	2,781	20,358	-	-	23,139
Choralia tour	1,148	332	-	-	1,480
Russell Fox Heath Trust *	105,445	-	(2,000)	13,523	116,968
Alan Powell Fund	7,945	-	(1,475)	-	6,470
Charitable Volunteering Fund	21,210	-	-	-	21,210
Drama Fund	158	-	-	-	158
Sport	8,437	300	-	-	8,737
Football Equipment	12	-	-	-	12
Music Anxiety Fund	4,450	-	(1,475)	-	2,975
Ukraine Disaster Relief Fund	523	-	(523)	-	-
Well Being Fund	2,796	124	-	-	2,920
Sixth Form Centre Fund	7,100	150	(5,900)	-	1,350
Hockey Department	144	-	-	-	144
Brass Department	895	-	(895)	-	-
Art Department	91,120	-	(67,697)	-	23,423
Turkey Earthquake Fund	1,505	-	(1,505)	-	-
	455,894	48,535	(105,656)	19,800	418,573

NOTES TO THE ACCOUNTS (cont'd)

9. Restricted Funds (cont'd)

Comparative Statement of Restricted Funds for the year ended 31 August 2023:

	Balance at				Balance at
	1 Sep 22	Incoming	Outgoing	Transfer	31 Aug 23
	£	£	£	£	£
Legacies	10,000	16,150	-	-	26,150
Cedars Hall Project	1,113	900	-	-	2,013
Bursaries – General	77,676	21,005	(21,775)	-	76,906
Wells Music Society Hong Kong	5,506	-	(1,503)	-	4,003
Bursaries – Music Travel	4,607	768	-	-	5,375
Bursaries – Sport Travel	2,927	-	-	-	2,927
Bursaries – Music	3,091	500	-	-	3,591
Archive	1,200	-	(1,335)	135	-
Roland Jacob Award	100	-	(50)	-	50
Junior Instruments	5	-	-	-	5
Sierra Leone	4,584	877	(1,750)	-	3,711
String Department	16,651	6,000	(2,506)	-	20,145
Woodwind Department	2,229	100	-	-	2,329
Music Department	7,330	-	(4,091)	-	3,239
David Nasmyth	1,000	-	-	-	1,000
St Brandon's Fund *	51,037	1,064	(1,500)	(1,820)	48,781
Quilter Family Bursary Fund	2,241	540	-	-	2,781
Choralia tour	3,398	-	(2,250)	-	1,148
Russell Fox Heath Trust *	107,677	2,289	(2,520)	(2,001)	105,445
Alan Powell Fund	10,687	-	(2,742)	-	7,945
Charitable Volunteering Fund	21,210	-	-	-	21,210
Bow Fund	1,500	-	(1,500)	-	-
Drama Fund	158	1,400	(1,400)	-	158
Sport	7,518	1,063	(144)	-	8,437
Football Equipment	12	-	-	-	12
Music Anxiety Fund	5,400	-	(950)	-	4,450
Ukraine Disaster Relief Fund	23	500	-	-	523
Well Being Fund	1,600	1,196	-	-	2,796
Sixth Form Centre Fund	7,100	-	-	-	7,100
Hockey Department	144	-	-	-	144
Brass Department	895	-	-	-	895
Art Department	-	100,000	(8,880)	-	91,120
Turkey Earthquake Fund	-	1,505	-	-	1,505
	358,619	155,857	(54,896)	(3,686)	455,894

* Most of the Russell Fox Heath Trust and the St Brandon's Fund restricted funds are held within the Evelyn Partners investment portfolio. Income generated by the portfolio has been allocated to these funds in proportion to their capital value. During the year, the restricted funds earned income of £3,014 (2023: £3,188) and benefited from a gain on revaluation of investments of £16,787 (2023: a gain of £165).

NOTES TO THE ACCOUNTS (cont'd)

9. Restricted Funds (cont'd)

The Russell Fox Heath Trust provides funds for those undertaking outdoor expeditions both within and outside of School. The Outdoor Education Department applies to the Trustees of the fund for funds, as do pupils of the School for their individual expeditions.

The Art Department Fund is to facilitate upgrading the Art Department facilities.

The St Brandon's Fund makes awards to former pupils of the St Brandon's School in Weston-Super-Mare and their relatives who attend Wells Cathedral School. Awards are made at the discretion of the School Bursar.

General Bursaries are awards made to support pupils, in conjunction with the School and other external trusts, to attend Wells Cathedral School.

10. Unrestricted Funds

	Balance at 1 Sep 23 £	Interest £	Incoming £	Outgoing £	Balance at 31 Aug 24 £
General Funds	177,248	6,953	146,581	(108,687)	222,095

Unrestricted funds comprise gifts or donations made to the Foundation that are not committed to any project being undertaken by the Foundation. The Trustees determine how such funds shall be used.

Comparative Statement of Unrestricted Funds for the year ended 31 August 2023

	Balance at 1 Sep 22 £	Interest £	Incoming £	Outgoing £	Balance at 31 Aug 23 £
General Funds	171,653	4,181	42,018	(40,604)	177,248

11. Remuneration of the Trustees

The Foundation had no employees in either this or the preceding financial year and therefore no employee earned more than £60,000 in the current or previous year. The Trustees did not receive any emoluments, benefits or reimbursement of expenses during the year (2023: Nil).

NOTES TO THE ACCOUNTS (cont'd)

12. Financial Instruments

The Foundation has the following financial instruments:

Financial assets that are measured at amortised cost	2024	2023
	£	£
Debtors	45,149	1,156

Financial assets that are measured at fair value	2024	2023
	£	£
Investments	1,303,002	1,161,052

Financial liabilities that are measured at amortised cost	2024	2023
	£	£
Accruals	10,395	12,489

13. Allocation of Net Assets

The net assets are held for the various funds as follows:

	Fixed assets	Net current assets	Total
	£	£	2024
			£
Endowment Funds	1,127,980	(3,439)	1,124,541
Restricted Funds	175,022	243,551	418,573
Unrestricted Funds	-	222,095	222,095
	1,303,002	462,207	1,765,209

Comparative Allocation of Net Assets for the year ended 31 August 2023:

	Fixed assets	Net current assets	Total
	£	£	2023
			£
Endowment Funds	1,002,500	-	1,002,500
Restricted Funds	158,552	297,342	455,894
Unrestricted Funds	-	177,248	177,248
	1,161,052	474,590	1,635,642

NOTES TO THE ACCOUNTS (cont'd)

14. Connected Parties

Wells Cathedral School, Limited ("the School") is a connected charity and parent within the terms of the SORP in that it has common, parallel or related objects and activities and unity of administration.

The School funded the initial set up costs of the Foundation and will fund certain ongoing costs of operation of the Foundation as agreed in the 'memorandum of understanding' between the School and the Foundation. In 2024, the Foundation's operating costs of £69,610 (2023: £43,634) were recharged to the School.

The staff employed by the School were paid £70,169 (2023: £36,893), £37,750 of which is incorporated in the operating expenses and gifts in kind from the School of £69,610 (2023: £43,634), the balance of £32,419 (2023: Nil) being borne by the Foundation. The remainder of the gift in kind from the School of £31,860 (2023: £6,741) comprises expenses borne by the Foundation for office administration, travel and events of the Foundation.

There were transactions with the School of £137,933 (2023: £53,393) during the year representing donations for bursaries and specific projects, and a total of £Nil (2023: £Nil) pledges were due to the Foundation at the year end.

During the year 1 Trustee (2023: 2 Trustees) was a parent of a pupil at the School and paid fees on the same terms as any other parent and received the benefits of appropriate discounts where appropriate.

During the year, no Trustee (2023: Nil) donated to the Foundation.

The results of the Foundation have been consolidated with those of the School. A copy of the Financial Statements for the year ended 31 August 2024 are available from the Company Secretary of the School at the registered address.

15. Taxation

The Foundation is not liable to taxation on the revenue from its primary activities or on its investment income as it is a registered charity.

NOTES TO THE ACCOUNTS (cont'd)

16. Comparative Statement of Financial Activities for the year ended 31 August 2023

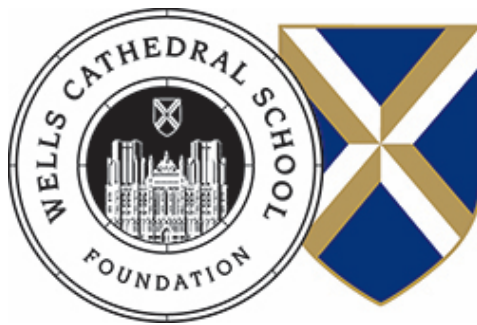
Comparative results for the year ended 31 August 2023:

	Endowment funds £	Restricted funds £	Unrestricted funds £	Total 2023 £
Income from:				
Donations and Legacies	-	152,435	3,790	156,225
Income from investments	20,749	3,188	4,181	28,118
Gifts in kind – School	-	-	43,634	43,634
Total Income	20,749	155,623	51,605	227,977
Expenditure on:				
Charitable activities – donations to School	-	(53,393)	-	(53,393)
Raising funds – operating costs	(7,142)	-	(43,634)	(50,776)
Other expenditure	-	(1,503)	(2,241)	(3,744)
Total Expenditure	(7,142)	(54,896)	(45,875)	(107,913)
Net (losses) / gains on investments	(1,945)	234	-	(1,711)
Net (expenditure) / income and net movement in funds	11,662	100,961	5,730	118,353
Transfer between funds	3,821	(3,686)	(135)	-
Fund balance brought forward at 1 September	987,017	358,619	171,653	1,517,289
Fund balances carried forward at 31 August	1,002,500	455,894	177,248	1,635,642

THE WELLS CATHEDRAL SCHOOL FOUNDATION

England & Wales - Charity number 1118159

Accounts



THE WELLS CATHEDRAL SCHOOL FOUNDATION

(A charitable company Limited by Guarantee)

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

Company Number: 02804495

Registered Charity Number: 1118159

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REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees	Mr Christopher Jackson MA (Hons), OBE, SBS (Chair) Mr David Brown MA, OBE Mr Max Constantini Mr Alan Durant BSc (Econ) Mrs Ann Gummer BSc (Hons) Mr Philip Lemanski MA (Oxon), FCA Mr Tim Lewis BA (Cantab), FCA Mr Chris Seaton BSc (Hons) Mr Alastair Tighe MA (Cantab)
Company Secretary	Mr Robert McCartney BSC (Hons), FCA
Registered and Principal Office	Wells Cathedral School, Limited College Road Wells Somerset BA5 2SX
Independent Auditor	Crowe U.K. LLP 4 th Floor St James House St James Square Cheltenham GL50 2PR
Bankers	National Westminster Bank PLC 7 High Street Wells Somerset BA5 2AD
Connected Charity	Wells Cathedral School, Limited (Charity No. 310212) College Road Wells Somerset BA5 2SX

TRUSTEES' REPORT

The Trustees of The Wells Cathedral School Foundation (“the Foundation”) present their annual report for the year ended 31 August 2023 under the Charities Act 2011, together with the audited Financial Statements for the year and confirm that they comply with the requirements of the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities’ Statement of Recommended Practice (FRS 102) (“the Charities SORP”). These Financial Statements form part of the audited consolidated financial statements of Wells Cathedral School, Limited (“the School”) for the year ended 31 August 2023.

Purpose

The Foundation was created to act as the legal entity for the recording and control of all fundraising activity on behalf of the School.

Charitable Objectives

The Foundation’s objectives as set out in its Memorandum and Articles are as follows:

- To advance the education of pupils at the School and to promote any other charitable purpose or charitable organisation that the Trustees shall determine, and in particular to assist in:
 - The provision of financial assistance towards the maintenance and development of the School;
 - Raising money for awards to pupils to pursue their education at the School, including pupils whose parents or guardians are in need of financial assistance;
 - The provision of facilities and equipment to support the education of pupils in the School; and
 - The organisation of events to promote the good name of the School and further its educational objectives, including orchestral and choral concerts in the UK and overseas.

The Trustees have referred to the Charity Commission’s general guidance on public benefit when reviewing the Foundation’s aims and objectives and in the planning of future activities. In particular, the Trustees consider how planned activities for the year will contribute to the aims and objectives they have set.

Charitable Benefit

The Foundation’s charitable benefit is to raise income for the School and the parents of its pupils in the form of bursaries and grants, and for the purchase of equipment and facilities for the use of its pupils.

Governance

The Foundation is registered with the Charity Commission and was incorporated on 28 February 2007 as a registered company, Limited by Guarantee, not having a share capital.

TRUSTEES' REPORT (cont'd)

The Governing Body

The Trustees who served during the year, and up to the date of signing the Financial Statements, are listed below. The Trustees of the Foundation are directors of the Foundation for Companies Act 2006 purposes.

Mr Christopher Jackson MA (Hons), OBE, SBS, (Chair)

Mr David Brown MA, OBE

Mr Max Constantini

Mr Alan Durant BSc (Econ)

Mrs Ann Gummer BSc (Hons)

Mr Philip Lemanski MA (Oxon), FCA

Mr Tim Lewis MA (Cantab), FCA

Mr Chris Seaton BSc (Hons)

Mr Alastair Tighe MA (Cantab)

The Foundation's Executive Board comprises the Chair of the Foundation, an elected School Governor, the Head Master of the School and an elected Foundation Trustee. These four "member" Trustees are joined by the other Trustees in the running of the Foundation and in all appropriate Board meeting decisions but only the member Trustees have the power to vote at the Annual General Meeting ("AGM"). The member Trustees are Mr Christopher Jackson (Chair); Mr Alastair Tighe; Mr Tim Lewis; and, Mr David Brown. A maximum of 25 Trustees may be appointed to the Board.

Recruiting and Training of Governors

The Trustees are appointed at a meeting of the Board on the basis of nominations agreed between the Chair, the Head Master of the School and the Head of the Foundation, having regard to the Board's requirements concerning eligibility, personal competence, specialist skills and availability for meetings. New Trustees are inducted into the working of the Foundation, including its aims and objectives, by the Chair and the Head of the Foundation. A document outlining the responsibilities and expectations of the Trustees is provided to all prospective Trustees.

Charity Governance Code

All Trustees of the Foundation:

- are committed to the Foundation's cause and have joined its Board because they want to help it to deliver its purposes most effectively for public benefit;
- recognise that meeting the Foundation's stated public benefit is an ongoing requirement;
- understand their roles and legal responsibilities, are committed to good governance, and have read and understood:
 - The Charity Commission's guidance The Essential Trustee (CC3);
 - The Foundation's Governing document.

The Trustees are familiar with and acknowledge the updated version of the Charity Governance Code published in July 2017, and the Code's principles are reviewed at the Foundation's AGMs.

TRUSTEES' REPORT (cont'd)

Fundraising Disclosures

As required under S162A of the Charities Act 2011, the Foundation has continued to undertake fundraising activities during the year using its database, as in previous years. These fundraising activities have been undertaken by staff employed by the School and no external persons have been used. The Foundation has voluntarily subscribed to the Fundraising Regulator which holds the Foundation to the Code of Fundraising. Over the course of the financial year there have been no failures to comply with the Code, nor have any complaints been received.

Safeguarding Policy

In order to protect vulnerable people the Foundation complies with the School's Safeguarding Policy to report concerns of abuse.

Indemnity Insurance

As permitted by the Articles of Association, the Trustees are the beneficiaries of a qualifying third party indemnity as defined by Section 234 of the Companies Act 2006. The School also purchased and maintained throughout the financial year Governors' and Officers' liability insurance in respect of itself, its Governors and the Trustees of the Foundation.

The cost of insurance which is included in the cost of public liability cover in the Consolidated Financial Statements of the School, amounted to £10,658 (2022: £9,139) in the year for the School and Foundation.

Statement of Going Concern

In their consideration of the presumption of going concern as the basis for the preparation of the Report and Financial Statements, the Trustees have concluded that no material uncertainties have been identified that may cast significant doubt on the ability of the Foundation to continue as a going concern.

The Trustees therefore have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis continues to be adopted in preparing the Financial Statements.

Organisational Management

The Foundation's fundraising and related activities are carried out by staff of the School's development office, managed in the year by the Head of Wells Cathedral School Foundation ("the Head of the Foundation"), and supported by the School's Development Committee. An allocation of the Development Office's operating costs, including School staff costs and other direct costs associated with the Foundation, which are borne by the School, has been made to the Foundation based on time actually spent by the Development Office's staff on the Foundation's affairs. These operating expenses from the School of £43,634 (2022: £45,582) are reflected in the Statement of Financial Activities in operating expenses and income from the School of £43,634 (2022: £45,582) recognised as "Gift in kind – School" in *Income from Charitable Activities*.

The Foundation's committee and their Chairs are as follows:

Bursaries Committee	Mr Max Constantini
Investment Committee	Mr Tim Lewis
Wells Music Society of Hong Kong	Mr Bryan Carter

The Chair and members of the Board meet with the Head of the Foundation as necessary between Board meetings.

TRUSTEES' REPORT (cont'd)

The Head of the Foundation is responsible for maintaining the operational processes required to run the Foundation, and for providing professional advice in fundraising, communications and alumni relations. The Head of Foundation is assisted by a part-time administrative assistant and various other events and marketing personnel as required. Staff pay is set by the School. Benchmarking with comparable salaries is achieved through visiting websites such as Pay Scale and the Independent Schools' Bursars Association ("ISBA").

STRATEGIC REPORT

Review of Developments, Activities and Achievements

There are currently nine Foundation Trustees in place to help deliver the Foundation's aims, meeting up to four times a year and combining the Annual General Meeting with the November meeting.

There is also a cohort of Foundation Fellows, many of whom play an active role in helping to deliver the strategic aims of the Foundation and the School.

During the year the Foundation's Annual Fund: Wellbeing was launched to develop the wellbeing areas of the School and the pupil led provision available. The Bursaries Appeal continued to work to support the School's ability to provide financial assistance to certain pupils. In this financial year there were donations to the Foundation for general bursaries of £21,005 (2022: £7,528) and no firm pledges (2022: Nil) were received.

Immediate and Future Plans

With a new Director of Development in post from September 2023, the focus is on producing a new fundraising strategy to implement from 2024. A key strategic objective is to deliver an integrated campaign to generate income for more means-tested bursaries through a broad portfolio of activity, including individual giving and legacies.

FINANCIAL REVIEW

During the year, the Foundation received £156,225 (2022: £87,915) in financial contributions in the form of donations and legacies, which is an increase of 78% (2022: a decrease of 56%) in incoming resources.

The Foundation's net movement in funds during the year was a surplus of £118,353 (2022: a deficit of £100,286).

Investment Policy, Powers and Performances

In accordance with the Trust Deed, Trustees of the Foundation may authorise the funds of the Foundation to be invested in any stocks, shares or insurance policies. Endowment Funds are defined as donations made to the School in perpetuity, the income from which is to be used for the benefit of future pupils. The investment objective is to outperform the MSCI Wealth Management Association Growth Index return.

The objective of the portfolio is to grow the capital over time, such that, in the future, the portfolio is of sufficient size to meaningfully contribute towards the advancement of education. The portfolio achieved a positive return of 1.4% over the twelve months to the end of August, compared to a negative return of 8.3% in the prior year. The current year outcome reflected a continued challenging market place which has in particular impacted portfolios with a growth bias. Over the same timeframe the MSCI WMA Growth Index increased by 3.4% compared to a decline of 1.4% in the prior year. Whilst lagging slightly behind the target, the portfolio's performance, net of costs, has held up much better than similar charity portfolios.

TRUSTEES' REPORT (cont'd)

The Foundation's Endowment Funds have been entrusted to Evelyn Partners (formerly Smith & Williamson Investment Management) to invest in a portfolio of equities, funds, bonds and cash. The investment is classed as a non-current asset as it will be held for longer than 12 months. The investment objectives and risk parameters are reviewed every year by the Foundation's Investment Committee.

Any gains and losses on sale or revaluation of investments are recorded within the Statement of Financial Activities.

The Foundation adopts the "Total Return" approach to investments which are considered to be permanent endowments under which, once the value of the permanent endowments reaches a sufficient amount, the total returns earned on the investments will be available to be used to award bursaries to pupils of the School, consistent with the Foundation's objectives.

Political and Charitable Contributions

The Foundation made no political or charitable contributions during the year under review (2022: £nil) other than donations to the School of £53,393 (2022: £81,520), as disclosed in its Statement of Financial Activities. The Foundation's grant making policy is to make donations only to the School.

Reserves Policy

The Foundation had unrestricted general funds of £177,249 (2022: £171,653) at the year end. The policy of the Trustees is to use available unrestricted general funds for bursaries, other financial assistance for pupils and the general expenses of the Foundation. At the year end, it had restricted funds of £455,894 (2022: £358,619) and endowment funds of £1,002,499 (2022: £987,017), giving a total of £1,635,642 (2022: £1,517,289).

Risk Management

The Trustees have considered the principal areas of the Foundation's operations and assessed the major risks faced in each of these areas. They have identified the following risks and controls:

- Failure to attract appropriate Trustees with expertise to provide strong, wise leadership – this is regularly reviewed by the Trustees;
- Change in management of the Foundation – continually reviewed by the Head Master and the Foundation Chair;
- Reputational damage caused by inappropriate activity, or failure to secure necessary funds – constant professional vigilance and early consideration of possible issues by the Trustees;
- Loss or misuse of funds provided to the Foundation – to ensure segregation of duties, the bank mandate requires two signatories on payments. Two staff members also monitor the banking process together with full documentation of allocation of all receipts and ensure all transactions are fully documented and appropriately authorised; and,
- Change in fundraising ability due to the impact of COVID – professional vigilance and ongoing discussions with the Head of Foundation and the Trustees.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' report and the Financial Statements in accordance with the going concern basis under the historic cost convention, with the exception of listed investments which are held at fair value, 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 (FRS 102) 'Accounting and Reporting by Charities' ("the Charities SORP"), the Charities Act 2011 and the Companies Act 2006.

TRUSTEES' REPORT (cont'd)

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 they give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources, including the income and expenditure, of the Foundation for the year. In preparing these Financial Statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles set out in the Charities SORP;
- Make judgements 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 Foundation will continue in operation.

The Trustees are responsible for ensuring that adequate accounting records are kept by the Foundation that are sufficient to show and explain the Foundation's transactions, disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the Financial Statements comply with the Companies Act 2006 and the provisions of the Foundation's constitution. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement on Disclosure of Information to the Auditor

So far as each Trustee is aware, there is no relevant audit information of which the Foundation's auditor is unaware. 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 auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the page of the School's website dealing with the Foundation. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Independent Auditor

Crowe U.K. LLP have indicated their willingness to accept reappointment as the Foundation's auditors and a resolution for their reappointment will be proposed at the Annual General Meeting.

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

Approved by the Trustees on 11 December 2023 and signed on their behalf:

Mr Christopher Jackson
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WELLS CATHEDRAL SCHOOL FOUNDATION

Opinion

We have audited the financial statements of The Wells Cathedral School Foundation (“the charitable company”) for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the 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 2023 and of the 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 the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WELLS CATHEDRAL SCHOOL FOUNDATION

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 and the strategic 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 strategic report and the directors' report included within the Trustees' report have 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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 and proper 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 on page 6, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WELLS CATHEDRAL SCHOOL FOUNDATION

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out 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 charity 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, Charities Act 2011, together with 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 charity'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 Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Investment Committee about their own identification and assessment of the risks of irregularities, sample 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WELLS CATHEDRAL SCHOOL FOUNDATION

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: 20 December 2023

THE WELLS CATHEDRAL SCHOOL FOUNDATION (Limited by Guarantee)
 REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
 YEAR ENDED 31 AUGUST 2023

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an Income and Expenditure Account)

	<i>Note</i>	Endowment funds £	Restricted funds £	Unrestricted funds £	Total 2023 £	Total 2022 £
INCOME FROM:						
Donations & Legacies	3	-	152,435	3,790	156,225	87,915
Investment income	8, 9, 10	20,749	3,188	4,181	28,118	24,269
Gifts in kind - School	11	-	-	43,634	43,634	45,582
Total Income		20,749	155,623	51,605	227,977	157,766
EXPENDITURE ON:						
Charitable activities – donations to School	9	-	(53,393)	-	(53,393)	(81,520)
Raising funds – operating costs	11	(7,143)	-	(43,634)	(50,777)	(45,582)
Other expenditure	4	-	(1,503)	(2,240)	(3,743)	(2,117)
Total expenditure		(7,143)	(54,896)	(45,874)	(107,913)	(129,219)
(Loss)/gain on investments	8, 9	(1,945)	234	-	(1,711)	(128,833)
Net (expenditure)/ income		11,661	100,961	5,731	118,353	(100,286)
Transfers between funds		3,821	(3,686)	(135)	-	-
Net movement in funds		15,482	97,275	5,596	118,353	(100,286)
Fund balances brought forward at 1 September 2022		987,017	358,619	171,653	1,517,289	1,617,575
Fund balances carried forward at 31 August 2023	13	1,002,499	455,894	177,249	1,635,642	1,517,289

The Statement of Financial Activities includes all gains and losses in the year. Full comparative figures for the year ended 31 August 2022 are shown in Note 16.

The notes on pages 14 to 24 form part of these financial statements.

THE WELLS CATHEDRAL SCHOOL FOUNDATION (Limited by Guarantee)
 REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
 YEAR ENDED 31 AUGUST 2023

BALANCE SHEET
AS AT 31 AUGUST 2023

	<i>Note</i>	2023	2022
		£'000	£'000
Fixed assets			
Investments	5	1,161,052	1,145,970
Current assets			
Debtors	6	1,156	16,414
Cash at bank and in hand		485,923	355,205
Total current assets		487,079	371,619
Creditors: Amounts falling due within one year	7	(12,489)	(300)
Net current assets		474,590	371,319
Total assets less current liabilities		1,635,642	1,517,289
Creditors: Amounts falling due after more than one year		-	-
Net assets		1,635,642	1,517,289
The funds of the charity			
Endowment funds	8	1,002,499	987,017
Restricted funds	9	455,894	358,619
Unrestricted funds	10	177,249	171,653
Total charity funds		1,635,642	1,517,289

The financial statements have been prepared in accordance with the Small Companies' Regime of the Companies Act 2006.

These financial statements were approved by the Trustees on 11 December 2023, and were signed on their behalf by:

Mr Christopher Jackson
 Chair of Trustees

Mr Tim Lewis
 Trustee

Company Registration No.: 02804495

The notes on pages 14 to 24 form part of these accounts.

NOTES TO THE ACCOUNTS

1. Company status

The Foundation is a charitable company, registered in England and Wales (Company Number: 02804495) limited by guarantee, and not having a share capital. The member Trustees undertake to contribute to the assets of the Foundation in the event of it being wound up, either whilst members or within one year of their membership ceasing. The maximum contribution required from each member would be £1.

The Foundation is also a charity registered in England and Wales (Charity Number: 1118159).

The Foundation's registered and principal address is The Bursary, College Road, Wells, Somerset, BA5 2SX.

2. Accounting policies

The following accounting policies have been applied consistently throughout the year in dealing with items which are considered material in relation to the Foundation's financial statements. There have been no material changes to accounting policies since the prior year.

The financial statements have been prepared on the going concern basis under the historic cost convention with the exception of listed investments which are held at fair value, 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 'Accounting and Reporting by Charities' ('the Charities SORP'), the Charities Act 2011 and the Companies Act 2006.

The Foundation has taken advantage of the exemption from the requirement to prepare a cash flow statement in accordance with section 1.12 of FRS102.

The Foundation is a public benefit entity and its functional and presentational currency is the pound sterling.

The principal accounting policies adopted in the preparation of the financial statements are as follows:

i) Going concern

The accounts have been prepared on the going concern basis as the Trustees consider this to be appropriate.

The Trustees have a reasonable expectation that the Foundation has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the Foundation's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

NOTES TO THE ACCOUNTS (cont'd)

2. Accounting policies (cont'd)

ii) Income

Income in furtherance of the Foundation's activities is represented by:

- Donations, which comprise primarily donations and charitable gifts from individuals, grant giving trusts and foundations, are accounted for on an accruals basis. Such income is recognised when there is a legally binding commitment to the Foundation for the transfer of funds. Donations of assets are brought into the balance sheet and statement of financial activities at market value, at the date of acquisition. Gift aid on donations is subsequently applied for where applicable;
- Legacies, which are accounted for at the earliest of the receipt of estate accounts or cash received. An assessment is performed post year end of up to two months on legacies not yet received. Any legacies received are considered, their value reliably measured and then accounted for appropriately;
- Income from investments, which represents the interest and dividends earned during the year from bonds, deposits, and the endowment funds and any realised gains on their disposal. Income is accounted for on an accruals basis; and,
- Gifts in kind, which are recorded in income to reflect the value of the Foundation's operating costs that are borne by the School, which include the employees of the Foundation.

iii) Accrued Income

When, as a result of performing a service or otherwise meeting the requirements of any arrangements with a third party, income falls due but has not been invoiced at the year end, an accrual is made for this income.

iv) Expenditure

All expenditure is included in the statement of financial activities on an accruals basis. Costs directly attributable to a specific expense heading are allocated to that heading.

Expenditure is recognised when a liability is incurred and in the following categories:

- The costs of charitable activities which consist of charitable donations to the School; and,
- Operating costs, which are the allocated operating costs of the School's development office and the direct costs associated with the Foundation which are borne by the School.

v) Investments

In accordance with the Trust Deed, the Trustees of the Foundation may authorise its funds to be invested in any stocks, shares, or insurance policies. The Trustees' aim is to generate long-term total return from endowment funds invested, combining both capital growth and income, and to invest other funds received in bank deposits and bonds at attractive rates of interest. The basis for determining fair value is the quoted market price in an active market.

Any gains and losses on sale or revaluation of investments are recorded within the statement of financial activities.

NOTES TO THE ACCOUNTS (cont'd)

2. Accounting policies (cont'd)

v) Investments (cont'd)

The Foundation has adopted the "Total Return" approach to investments which are considered to be permanent endowments under which, once the value of the permanent endowments reaches a sufficient amount, the total returns earned on the investments will be available to be used to award bursaries to pupils at the School.

vi) Cash and cash equivalents

Cash is represented by cash in hand.

vii) Creditors

Creditors and provisions are recognised where the Foundation has a present obligation resulting from a past event that will probably result in the transfer of funds, and the amount due to settle the obligation can be measured or estimated reliably.

viii) Endowment funds (restricted)

Endowment funds are defined as donations made to the School in perpetuity, and the total returns approach is applied such that the income from them is to be used for the benefit of future pupils.

ix) Restricted funds

These funds have been donated for specific purposes, such as bursaries or projects.

x) Unrestricted funds

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the Foundation. In addition to expenditure on the principal activities of the Foundation, such funds may be held in order to finance working capital.

xi) Financial instruments

The Foundation has financial assets and financial liabilities of a kind that qualify as basic financial instruments. These are initially recognised at transaction value and subsequently measured at their amortised cost or fair value depending on the nature of the financial instrument.

xii) Critical Accounting Judgements and Estimation of Uncertainty

Estimates and judgements are continually made and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

- **Critical judgements**

The Trustees do not believe that any critical judgements have been made in preparing the financial statements.

The accruals and prepayments are calculated based on firm or historical evidence, except pledges which are included based on a firm judgement by the Foundation.

- **Estimates and assumptions**

The estimates and assumptions made by the Foundation consist mainly of an allocation of the School's development office's operating costs associated with the Foundation based on the knowledge of key management personnel.

NOTES TO THE ACCOUNTS (cont'd)

3. Donations and Legacies

	2023	2022
	£	£
Trusts	23,500	21,946
Legacies	16,150	3,000
Corporate	288	-
Individuals	116,287	62,969
	156,225	87,915

4. Expenditure

	2023	2022
	£	£
Auditor's remuneration	-	-
Professional fees	3,233	1,575
Irrecoverable VAT	346	315
Bank charges	164	227
	3,743	2,117

Auditor's remuneration is borne by the School.

5. Investments

	2023	2022
	£	£
Investments at valuation		
At 1 September 2022	1,145,970	1,247,012
Additions	437,958	336,051
Disposals proceeds	(367,374)	(308,260)
Loss on investment portfolio	(26,641)	(128,833)
Cash management movement	(53,791)	-
Gain on cash management	24,930	-
	1,161,052	1,145,970
These balances can be further analysed as:		
Cash held	28,012	56,701
Investments	1,133,040	1,089,269
	1,161,052	1,145,970

The investments are represented by the following funds:

Endowed funds £1,002,500 (2022: £987,017)
 Restricted funds £158,552 (2022: £158,953)

NOTES TO THE ACCOUNTS (cont'd)

5. Investments (cont'd)

The investments consist of a portfolio of equities, funds, bonds and cash managed by Evelyn Partners (formerly Smith & Williamson Investment Management), the majority of which comprise UK assets. They are categorised as non-current assets as they are held for longer than 12 months.

The objective of the portfolio is to grow the capital over time, such that, in the future, the portfolio is of sufficient size to meaningfully contribute towards the advancement of education. However, the portfolio achieved a positive return of 1.4% over the twelve months to the end of August, compared to a negative return of 8.3% in the prior year. The current year outcome reflecting a continued challenging market place which have in particular impacted portfolios with a growth bias. Over the same timeframe the MWCI WMA Growth Index increased by 3.4% compared to a decline of 1.4% in the prior year. Whilst lagging slightly behind the target, the portfolio's performance, net of costs, has held up much better than similar charity portfolios.

6. Debtors

	2023	2022
	£	£
Accrued income	1,156	16,414
	1,156	16,414

7. Creditors: amounts falling due within one year

	2023	2022
	£	£
Accruals	3,609	300
Amounts owed to ultimate holding company	8,880	-
	12,489	300

8. Endowment funds

	2023	2022
	£	£
At 1 September 2022	987,017	1,070,288
Donations received	-	7,843
Income from investments	20,749	20,971
Operating costs	(7,143)	-
Unrealised losses on investments	(1,945)	(112,085)
Transfers to restricted funds	3,821	-
At 31 August 2023	1,002,499	987,017

NOTES TO THE ACCOUNTS (cont'd)

8. Endowment funds (cont'd)

The endowment fund represents part of the investment portfolio held by Evelyn Partners. The endowment funds are defined as donations for bursaries made to the School in perpetuity, the income from which is to be used as bursaries for the benefit of future pupils.

9. Restricted Funds

	Balance at 1 Sep 22 £	Incoming £	Outgoing £	Transfer £	Balance at 31 Aug 23 £
Legacies	10,000	16,150	-	-	26,150
Cedars Hall Project	1,113	900	-	-	2,013
Bursaries – General	77,676	21,005	(21,775)	-	76,906
Wells Music Society Hong Kong	5,506	-	(1,503)	-	4,003
Bursaries – Music Travel	4,607	768	-	-	5,375
Bursaries – Sport Travel	2,927	-	-	-	2,927
Bursaries – Music	3,091	500	-	-	3,591
Archive	1,200	-	(1,335)	135	-
Roland Jacob Award	100	-	(50)	-	50
Junior Instruments	5	-	-	-	5
Sierra Leone	4,584	877	(1,750)	-	3,711
String Department	16,651	6,000	(2,506)	-	20,145
Woodwind Department	2,229	100	-	-	2,329
Music Department	7,330	-	(4,091)	-	3,239
David Nasmyth	1,000	-	-	-	1,000
St Brandon's Fund *	51,037	1,064	(1,500)	(1,820)	48,781
Quilter Family Bursary Fund	2,241	540	-	-	2,781
Choralia tour	3,398	-	(2,250)	-	1,148
Russell Fox Heath Trust *	107,677	2,289	(2,520)	(2,001)	105,445
Alan Powell Fund	10,687	-	(2,742)	-	7,945
Charitable Volunteering Fund	21,210	-	-	-	21,210
Bow Fund	1,500	-	(1,500)	-	-
Drama Fund	158	1,400	(1,400)	-	158
Sport	7,518	1,063	(144)	-	8,437
Football Equipment	12	-	-	-	12
Music Anxiety Fund	5,400	-	(950)	-	4,450
Ukraine Disaster Relief Fund	23	500	-	-	523
Well Being Fund	1,600	1,196	-	-	2,796
Sixth Form Centre Fund	7,100	-	-	-	7,100
Hockey Department	144	-	-	-	144
Brass Department	895	-	-	-	895
Art Department	-	100,000	(8,880)	-	91,120
Turkey Earthquake Fund	-	1,505	-	-	1,505
	358,619	155,857	(54,896)	(3,686)	455,894

NOTES TO THE ACCOUNTS (cont'd)

9. Restricted Funds (cont'd)

Comparative Statement of Restricted Funds for the year ended 31 August 2022:

	Balance at 1 Sep 21	Incoming	Outgoing	Transfer	Balance at 31 Aug 22
	£	£	£	£	£
Legacies	10,000	-	-	-	10,000
Cedars Hall Project	1	2,023	(911)	-	1,113
Bursaries – General	82,492	7,528	(12,342)	-	77,678
Wells Music Society Hong Kong	1,474	12,171	(8,139)	-	5,506
Bursaries – Sierra Leone	1,291	-	-	(1,291)	-
Bursaries – Music Travel	3,900	957	(250)	-	4,607
Bursaries – Sport Travel	2,927	-	-	-	2,927
Bursaries – Charitable aid	567	-	-	(567)	-
Bursaries – Music	2,591	500	-	-	3,091
Archive	1,200	-	-	-	1,200
Roland Jacob Award	100	-	-	-	100
Junior Instruments	167	-	(162)	-	5
Trophy Cabinet	538	-	(538)	-	-
Sierra Leone	3,607	2,414	(3,295)	1,858	4,584
String Department	13,132	5,275	(1,756)	-	16,651
Woodwind Department	1,529	700	-	-	2,229
Music Department	7,430	-	(100)	-	7,330
David Nasmyth	1,000	-	-	-	1,000
St Brandon's Fund *	57,176	514	(6,653)	-	51,037
Quilter Family Bursary Fund	1,988	603	(350)	-	2,241
Choralia tour	3,398	-	-	-	3,398
Russell Fox Heath Trust *	119,398	1,864	(13,585)	-	107,677
Alan Powell Fund	12,798	-	(2,111)	-	10,687
Charitable Volunteering Fund	21,210	-	-	-	21,210
Bow Fund	1,500	-	-	-	1,500
Drama Fund	158	-	-	-	158
Sport	42,333	7,942	(42,759)	-	7,516
Football Equipment	584	-	(572)	-	12
Music Anxiety Fund	-	6,250	(850)	-	5,400
Ukraine Disaster Relief Fund	-	3,668	(3,645)	-	23
Well Being Fund	-	1,600	-	-	1,600
Chorister Fund	-	250	(250)	-	-
Sixth Form Centre Fund	-	7,100	-	-	7,100
Hockey Department	-	144	-	-	144
Brass Department	-	895	-	-	895
	394,489	62,398	(98,268)	-	358,619

* Most of the Russell Fox Heath Trust and the St Brandon's Fund restricted funds are held within the Evelyn Partners investment portfolio. Income generated by the portfolio has been allocated to these funds in proportion to their capital value. During the year, the restricted funds earned income of £3,188 (2022: £3,314) and benefited from a gain on revaluation of investments of £165 (2022: a loss of £16,748).

NOTES TO THE ACCOUNTS (cont'd)

9. Restricted Funds (cont'd)

The Russell Fox Heath Trust provides funds for those undertaking outdoor expeditions both within and outside of School. The Outdoor Education Department applies to the Trustees of the fund for funds, as do pupils of the School for their individual expeditions.

The Art Department Fund is to facilitate upgrading the Art Department facilities.

The St Brandon's Fund makes awards to former pupils of the St Brandon's School in Weston-Super-Mare and their relatives who attend Wells Cathedral School. Awards are made at the discretion of the School Bursar.

General Bursaries are awards made to support pupils, in conjunction with the School and other external trusts, to attend Wells Cathedral School.

10. Unrestricted Funds

	Balance at 1 Sep 22 £	Interest £	Incoming £	Outgoing £	Balance at 31 Aug 23 £
General Funds	171,653	4,181	42,018	(40,603)	177,249

Unrestricted funds comprise gifts or donations made to the Foundation that are not committed to any project being undertaken by the Foundation. The Trustees determine how such funds shall be used.

Comparative Statement of Unrestricted Funds for the year ended 31 August 2022

	Balance at 1 Sep 21 £	Interest £	Incoming £	Outgoing £	Balance at 31 Aug 22 £
General Funds	152,798	164	20,808	(2,117)	171,653

11. Remuneration of the Trustees

The Foundation had no employees in either this or the preceding financial year and therefore no employee earned more than £60,000 in the current or previous year. The Trustees did not receive any emoluments, benefits or reimbursement of expenses during the year (2022: Nil). The staff were paid £36,893 (2022: £29,893) which is incorporated in the operating expenses and gifts in kind from the School of £43,634 (2022: £45,582). The difference of £6,741 (2022: £15,689) comprises expenses borne by the Foundation for office administration, travel and events of the Foundation.

NOTES TO THE ACCOUNTS (cont'd)

12. Financial Instruments

The Foundation has the following financial instruments:

Financial assets that are measured at amortised cost	2023	2022
	£	£
Debtors	1,156	16,414

Financial assets that are measured at fair value	2023	2022
	£	£
Investments	1,161,052	1,145,970

Financial liabilities that are measured at amortised cost	2023	2022
	£	£
Accruals	12,489	300

13. Allocation of Net Assets

The net assets are held for the various funds as follows:

	Fixed assets	Net current assets	Total
	£	£	2023
			£
Endowment Funds	1,002,500	(6,672)	995,828
Restricted Funds	158,552	304,013	462,565
Unrestricted Funds	-	177,249	177,249
	1,161,052	474,590	1,635,642

Comparative Allocation of Net Assets for the year ended 31 August 2022:

	Fixed assets	Net current assets	Total
	£	£	2023
			£
Endowment Funds	987,017	-	987,017
Restricted Funds	158,953	199,666	358,619
Unrestricted Funds	-	171,653	171,653
	1,145,970	371,319	1,517,289

NOTES TO THE ACCOUNTS (cont'd)

14. Connected Parties

Wells Cathedral School, Limited ("the School") is a connected charity and parent within the terms of the SORP in that it has common, parallel or related objects and activities and unity of administration.

The School funded the initial set up costs of the Foundation and will fund certain ongoing costs of operation of the Foundation as agreed in the 'memorandum of understanding' between the School and the Foundation. In 2023, the Foundation's operating costs of £43,634 (2022: £45,582) were recharged to the School.

There were transactions with the School of £53,393 (2022: £81,250) during the year representing donations for bursaries and specific projects, and a total of £Nil (2022: £12,429) pledges were due to the Foundation at the year end.

During the year, no Trustee (2022: Nil) donated to the Foundation.

The results of the Foundation have been consolidated with those of the School. A copy of the Financial Statements for the year ended 31 August 2023 are available from the Company Secretary of the School at the registered address.

15. Taxation

The Foundation is not liable to taxation on the revenue from its primary activities or on its investment income as it is a registered charity.

NOTES TO THE ACCOUNTS (cont'd)

16. Comparative Statement of Financial Activities for the year ended 31 August 2022

Comparative results for the year ended 31 August 2022:

	Endowment funds £	Restricted funds £	Unrestricted funds £	Total 2022 £
Income from:				
Donations and Legacies	7,843	59,264	20,808	87,915
Income from investments	20,971	3,134	164	24,269
Gifts in kind – School	-	-	45,582	45,582
Total Income	28,814	62,398	66,554	157,766
Expenditure on:				
Charitable activities – donations to School	-	(81,520)	-	(81,520)
Raising funds – operating costs	-	-	(45,582)	(45,582)
Other expenditure	-	-	(2,117)	(2,117)
Total Expenditure	-	(81,520)	(47,699)	(129,219)
Net (losses) / gains on investments	(112,085)	(16,748)	-	(128,833)
Net (expenditure) / income and net movement in funds	(83,271)	(35,870)	18,855	(100,286)
Fund balance brought forward at 1 September	1,070,288	394,489	152,798	1,617,575
Fund balances carried forward at 31 August	987,017	358,619	171,653	1,517,289

THE WELLS CATHEDRAL SCHOOL FOUNDATION

England & Wales - Charity number 1118159

Accounts

**Wells Cathedral School Foundation
(Limited by Guarantee)**

Report of the Trustees and Financial Statements

Registered Company number 02804495

Registered Charity number 1118159

Year ended 31 August 2022

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TRUSTEES' REPORT

The Trustees of Wells Cathedral School Foundation Limited ("the Foundation") present their annual report for the year ended 31 August 2022 under the Charities Act 2011, together with the audited Financial Statements for the year and confirm that they comply with the requirements of the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities' Statement of Recommended Practice (FRS 102) ("the charities SORP"). These Financial Statements form part of the audited consolidated Financial Statements of Wells Cathedral School Limited ("the School") for the year ended 31 August 2022.

The Foundation is registered with the Charity Commission and was incorporated on 28 February 2007 as a registered Company, Limited by Guarantee, not having share capital. It is governed by its Memorandum and Articles of Association. The Foundation is a company registered in England and Wales.

The Governing Body

The following served as Trustees in the year under review and up to the date of signing the Financial Statements. The Trustees of the Foundation are Directors of the Foundation for Companies Act 2006 purposes:

Mr David Brown MA, OBE
Mr Max Constantini
Mr Alan Durant BSc (Econ)
Mrs Ann Gummer BSc (Hons)
Mr Christopher Jackson MA (Hons), OBE, SBS, Chairman
Mr Philip Lemanski MA (Oxon), FCA
Mr Tim Lewis MA (Cantab), FCA
Mr Chris Seaton BSc (Hons)
Mr Alastair Tighe MA (Cantab)

The Foundation's Executive Board comprises the Chairman of the Foundation, an elected School Governor, the Head Master of the School and an elected Foundation Trustee. These four "member" Trustees are joined by the other Trustees in the running of the Foundation and in all appropriate Board meeting decisions but only the member Trustees have the power to vote at the Annual General Meeting ("AGM"). The member Trustees are Christopher Jackson (chairman), Alastair Tighe, Tim Lewis and David Brown. A maximum of 25 Trustees may be appointed to the Board.

Trustees' report (*continued*)

Legal and Administrative Details

Registered and Principal office Wells Cathedral School Limited

College Road

Wells

Somerset

BA5 2SX

Bankers National Westminster Bank plc

7 High Street

Wells

Somerset

BA5 2AD

Solicitors Harris & Harris

14 Market Place

Wells

Somerset

BA5 2RE

Independent Auditor Crowe U.K. LLP
4th Floor, St James House

St James' Square

Cheltenham

GL50 2PR

Company Secretary Peter Knell (*resigned 12th July 2022*)
Mr Robert McCarthy (*appointed 18th July 2022*)

Wells Cathedral School Limited

College Road

Wells

Somerset

Trustees' report (*continued*)

BA5 2SX

Connected Charity

Wells Cathedral School Limited
College Road
Wells
Somerset
BA5 2SX

Connected charity registration number 310212

Charitable Objectives

The Foundation was created to act as the legal entity for the recording and control of all fundraising activity on behalf of the School.

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The objectives of the Foundation are to advance the education of pupils at the School and to promote any other charitable purpose or charitable organisation that the Trustees shall determine, and in particular to assist in:

- The provision of financial assistance towards the maintenance and development of the School;
- Raising money for awards to pupils to pursue their education at the School, including pupils whose parents or guardians are in need of financial assistance;
- The provision of facilities and equipment to support the education of pupils in the School; and
- The organisation of events to promote the good name of the School and further its educational objectives, including orchestral and choral concerts in the UK and overseas.

Charitable Benefit

Trustees' report (*continued*)

The Foundation's charitable benefit is to raise income for the School and the parents of its pupils in the form of bursaries and grants, and for the purchase of equipment and facilities for the use of its pupils.

Organisational Structure

The Foundation's fundraising and related activities are carried out by staff of the School's development office, managed by the Head of Wells Cathedral School Foundation ("the Head of the Foundation"), Rebecca Roberts, and supported by the School's Development committee. An allocation of the development office's operating costs, including School staff costs and other direct costs associated with the Foundation, which are borne by the School, has been made to the Foundation based on time actually spent by the office's staff on the Foundation's affairs. These operating expenses from the School of £45,582 (2021: £44,634) are reflected in the Statement of Financial Activities in operating expenses and income from the School of £45,582 (2021: £44,634) recognised as "Gift in kind - School" in *Income from Charitable Activities*.

The Foundation's committees and their Chairmen are as follows:

Bursaries committee	Mr Max Constantini
Investment committee	Mr Tim Lewis
Wells Music Society of Hong Kong	Mr Bryan Carter

The chairman and members of the Board meet with the Head of the Foundation as necessary between Board meetings.

The Head of the Foundation is responsible for maintaining the operational processes required to run the Foundation, and for providing professional advice in fundraising, communications and alumni relations. The Head of the Foundation is assisted by a part time administrative assistant and various other events and marketing personnel as required. Staff pay is set by the School. Benchmarking with comparable salaries is achieved through visiting websites such as Pay Scale and ISBA.

Recruiting and Training of Trustees

The Trustees are appointed at a meeting of the Board on the basis of nominations agreed between the chairman, the Head Master of the School and Head of the Foundation, having regard to the Board's requirements concerning eligibility, personal competence, specialist skills and availability for meetings. New Trustees are inducted into the working of the Foundation, including its aims and objectives, by the Chairman and the Head of the Foundation. A document outlining the responsibilities and expectations of the Trustees is provided to all prospective Trustees.

Charity Governance Code

All Trustees of the Foundation:

- 1) Are committed to the Foundation's cause and have joined its Board because they want to help it deliver its purposes most effectively for public benefit;
- 2) Recognise that meeting the Foundation's stated public benefit is an ongoing requirement;

Trustees' report (*continued*)

3) Understand their roles and legal responsibilities, and have read and understood:

- The Charity Commission's guidance *The Essential Trustee (CC3)*;
- The Foundation's governing document;
- Are committed to good governance and want to contribute to the Foundation's continued improvement.

The Trustees are familiar with and acknowledge the updated version of the Charity Governance Code published in July 2017 and the Code's principles are reviewed at the Foundation's AGMs.

Fundraising Disclosures

As required under S162A of the Charities Act 2011, the Foundation has continued to undertake fundraising activities during the year using its database, as in previous years. These fundraising activities have been undertaken by staff employed by the School and no external persons have been used. The Foundation has voluntarily subscribed to the Fundraising Regulator which holds the Foundation to the Code of Fundraising. Over the course of the financial year there have been no failures to comply with the Code, nor have any complaints been received.

Safeguarding Policy

In order to protect vulnerable people the Foundation complies with the School's Safeguarding Policy to report concerns of abuse, all members of staff receive regular training, and safeguarding is an agenda item at all Trustee meetings. This allows Trustees and staff members to raise and be aware of any concerns.

Indemnity Insurance

As permitted by the Articles of Association of the School, the Trustees are the beneficiaries of a qualifying third party indemnity as defined by section 234 of the Companies Act 2006. The School also purchased and maintained throughout the financial year Governors' and officers' liability insurance in respect of itself, its Governors and the Trustees of the Foundation.

The cost of insurance, which is included in the cost of public liability cover in the Consolidated Financial Statements of the School, amounted to £ 9,139 (2021: £7,846) in the year for the School and Foundation.

Statement of Going Concern

In their consideration of the presumption of going concern as the basis for the preparation of the report and Financial Statements, the Trustees have concluded that no material uncertainties have been identified that may cast significant doubt on the ability of the Foundation to continue as a going concern. The Trustees and Head Master have considered that there may be an ongoing change in fundraising ability over the coming year due to the impact of covid but this will be monitored through professional vigilance and ongoing discussions between the Head Master, the Head of Foundation and the Trustees.

Trustees' report (*continued*)

The Trustees therefore have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis continues to be adopted in preparing the Financial Statements.

STRATEGIC REPORT

Review of Developments, Activities and Achievements

There are currently nine Foundation Trustees in place to help deliver the Foundation's aims, meeting up to four times a year and combining the Annual General Meeting with the November meeting.

There is also a cohort of Foundation Fellows, many of whom play an active role in helping to deliver the strategic aims of the Foundation and School.

During the year the Foundation's Annual Fund: Sport concluded and a new Multi Use Games Area was built and some sports equipment was purchased with the funds raised. An Annual Fund: Wellbeing was launched to develop the wellbeing areas of the School and the pupil led provision available. The bursaries appeal continued to work to support the School's ability to provide financial assistance to certain pupils, in particular in light of the impact of covid and the increased cost of living. In this financial year there were donations to the Foundation for general bursaries of £7,528 (2021: £22,823) and no firm pledges (2021: nil) were received.

The Foundation's fundraising body in Hong Kong is the Wells Music Society of Hong Kong, and the School has a music scholar who has been supported financially by the Society, the Lee Hysan Foundation and the School during the year

Immediate & Future plans

The emphasis this year has been on rounding off the Annual Fund: Sport and the launch of a new Annual Fund: Wellbeing focused on developing the wellbeing areas within the School. Events in the upcoming year will be focused on this area of fundraising. Subject to ongoing discussions there will also be a focus on refreshing and relaunching the Legacy campaign.

FINANCIAL REVIEW

During the year the Foundation received £87,915 (2021: £199,844) in financial contributions in the form of donations and legacies, which is a decrease of 56% (2021: an increase of 1%) in incoming resources.

The Foundation's net movement in funds during the year was a deficit of £100,286 (2021: surplus of £361,944).

Investment Policy, Powers and Performance

In accordance with the Trust Deed, the Trustees may authorise the funds of the Foundation to be invested in any stocks, shares or insurance policies. Endowment funds are defined as donations made to the School in perpetuity, the income from which is to be used for the benefit of future pupils. The investment objective is to outperform the MSCI Wealth Management Association Growth Index return.

The objective of the portfolio is to grow the capital over time, such that, in the future, the portfolio is of sufficient size to meaningfully contribute towards the advancement of education. However, the portfolio suffered a negative return of -8.3% over the 12 months to the end of August, reflecting very challenging market conditions which have in particular impacted portfolios with a growth bias. Over the same timeframe the MSCI WMA Growth Index declined 1.4%. Despite the recent decline, over the longer term, the

Trustees' report (*continued*)

portfolio return remains ahead of the CPI+4% target return notwithstanding current high rates of inflation.

The Foundation's Endowment funds have been entrusted to Smith & Williamson Investment Management to invest in a portfolio of equities, funds, bonds and cash. The investment is classed as a non-current asset as it will be held for longer than 12 months. The investment objectives and risk parameters are reviewed every year by the investment committee.

Any gains and losses on sale or revaluation of investments are recorded within the Statement of Financial Activities.

In 2020/21, the Foundation adopted the "Total Return" approach to investments which are considered to be permanent endowments under which, once the value of the permanent endowments reaches a sufficient amount, the total returns earned on the investments will be available to be used to award bursaries to pupils at the School.

Political and Charitable Contributions

The Foundation made no political or charitable contributions during the year under review other than donations to the School of £81,520 (2021: £98,545), as disclosed in the statement of financial activities. The Foundation's grant making policy is to make donations only to the School.

Reserves Policy

The Foundation had unrestricted general funds of £171,653 (2021: £152,798) at the year end. The policy of the Trustees is to use available unrestricted general funds for bursaries, other financial assistance for pupils and the general expenses of the Foundation. At the year end it had restricted funds of £358,619 (2021: £394,489) and endowment funds of £987,017 (2021: £1,070,288), giving a total of £1,517,289 (2021: £1,617,575).

Risk Management

The Board of Trustees has considered the principal areas of the Foundation's operations and assessed the major risks faced in each of these areas. They have identified the following risks and controls:

- Failure to attract appropriate Trustees with expertise to provide strong, wise leadership – this is regularly reviewed by the Head Master and Trustees;
- Change in management of the Foundation – continually reviewed by the Head Master and Foundation Chairman;
- Reputational damage caused by inappropriate activity, or failure to secure necessary funds – constant professional vigilance and early consideration of possible issues by the Trustees;
- Loss or misuse of funds provided to the Foundation – to ensure segregation of duties, the bank mandate requires two signatories on payments. Two staff members also monitor the banking process together with full documentation of allocation of all receipts and ensure all transactions are fully documented and appropriately authorised; and

Trustees' report (*continued*)

- Change in fundraising ability due to the impact of covid - professional vigilance and ongoing discussions with the Head Master, the Head of Foundation and the Trustees.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' report and the Financial Statements in accordance with applicable law, United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and the Charities SORP.

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 they give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources, including the income and expenditure, of the Foundation for that year. 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 judgements 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 Foundation will continue in operation.

The Trustees are responsible for ensuring adequate accounting records are kept by the School sufficient to show and explain the Foundation's transactions, disclose with reasonable accuracy at any time the financial position of the Foundation and enable the Trustees to ensure that the Financial Statements comply with the Companies Act 2006 and the provisions of the Foundation's constitution. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement on Disclosure of Information to the Auditor

So far as each Trustee is aware, there is no relevant audit information of which the Foundation's auditor is unaware. 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 auditor is aware of the information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the page of the School's website dealing with the Foundation. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Trustees' report (*continued*)

Independent Auditor

Crowe U.K. LLP have indicated their willingness to accept reappointment as the Foundation's Auditors and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

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

Mr Christopher Jackson
Chairman of Trustees

23rd November 22

Year ended 31 August 2022

Independent Auditor's Report to the Members of Wells Cathedral School Foundation

Opinion

We have audited the financial statements of Wells Cathedral School Foundation Limited ('the charitable company') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, School Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including 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 2022 and of its income and expenditure, for the 31 August 2022 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 trustee's 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 year 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 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

Year ended 31 August 2022

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 have 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 their 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 and proper 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, 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.

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

Year ended 31 August 2022

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out 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 charity 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, Charities Act 2011, together with 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 charity'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 Council and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with the completeness and accuracy of non-fee income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, designing audit procedures over non-fee income, 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

Wells Cathedral School Foundation (limited by guarantee)
Report of the Trustees and Financial Statements

Year ended 31 August 2022

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.

Guy Biggin
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
4th Floor, St James House
St James Square
Cheltenham
GL50 3PR

Date 12 December 2022

Statement of Financial Activities (incorporating an income and expenditure account) for the year ended 31 August 2022

		Endowme nt funds £	Restrict ed funds £	Unrestrict ed funds £	Total 2022 £	Total 2021 £
	<i>Note</i>					
Income from:						
Donations & legacies	3	7,843	59,264	20,808	87,915	199,844
Income from investments	8/9/1 0	20,971	3,134	164	24,269	24,590
Gifts in kind – School	11	-	-	45,582	45,582	44,634
		-----	-----	-----	-----	-----

Wells Cathedral School Foundation (limited by guarantee)
Report of the Trustees and Financial Statements

Year ended 31 August 2022

Total income		28,814	62,3 98	66,554	157,766	269,068
<hr/>						
Expenditure on:						
Charitable activities - donations to School	9	-	(81,520)	-	(81,520)	(98,545)
Raising funds - operating costs	11	-	-	(45,582)	(45,582)	(44,634)
Other expenditure	4	-	-	(2,117)	(2,117)	(1,989)
<hr/>						
Total expenditure		-	(81,520)	(47,699)	(129,219)	(145,168)
<hr/>						
Net (losses) /gains on investments	8/9	(112,08 5)	(16,748)	-	(128,83 3)	238,044
Net (expenditure)/income and net movement in funds		(83,271)	(35,870)	18,855	(100,28 6)	361,944
Fund balances brought forward at 1 September		1,070,2 88	394,489	152,798	1,617, 575	1,255,6 31
<hr/>						
Fund balances carried forward at 31 August	13	987,017	358,61 9	171,6 53	1,517,2 89	1,617,5 75
<hr/>						

The notes on pages 14 to 24 form part of these Financial Statements

Balance Sheet as at 31 August 2022

**Company number:
02804495**

	<i>Note</i>	£	2022 £	£	2021 £
Fixed assets					
Investments	5		1,145,970		1,247,012
Current assets					
Debtors	6	16,414		5,702	
Cash at bank and in hand		355,205		411,393	
		—————		—————	
Total current assets			371,619		417,095
Creditors: amounts falling due within one year	7		(300)		(46,532)
Net current assets			371,319		370,563
			—————		—————
Total assets less current liabilities			1,517,289		1,617,575
			—————		—————
Net assets			1,517,289		1,617,575
			—————		—————
The funds of the charity:					
Endowment funds	8		987,017		1,070,288
Restricted funds	9		358,619		394,489
Unrestricted funds	10		171,653		152,798
			—————		—————
Total charity funds			1,517,289		1,617,575
			—————		—————

The notes on pages 14 to 24 form part of these Financial Statements.

The Financial Statements have been prepared in accordance with the small companies' regime of the Companies Act 2006.

The Financial Statements were approved by the Trustees on 23rd November 2022 and signed on their behalf by:

Mr Christopher Jackson

Chairman of Trustees

Mr Tim Lewis

Trustee

Notes

1 Company Status

The Foundation is a Charitable Company (registered no. 02804495) limited by guarantee registered in England and Wales, not having any share capital. The member Trustees undertake to contribute to the assets of the Foundation in the event of it being wound up, either whilst members or within one year of their membership ceasing. The maximum contribution required from each member is £1.

The registered and principal office of the Foundation is Wells Cathedral School Limited, College Road, Wells, Somerset, BA5 2SX. The Foundation is also registered as a charity with the Charity Commission in England and Wales (Charity Number: 1118159).

2 Accounting Policies

The following accounting policies have been applied consistently throughout the year in dealing with items which are considered material in relation to the Foundation's Financial Statements. There have been no material changes to accounting policies since the prior year.

Basis of Preparation

The Financial Statements have been prepared on the going concern basis under the historic cost convention, with the exception of listed investments which are held at fair value, 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 (FRS 102) 2015 'Accounting and Reporting by Charities' ('the Charities SORP'), the Charities Act 2011 and the Companies Act 2006.

The Foundation has taken advantage of the exemption from the requirement to prepare a cash flow statement in accordance with section 1.12 of FRS 102.

The Foundation is a public benefit entity and the Foundation's functional and presentational currency is the pound sterling.

Going Concern

The Financial Statements are prepared on a going concern basis. The Trustees have a reasonable expectation that the Foundation has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the Foundation's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the Financial Statements.

Income

Income in furtherance of the Foundation's activities is represented by:

- Donations, which comprise primarily donations and charitable gifts from individuals, grant giving trusts and foundations, and are accounted for on an accruals basis. Income is recognised when there is a legally binding commitment to the Foundation for the transfer of funds. Donations of assets are brought into the balance sheet and statement of financial activities at market value, at the date of acquisition. Gift aid is subsequently applied for where appropriate;

Notes

- Legacies, which are accounted for at the earliest of the receipt of estate accounts or cash received. An assessment is performed post year end of up to two months on legacies not yet received. Any legacies received are considered, their value reliably measured and then accounted for appropriately;

Notes (continued)
Income (continued)

- Income from investments, which represents interest and dividends earned during the year from bonds and deposits and the endowment funds and any realised gains on their disposal. Income is accounted for on an accruals basis; and
- Gifts in kind, which are recorded in income to reflect the value of the Foundation's operating costs that are borne by the School, which include the employees of the Foundation.

Accrued Income

When, as a result of performing a service or otherwise meeting the requirements of any arrangement with a third party, income falls due but has not been invoiced at the year end, an accrual is made for this income.

Expenditure

All expenditure is included in the statement of financial activities on an accruals basis, inclusive of any value added tax which cannot be recovered. Costs directly attributed to a specific expense heading are allocated to that heading.

Expenditure is recognised when a liability is incurred and in the following categories:

- The costs of charitable activities which consist of charitable donations to the School; and
- Operating costs, which are the allocated operating costs of the School's development office and the direct costs associated with the Foundation which are borne by the School.

Investments

In accordance with the trust deed, the Trustees may authorise the funds of the Foundation to be invested in any stocks, shares or insurance policies. The Trustees' aim is to generate long-term total return from endowment funds invested, combining both capital growth and income, and to invest other funds received in bank deposits and bonds at attractive rates of interest. The basis for determining fair value is the quoted market price in an active market.

The Foundation has adopted the Total Returns approach to investments which are considered to be permanent endowments, under which any realised and unrealised gains and losses on sale or revaluation of investments are recorded within the statement of financial activities. Once the value of the permanent endowments reaches a sufficient amount agreed by the Investment Committee, the total returns approach will be available to be used to award bursaries to pupils at the School.

Cash and Cash Equivalents

Cash is represented by cash in hand.

Creditors

Notes *(continued)*

Creditors and provisions are recognised where the Foundation has a present obligation resulting from a past event that will probably result in the transfer of funds, and the amount due to settle the obligation can be measured or estimated reliably.

Fund Accounting

The Foundation has three types of funds for which it is responsible, which require separate disclosure. These are as follows:

- Unrestricted funds which are expendable at the discretion of the Trustees in furtherance of the objects of the Foundation. In addition to expenditure on the principal activities of the Foundation, such funds may be held in order to finance working capital;
- Restricted funds that have been donated for specific purposes, such as bursaries or projects; and
- Endowment funds, which are defined as donations made to the School in perpetuity, and the total returns approach will be available to be used to benefit future pupils.

Financial Instruments Policy

All of the Foundation'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 of Uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

i. Critical judgements

The Trustees do not believe that any critical judgements have been made in preparing the Financial Statements.

The accruals and prepayments are calculated based on fact or historical evidence.

ii. Estimates and assumptions

The estimates and assumptions made by the Foundation consist primarily of an allocation of the School's development office's operating costs based on the knowledge of key management personnel.

3 Donations and Legacies

Notes (continued)

	2022	2021
	£	£
Trusts	21,946	54,447
Legacy	3,000	40,000
Companies/individuals	62,969	105,397
	87,915	199,844

4 Expenditure

	2022	2021
	£	£
Auditor's remuneration	1,575	1,568
Irrecoverable VAT	315	314
Bank charges	227	107
	2,117	1,989

5 Investments

	2022	2021
	£	£
Investments at valuation		Re-stated
At 1 September 2021	1,247,012	879,222
Additions	336,051	559,351
Disposal proceeds	(308,260)	(429,605)

Notes *(continued)*

Net (losses)/gains	(128,833)	238,044
At 31 August 2022	1,145,970	1,247,012
These balances can be further analysed as:		
Cash held	56,701	
62,531		
Investments	1,089,269	
1,184,481		
	1,145,970	
1,247,012		

The investments are represented by the following funds:

Endowed funds £987,017 (2021: £1,070,288)
Restricted funds £158,953 (2021: £176,724)

The investments consist of a portfolio of equities, funds, bonds and cash managed by Smith & Williamson Investment Management, the majority of which comprise UK assets. They are categorised as non-current assets as they are held for longer than 12 months.

The objective of the portfolio is to grow the capital over time, such that, in the future, the portfolio is of sufficient size to meaningfully contribute towards the advancement of education. However, the portfolio suffered a negative return of -8.3% over the 12 months to the end of August, reflecting very challenging market conditions which have in particular impacted portfolios with a growth bias. Over the same timeframe the MSCI WMA Growth Index declined 1.4% (2021: 24.8%). Despite the recent decline, over the longer term, the portfolio return remains ahead of the CPI+4% target return notwithstanding current high rates of inflation.

6 Debtors

These comprise accrued income.

7 Creditors: amounts falling due within one year

These consist of accruals.

8 Endowment Funds

Notes (continued)

	2022	2021
	£	£
At 1 September 2021	1,070,288	855,959
Add donations received	7,843	-
Less transfers to unrestricted funds	-	(26,336)
Income from investments	20,971	22,463
Unrealised (losses)/gains on investments	(112,085)	218,202
At 31 August 2022	987,017	1,070,288

The endowment fund represents part of the investment portfolio held by Smith & Williamson Investment Management. The Endowment funds are defined as donations for bursaries made to the School in perpetuity, the income from which is to be used as bursaries for the benefit of future pupils

9 Restricted Funds

	Balance at		Incoming	Outgoing	Transfer	Balance at
	1	1				31 August
	Sept 21					22
	£	£	£	£	£	£
Legacies	10,000	-	-	-	-	10,000
Cedars Hall Project	1	2,023	(911)	-	-	1,113
Bursaries - General	82,492	7,528	(12,342)	-	-	77,678
Wells Music Society of Hong Kong	1,474	12,171	(8,139)	-	-	5,506
Bursaries - Sierra Leone	1,291	-	-	(1,291)	-	-
Bursaries - Music Travel	3,900	957	(250)	-	-	4,607
Bursaries - Sport Travel	2,927	-	-	-	-	2,927
Bursaries - Charitable Aid	567	-	-	(567)	-	-
Bursaries - Music	2,591	500	-	-	-	3,091
Archive	1,200	-	-	-	-	1,200
Roland Jacob Award	100	-	-	-	-	100
Junior Instruments	167	-	(162)	-	-	5
Trophy Cabinet	538	-	(538)	-	-	-
Sierra Leone	3,607	2,414	(3,295)	1,858	-	4,584

Wells Cathedral School Foundation (limited by guarantee)
Report of the Trustees and Financial Statements
Year ended 31 August 2022

Notes (continued)

String Department	13,132	5,275	(1,756)	-	16,651
Woodwind Department	1,529	700	-	-	2,229
Music Department	7,430	-	(100)	-	7,330
David Nasmyth	1,000	-	-	-	1,000
St Brandon's Fund	57,176	514	(6,653)	-	51,037
Quilter Family Bursary Fund	1,988	603	(350)	-	2,241
Choralia tour	3,398	-	-	-	3,398
Russell Fox Heath Trust	119,398	1,864	(13,585)	-	107,677
Alan Powell Fund	12,798	-	(2,111)	-	10,687
Charitable Volunteering Fund	21,210	-	-	-	21,210
Bow Fund	1,500	-	-	-	1,500
Drama Fund	158	-	-	-	158
Sport	42,336	7,944	(42,759)	-	7,518
Football Equipment	584	-	(572)	-	12
Music Anxiety Fund	-	6,250	(850)	-	5,400
Ukraine Disaster Relief Fund	-	3,668	(3,645)	-	23
Well Being Fund	-	1,600	-	-	1,600
Chorister Fund	-	250	(250)	-	-
Sixth Form Centre Fund	-	7,100	-	-	7,100
Hockert Department	-	144	-	-	144
Brass Department	-	895	-	-	895
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	394,489	62,398	(98,268)	-	358,619
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Most of the Russell Fox Heath Trust and the St Brandon's Fund restricted funds are held within the Smith & Williamson investment portfolio. Income generated by the portfolio has been allocated to these funds in proportion to their capital value. During the year, the restricted funds earned interest of £3,314 (2021: £2,096) but incurred a loss on revaluation of investments of £16,748 (2021: gain on investments of £19,842).

The Russell Fox Heath Trust provides funds for those undertaking outdoor expeditions both within and outside of School. The Outdoor Education department applies to the Trustees of the fund for funds, as do pupils of the School for their individual expeditions.

Notes (continued)

The St Brandon's Fund makes awards to former pupils of the St Brandon's School in Weston-Super-Mare and their relatives who attend Wells Cathedral School. Awards are made at the discretion of the School Bursar.

General Bursaries are awards made to support pupils, in conjunction with the School and other external trusts, to attend Wells Cathedral School.

Comparative Statement of Restricted funds for period ended 31 August 2021 (13 months)

	Balance at 31 July 20	Incoming	Outgoing	Transfer	Balance at 31 August 21
	£	£	£	£	£
Legacies	80,000	-	-	(70,000)	10,000
Cedars Hall Project	983	9,138	(10,120)		1,001
Bursaries - General	78,067	22,823	(18,398)		82,492
Wells Music Society of Hong Kong	1,489	38,247	(38,262)	-	1,474
Bursaries - Sierra Leone	1,291	-	-	-	1,291
Bursaries - Music Travel	3,621	279	-	-	3,900
Bursaries - Sport Travel	2,887	40	-	-	2,927
Bursaries - Charitable Aid	567	-	-	-	567
Bursaries - Music	1,901	690	-	-	2,591
Archive	1,200	-	-	-	1,200
Roland Jacob Award	150	-	(50)	-	100
Junior Instruments	167	-	-	-	167
Trophy Cabinet	1,254	-	(716)	-	538
Sierra Leone	3,259	348	-	-	3,607
String Department	9,557	4,200	(625)	-	13,132
Woodwind Department	2,429	-	(900)	-	1,529
Music Department	7,430	-	-	-	7,430
David Nasmyth	1,000	-	-	-	1,000
St Brandon's Fund	51,841	7,135	(1,800)	-	57,176
Quilter Family Bursary Fund	1,325	663	-	-	1,988
Choralia tour	3,148	250	-	-	3,398
Russell Fox Heath Trust	106,845	14,803	(2,250)	-	119,398
Alan Powell Fund	14,677	-	(1,879)	-	12,798
Charitable Volunteering Fund	21,210	-	-	-	21,210
Bow Fund	-	1,500	-	-	1,500
Drama Fund	-	158	-	-	158
Sport - MUGA	-	65,436	(23,103)	-	42,333
Football Equipment	-	584	-	-	584

Notes (continued)

	396,298	166,294	(98,103)	(70,000)	394,489
)	

10 Unrestricted Funds

	Balance at					Balance at
	1 Sept 21	Interest	Incoming	Outgoing		31 August
	£	£	£	£		£
General Funds	152,798	164	20,808	(2,117)		171,653

Unrestricted funds comprise gifts or donations made to the Foundation that are not committed to any project being undertaken by the Foundation. The Trustees determine how such funds shall be used.

Comparative Statement of Unrestricted funds for period ended 31 August 2021 (13 months)

	Balance at					Balance at
	31 July 20	Interest	Incoming	Outgoing	Transfer	31 August 21
	£	£	£	£	£	£
General Funds	2,932	31	55,488	(1,976)	96,336	152,798
Designated Funds	442	-	-	(442)	-	-
	3,374	31	55,488	(2,431)	96,336	152,798

11 Remuneration of the Trustees

The Foundation had no employees in either this or the preceding financial year and therefore no employee earned more than £60,000 in the current or previous year. The Trustees did not receive any emoluments, benefits or reimbursement of expenses during the year (2021: *£nil*). The staff were paid £29,893 (2021: £33,102) which is incorporated in the operating expenses and gifts in kind from the School of £45,582 (2021: £44,634). The difference of £15,689 (2021: £11,532) comprises expenses borne by the Foundation for office administration, travel and events of the Foundation.

Notes (continued)

12 Financial Instruments:

The Foundation has the following financial instruments:

- Financial assets that are measured at amortised cost

	2022	2021
	£	£
Debtors	16,414	5,702
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

- Financial assets that are measured at fair value

	2022	2021
	£	£
Investments	1,145,970	1,274,012
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

- Financial liabilities measured at amortised cost

	2022	2021
	£	£
Accruals	300	1,891
Endowed bond	-	5,028
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	300	6,919
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

13 Allocation of Net Assets

The net assets are held for the various funds as follows:

	Fixed assets	Net current assets	Total 2022
	£	£	£
Endowment Funds	987,017	-	987,017
Restricted Funds	158,953	199,666	358,619

Notes (continued)

Unrestricted Funds	-	171,653	171,653
	_____	_____	_____
	1,145,970	371,319	1,517,289
	_____	_____	_____

Comparative Allocation of Net Assets for period ended 31 August 2021 (13 months):

	Fixed assets	Net current assets	Total 2021
	£	£	£
Endowment Funds	1,070,288	-	1,070,288
Restricted Funds	176,724	217,765	394,489
Unrestricted Funds	-	152,798	152,798
	_____	_____	_____
	1,247,012	370,563	1,617,575
	_____	_____	_____

14 Connected Parties

Wells Cathedral School (“the School”) is a connected charity and parent within the terms of the SORP in that it has common, parallel or related objects and activities and unity of administration.

The School funded the initial set up costs of the Foundation and will fund certain ongoing costs of operation of the Foundation as agreed in the ‘memorandum of understanding’ between the School and the Foundation. In 2021 the Foundation’s operating costs of £ 45,582 (2021: £44,634) were recharged to the School.

There were transactions with the School of £81,520 during the year (2021: £98,545) representing donations for bursaries and specific projects, and a total of £12,429 pledges (2021: £nil) were due to the Foundation at the year end.

During the year, no Trustee (2021:1) donated to the Foundation (2021: £4,050).

The results of the Foundation have been consolidated with those of the School. A copy of those Financial Statements for the year ended 31 August 2022 are available from the Company Secretary of the School, Wells Cathedral School Limited, College Road, Wells, Somerset, BA5 2SX. Charity No: 310212. Company No: 00564883.

Notes *(continued)*

15 Taxation

The Foundation is not liable to taxation on the revenue from its primary activities or on its investment income as it is a registered charity.

16 Comparative Statement of Financial Activities for year ended 31 August 2021 (13 months)

Endowm	Restrict	Unrestrict	Total
	ed		

Notes (continued)

	ent funds	funds	ed funds	2021
	£	£	£	£
Income from:				
Donations & legacies	-	144,356	55,488	199,844
Income from investments	22,463	2,096	31	24,590
Gifts in kind - School	-	-	44,634	44,634
	-----	-----	-----	-----
Total income	22,463	146,452	100,153	269,068
	-----	-----	-----	-----
Expenditure on:				
Charitable activities - donations to School	-	(98,103)	(442)	(98,545)
Raising funds - operating costs	-	-	(44,634)	(44,634)
Other expenditure	-	-	(1,989)	(1,989)
	-----	-----	-----	-----
Total expenditure	-	(98,103)	(47,065)	(145,168)
	-----	-----	-----	-----
Net gains on investments	218,202	19,842	-	238,044
Transfers	(26,336)	(70,000)	96,336	-
Net expenditure and net movement in funds	214,329	(1,809)	149,424	361,944
Fund balance brought forward at 1 August 2020	855,959	396,298	3,374	1,255,631
	-----	-----	-----	-----
Fund balance carried forward at 31 August 2021	1,070,288	394,489	152,798	1,617,575
	-----	-----	-----	-----

THE WELLS CATHEDRAL SCHOOL FOUNDATION

England & Wales - Charity number 1118159

Accounts

**The Wells Cathedral School Foundation
(Limited by Guarantee)**

Report of the Trustees and Financial Statements

Registered Company number 2804495

Registered Charity number 1118159

Period ended 31 August 2021

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Trustees' report (*continued*)

TRUSTEES' REPORT

The Trustees of Wells Cathedral School Foundation Limited ("Foundation") present their annual report for the period ended 31 August 2021 under the Charities Act 2011, together with the audited Financial Statements for the period and confirm that they comply with the requirements of the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities' Statement of Recommended Practice (FRS 102) ("the charities SORP"). These Financial Statements form part of the audited consolidated Financial Statements of Wells Cathedral School ("the School") for the period.

The Foundation is registered with the Charity Commission and was incorporated on 28 February 2007 as a registered Company, Limited by Guarantee, not having share capital. It is governed by its Memorandum and Articles of Association. The Foundation is a Company registered in England and Wales.

Governance

The governing body

The following served as Trustees in the period under review and up to the date of signing the Financial Statements. The Trustees of the Foundation are Directors of the Foundation for Companies Act 2006 purposes:

Mr David Brown MA, OBE
Mr Max Constantini
Mrs Ann Gummer BSc (Hons)
Mr Christopher Jackson MA (Hons), OBE, SBS, Chairman
Dr Jenny Kingston BDS, LDS RCS (Eng), FDS RCS (Ed), MSc Orth, M. Orth (*resigned 20th September 21*)
Mr Philip Lemanski MA (Oxon), FCA
Mr Tim Lewis MA (Cantab), FCA
Mr Chris Seaton BSc (Hons)
Mr Alan Durant BSc (Econ)
Mr Alastair Tighe MA (Cantab)

The Foundation's Executive Board comprises the Chairman of the Foundation, an elected School Governor, the Head Master of the School and an elected Foundation Trustee. These four "member" Trustees are joined by the other Trustees in the running of the Foundation and in all appropriate Board meeting decisions but only the member Trustees have the power to vote at the Annual General Meeting ("AGM"). The member Trustees are Christopher Jackson (chairman), Alastair Tighe, Tim Lewis and David Brown. A maximum of 25 Trustees may be appointed to the Board.

Trustees' report *(continued)*

Legal and Administrative Details

Registered and Principal office Wells Cathedral School Limited
College Road
Wells
Somerset
BA5 2SX

Bankers National Westminster Bank plc
7 High Street
Wells
Somerset
BA5 2AD

Solicitors Harris & Harris
14 Market Place,
Wells,
BA5 2RE

Independent Auditor Crowe U.K. LLP
4th Floor
St James House,
St James' Square,
Cheltenham
GL50 2PR

Company Secretary Mr Peter Knell
Wells Cathedral School
Limited
College Road
Wells
Somerset
BA5 2SX

Connected Charity Wells Cathedral School
Limited
College Road
Wells
Somerset
BA5 2SX

Connected charity registered number 310212

Trustees' report (*continued*)

Charitable Objectives

The Foundation was created to act as the legal entity for the recording and control of all fundraising activity on behalf of the School.

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The objectives of the Foundation are to advance the education of pupils at the School and to promote any other charitable purpose or charitable organisation that the Trustees shall determine, and in particular to assist in:

- The provision of financial assistance towards the maintenance and development of the School;
- Raising money for awards to pupils to pursue their education at the School, including pupils whose parents or guardians are in need of financial assistance;
- The provision of facilities and equipment to support the education (including the social and physical training) of pupils in the School; and
- The organisation of events to promote the good name of the School and further its educational objectives, including orchestral and choral concerts in the UK and overseas.

Charitable Benefit

The Foundation's charitable benefit is to raise income for the School and the parents of its pupils in the form of bursaries and grants, and for the purchase of equipment and facilities for the use of its pupils.

Organisational Structure

The Foundation's fundraising and related activities are carried out by staff of the School's development office, managed by the Head of Wells Cathedral School Foundation ("the Head of the Foundation") Rebecca Roberts and supported by the School's development committee. An allocation of the development office's operating costs, including School staff costs and other direct costs associated with the Foundation, which are borne by the School, has been made to the Foundation based on time actually spent by the office's staff on the Foundation's affairs. These costs of £44,634 (2020: £58,446) are reflected in the Statement of Financial Activities in operating expenses and income from the School of £44,634 (2020: £58,446) recognised as "Gift in kind - School" in *Income from Charitable Activities*.

The Foundation's committees and their Chairmen are as follows:

Bursaries	Mr Max Constantini
Investment	Mr Tim Lewis
Wells Music Society of Hong Kong	Mr Bryan Carter

The chairman and members of the Board meet with the Head of the Foundation as necessary between Board meetings.

The Head of the Foundation is responsible for maintaining the operational processes required to run the Foundation, and for providing professional advice in fundraising, communications and alumni relations. The Head of the Foundation is assisted by a part time administrative assistant and various other events and marketing personnel as required. Staff pay is set by the School. Benchmarking with comparable salaries is achieved through visiting websites such as Pay Scale and ISBA.

Trustees' report (*continued*)

Recruiting and Training of Trustees

The Trustees are appointed at a meeting of the Board on the basis of nominations agreed between the chairman, the Head Master of the School and Head of the Foundation, having regard to the Board's requirements concerning eligibility, personal competence, specialist skills and availability for meetings. New Trustees are inducted into the working of the Foundation, including its aims and objectives, by the Chairman and the Head of the Foundation. A document outlining the responsibilities and expectations of the Trustees is provided to all prospective Trustees.

Charity Governance Code

All Trustees of the Foundation:

- Are committed to the Foundation's cause and have joined its Board because they want to help it deliver its purposes most effectively for public benefit;
- Recognise that meeting the Foundation's stated public benefit is an ongoing requirement;
- Understand their roles and legal responsibilities, and have read and understood:
 - The Charity Commission's guidance *The Essential Trustee (CC3)*;
 - The Foundation's governing document;
 - Are committed to good governance and want to contribute to the Foundation's continued improvement.

The Trustees are familiar with and acknowledge the updated version of the Charity Governance Code published in July 2017 and the Code's principles are reviewed at the Foundation's AGMs.

Fundraising Disclosures

As required under S162A of the Charities Act 2011, the Foundation has continued to undertake fundraising activities during the period using its database, as in previous periods. These fundraising activities have been undertaken by staff employed by the School and no external persons have been used. The Foundation has voluntarily subscribed to the Fundraising Regulator which holds the Foundation to the Code of Fundraising. Over the course of the financial period there have been no failures to comply with the Code, nor have any complaints been received.

Safeguarding Policy

In order to protect vulnerable people the Foundation complies with the School's Safeguarding Policy to report concerns of abuse, all members of staff receive regular training, and safeguarding is an agenda item at all Trustee meetings. This allows Trustees and staff members to raise and be aware of any concerns.

Indemnity Insurance

As permitted by the Articles of Association of the School, the Trustees are the beneficiaries of a qualifying third party indemnity as defined by section 234 of the Companies Act 2006. The School also purchased and maintained throughout the financial period Governors' and officers' liability insurance in respect of itself, its Governors and the Trustees of the Foundation.

The cost of insurance, which is included in the cost of public liability cover in the Consolidated Financial Statements of the School, amounted to £ 7,846 (2020: £7,560) in the period for the School and Foundation.

Statement of Going Concern

In their consideration of the presumption of going concern as the basis for the preparation of the report and Financial Statements, the Trustees have concluded that no material uncertainties have been identified that may cast significant doubt on the ability of the Foundation to continue as a going concern.

Trustees' report (*continued*)

The Trustees and Head Master have considered that there may be an ongoing change in fundraising ability over the coming year due to the impact of COVID-19 but this will be monitored through professional vigilance and ongoing discussions between the Head Master, Head of Foundation and Trustees.

The Trustees therefore have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis continues to be adopted in preparing the Financial Statements.

STRATEGIC REPORT

Review of Developments, Activities and Achievements

There are currently nine Foundation Trustees in place to help deliver the Foundation's aims, meeting up to four times a year and combining the Annual General Meeting with the November meeting.

There is also a cohort of Foundation Fellows many of whom play an active role in helping to deliver the strategic aims of the Foundation and School.

During the period the Foundation's Annual Fund: Sport worked to develop the sports facilities within the School and the bursaries appeal continued to work to support the School's ability to provide financial assistance to certain pupils, in particular in light of COVID-19. In this financial period donations for bursaries of £22,823 (2020: £58,443) and no firm pledges (2020: nil) were received.

The Foundation's fundraising body in Hong Kong is the Wells Music Society of Hong Kong, and the School has two music scholars who have been supported financially by the Society, the Lee Hysan Foundation and the School during the period

Immediate & Future plans

The emphasis this period has been on increasing alumni engagement and the launch of an Annual Fund: Sport which focused on developing the Sport provision within the School. This fund will be closed in December and a new Annual Fund to enhance well-being and mental health within the School will be started. There will also be a focus on refreshing and relaunching the Legacy campaign.

FINANCIAL REVIEW

The Board of Governors decided this year to bring the year end in line with the academic and holiday year end which is the 31st August 2021. The new year-end going forward will enable estate projects to be started and completed within the same financial year. So, these Foundation financial statements are for the same period of 13 months.

During the period the Foundation received £199,844 (2020: £197,100) in financial contributions in the form of donations and legacies, which is an increase of 1% (2020: a decrease of 62%) in incoming resources.

The Foundation's net movement in funds during the period was a surplus of £361,944 (2020: surplus of £108,588).

Investment Policy, Powers and Performance

In accordance with the Trust Deed, the Trustees may authorise the funds of the Foundation to be invested in any stocks, shares or insurance policies. The Trustees' aim is to generate a long-term total return from endowment funds invested, combining both capital growth and income. Endowment funds are defined as donations made to the School in perpetuity, the income from which is to be used for the benefit of future pupils. The investment objective is to outperform the MSCI Wealth Management Association Growth Index return which over this period was 24.8% (2020: -5.9%). Over the same timeframe the portfolio outperformed the index return by 2.8% (2020: 4.5%) after all costs.

Trustees' report (*continued*)

The Foundation's Endowment funds have been entrusted to Smith & Williamson Investment Management to invest in a portfolio of equities, funds, bonds and cash. The investment is classed as a non-current asset as it will be held for longer than 12 months. The investment objectives and risk parameters are reviewed every period by the investment committee.

Any gains and losses on sale or revaluation of investments are recorded within the Statement of Financial Activities.

The Foundation has adopted the "Total Return" approach to investments which are considered to be permanent endowments under which, once the value of the permanent endowments reaches a sufficient amount, the total returns earned on the investments will be available to be used to award bursaries to pupils at the School.

Political and Charitable Contributions

The Foundation made no political or charitable contributions during the period under review other than donations to the School of £98,545 (2020: £75,796), as disclosed in the statement of financial activities. The Foundation's grant making policy is to make donations only to the School.

Reserves Policy

The Foundation had unrestricted general funds of £152,798 (2020: £3,374) at the period end. The policy of the Trustees is to use immediately available unrestricted general funds for bursaries or other financial assistance for pupils. At the period end it had restricted funds of £394,489 (2020: £396,298) and endowment funds of £1,070,288 (2020: £855,959), giving a total of £1,617,575 (2020: £1,255,631).

Risk Management

The Board of Trustees has considered the principle areas of the Foundation's operations and assessed the major risks faced in each of these areas. They have identified the following risks and controls:

- Failure to attract appropriate Trustees with expertise to provide strong, wise leadership – this is regularly reviewed by the Head Master and Trustees;
- Change in management of the Foundation – continually reviewed by the Head Master and Foundation Chairman;
- Reputational damage caused by inappropriate activity, or failure to secure necessary funds – constant professional vigilance and early consideration of possible issues by the Trustees;
- Loss or misuse of funds provided to the Foundation – two staff monitoring the banking process together with full documentation of allocation of all receipts; and
- Change in fundraising ability due to the impact of COVID-19 - professional vigilance and ongoing discussions with the Head Master, Head of Foundation and Trustees.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' report and the Financial Statements in accordance with applicable law, United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and the Charities SORP.

Company law requires the Trustees to prepare Financial Statements for each financial period. Under Company law the Trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Foundation and of the incoming resources and

Trustees' report (*continued*)

application of resources, including the income and expenditure, of the Foundation for that period. In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and the apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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 Foundation will continue in operation.

The Trustees are responsible for ensuring adequate accounting records are kept by the School sufficient to show and explain the Foundation's transactions, disclose with reasonable accuracy at any time the financial position of the Foundation and enable the Trustees to ensure that the Financial Statements comply with the Companies Act 2006 and the provisions of the Foundation's constitution. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement on Disclosure of Information to the Auditor


So far as each Trustee is aware, there is no relevant audit information of which the Foundation's auditor is unaware. 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 auditor is aware of the information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the page of the School's website dealing with the Foundation. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Independent Auditor

Crowe U.K. LLP have indicated their willingness to accept reappointment as the Foundation's Auditors and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

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



Mr Christopher Jackson
Chairman of Trustees

November 21

Independent Auditor's Report to the Members of Wells Cathedral School Foundation

Opinion

We have audited the financial statements of Wells Cathedral School Foundation Limited ('the charitable company') for the period ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, School Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including 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 income and expenditure, for the 31 August 2021 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 trustee's 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 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 have 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 their 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 and proper 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, 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.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out 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 charity 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, Charities Act 2011, together with 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 charity'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 Council and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with the completeness and accuracy of non-fee income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, designing audit procedures over non-fee income, 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.



Guy Biggin
Senior Statutory Auditor
4th Floor, St James House
St James Square
Cheltenham
GL50 3PR

Date

16 February 2022

Statement of Financial Activities (incorporating an income and expenditure account) for the period ended 31 August 2021 (13 months)

	Note	Endowment funds £	Restricted funds £	Unrestricted funds £	Total 2021 £	Total 2020 £
Income from:						
Donations & legacies	3	-	144,356	55,488	199,844	197,100
Income from investments	9	22,463	2,096	31	24,590	23,739
Gifts in kind – school	11	-	-	44,634	44,634	58,446
Total income		<u>22,463</u>	<u>146,452</u>	<u>100,153</u>	<u>269,068</u>	<u>279,285</u>
Expenditure on:						
Charitable activities - donations to school	9	-	(98,103)	(442)	(98,545)	(75,796)
Raising funds – operating costs	11	-	-	(44,634)	(44,634)	(58,446)
Other expenditure	4	-	-	(1,989)	(1,989)	(1,976)
Total expenditure		<u>-</u>	<u>(98,103)</u>	<u>(47,065)</u>	<u>(145,168)</u>	<u>(136,218)</u>
Net (losses) /gains on investments	8	218,202	19,842	-	238,044	(34,479)
Transfers		(26,336)	(70,000)	96,336	-	-
Net (expenditure)/income and net movement in funds		214,329	(1,809)	149,424	361,944	108,588
Fund balances brought forward at 1 August		855,959	396,298	3,374	1,255,631	1,147,043
Fund balances carried forward at 31 August/31 July	13	<u>1,070,288</u>	<u>394,489</u>	<u>152,798</u>	<u>1,617,575</u>	<u>1,255,631</u>

The notes on pages 14 to 24 form part of these Financial Statements

Balance sheet as at 31 August 2021/31 July

Company number: 2804495

	Note		2021		2020
		£	£	£	£
Fixed assets					
Investments	5		1,247,012		879,222
Current assets					
Debtors	6	5,702		86,515	
Cash at bank and in hand		411,393		292,923	
			417,095		
Total current assets					379,438
Creditors: amounts falling due within one period	7		(46,532)		(3,029)
Net current assets			370,562		376,409
			1,617,575		
Total assets less current liabilities					1,255,631
			1,617,575		
Net assets					1,255,631
The funds of the charity:					
Endowment funds	8		1,070,288		855,959
Restricted funds	9		394,489		396,298
Unrestricted funds	10		152,798		3,374
			1,617,575		
Total charity funds					1,255,631

The notes on pages 14 to 24 form part of these Financial Statements.

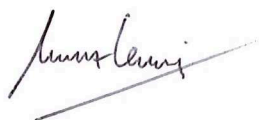
The Financial Statements have been prepared in accordance with the small companies' regime of the Companies Act 2006.

The Financial Statements were approved by the Trustees on ¹⁴19 November 2021 and signed on their behalf by:

Mr Christopher Jackson
Chairman of Trustees



Mr Tim Lewis
Trustee



Notes

1 Company Status

The Foundation is a Charitable Company (registered no. 2804495) limited by guarantee registered in England and Wales, not having any share capital. The member Trustees undertake to contribute to the assets of the Foundation in the event of it being wound up, either whilst members or within one period of their membership ceasing. The maximum contribution required from each member is £1.

The registered and principal office of the Foundation is Wells Cathedral School Limited, College Road, Wells, Somerset, BA5 2SX. The Foundation is also registered as a charity with the Charity Commission in England and Wales (Charity Number: 1118159).

2 Accounting Policies

The following accounting policies have been applied consistently throughout the period in dealing with items which are considered material in relation to the Foundation's Financial Statements. There have been no material changes to accounting policies since the prior period.

Basis of Preparation

The Financial Statements have been prepared on the going concern basis under the historic cost convention, with the exception of listed investments which are held at fair value, 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 (FRS 102) 2015 'Accounting and Reporting by Charities' ('the Charities SORP'), the Charities Act 2011 and the Companies Act 2006.

The Foundation has taken advantage of the exemption from the requirement to prepare a cash flow statement in accordance with section 1.12 of FRS 102.

The Foundation is a public benefit entity and the Foundation's functional and presentational currency is the pound sterling.

Going Concern

The Financial Statements are prepared on a going concern basis. The Trustees have a reasonable expectation that they have adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the Foundation's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the Financial Statements.

Income

Income in furtherance of the Foundation's activities is represented by:

- Donations, which comprise primarily donations and charitable gifts from individuals, grant giving trusts and foundations, and are accounted for on an accruals basis. Income is recognised when there is a legally binding commitment to the Foundation for the transfer of funds. Donations of assets are brought into the balance sheet and statement of financial activities at market value, at the date of acquisition. Gift aid is subsequently applied for where appropriate;
- Legacies, which are accounted for at the earlier of the receipt of estate accounts or cash received. An assessment is performed post period end of up to two months. Any legacies received are considered, their value reliably measured and then accounted for appropriately;

Notes *(continued)*

Income *(continued)*

- Income from investments, which represents interest and dividends earned during the period from bonds and deposits and the endowment funds and any realised gains on their disposal. Income is accounted for on an accruals basis; and
- Gifts in kind, which are recorded in income to reflect the value of the Foundation's operating costs that are borne by the School, which include the employees of the Foundation.

Accrued Income

When, as a result of performing a service or otherwise meeting the requirements of any arrangement with a third party, income falls due but has not been invoiced at the period end, an accrual is made for this income.

Expenditure

All expenditure is included in the statement of financial activities on an accruals basis, inclusive of any value added tax which cannot be recovered. Costs directly attributed to a specific expense heading are allocated to that heading.

Expenditure is recognised when a liability is incurred and in the following categories:

- The costs of charitable activities which consist of charitable donations to the School; and
- Operating costs, which are the allocated operating costs of the School's development office and the direct costs associated with the Foundation which are borne by the School.

Investments

In accordance with the trust deed, the Trustees may authorise the funds of the Foundation to be invested in any stocks, shares or insurance policies. The Trustees' aim is to generate long-term total return from endowment funds invested, combining both capital growth and income, and to invest other funds received in bank deposits and bonds at attractive rates of interest. The basis for determining fair value is the quoted market price in an active market.

The Foundation has adopted the Total Returns approach to investments which are considered to be permanent endowments, under which any realised and unrealised gains and losses on sale or revaluation of investments are recorded within the statement of financial activities. Once the value of the permanent endowments reaches a sufficient amount the total returns approach will be available to be used to award bursaries to pupils at the School.

Cash and Cash Equivalents

Cash is represented by cash in hand.

Creditors

Creditors and provisions are recognised where the Foundation has a present obligation resulting from a past event that will probably result in the transfer of funds, and the amount due to settle the obligation can be measured or estimated reliably.

Notes *(continued)*

Fund Accounting

The Foundation has three types of funds for which it is responsible, which require separate disclosure. These are as follows:

- Unrestricted funds which are expendable at the discretion of the Trustees in furtherance of the objects of the Foundation. In addition to expenditure on the principal activities of the Foundation, such funds may be held in order to finance working capital;
- Restricted funds that have been donated for specific purposes, such as bursaries or projects; and
- Endowment funds, which are defined as donations made to the School in perpetuity, the income from which is to be used for the benefit of future pupils.

Financial Instruments Policy

All of the Foundation'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 of Uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements

The Trustees do not believe that any critical judgements have been made in preparing the Financial Statements, except pledges which are included based on a firm judgement by the Foundation.

The accruals and prepayments are calculated based on fact or historical evidence.

(b) Estimates and assumptions

The estimates and assumptions made by the Foundation consist primarily of an allocation of the School's development office's operating costs based on the knowledge of key management personnel.

3 Donations and Legacies

	2021	2020
	£	£
Trusts	54,447	41,078
Legacies	40,000	80,000
Companies/individuals	105,397	76,022
	199,844	197,100
	199,844	197,100

Notes (continued)

4 Expenditure

	2021	2020
	£	£
Auditor's remuneration	1,568	1,530
Irrecoverable VAT	314	306
Bank charges	107	140
	1,989	1,976

5 Investments

	2021	2020
	£	£
Investments at valuation		
At 1 August	879,222	886,378
Additions	559,351	262,346
Disposal proceeds	(517,288)	(286,605)
Income received	25,152	23,263
Cash held for re-investment	62,026	27,096
Net (losses)/gains	238,044	(34,479)
	1,246,507	877,999
Increase in income account (dividends)	505	1,223
At 31 August	1,247,012	879,222

The investments are represented by the following funds:

Endowed funds £1,070,288 (2020: £855,959)
 Restricted funds £176,724 (2020: £23,263)

The investments consist of a portfolio of equities, funds, bonds and cash managed by Smith & Williamson Investment Management, the majority of which comprise UK assets. They are categorised as non-current assets as they are held for longer than 12 months. The investment objective is to outperform the MSCI Wealth Management Association Growth Index return which this period was 24.8% (2020: -5.9%). Over the same timeframe the portfolio outperformed the index return by 2.8% (2020: 4.5%) after all costs.

6 Debtors

These comprise accrued income.

Notes (continued)

7 Creditors: amount falling due within one period

These consist of accruals.

8 Endowment Funds

	2021	2020
	£	£
At beginning of period	855,959	886,378
Add donations received	-	4,060
Less transfers to unrestricted funds	(26,336)	-
Income from investments	22,463	-
Unrealised (losses)/gains on investments	218,202	(34,479)
	1,070,288	855,959

The endowment fund represents part of the investment portfolio held by Smith & Williamson Investment Management. The unrestricted income received has been transferred to the unrestricted funds (note 10). The transfers to unrestricted funds consisted of a legacy of £26,118 and a fund of £218, thus reducing the Endowment Funds to £1,070,288.

9 Restricted Funds

	Balance at 31 July 20	Incoming	Outgoing	Transfer	Balance at 31 August 21
	£	£	£	£	£
Legacies	80,000	-	-	(70,000)	10,000
Cedars Hall Project	983	9,138	(10,120)	-	1
Bursaries - General	78,067	22,823	(18,398)	-	82,492
Wells Music Society of Hong Kong	1,489	38,247	(38,262)	-	1,474
Bursaries - Sierra Leone	1,291	-	-	-	1,291
Bursaries - Music Travel	3,621	279	-	-	3,900
Bursaries - Sport Travel	2,887	40	-	-	2,927
Bursaries - Charitable Aid	567	-	-	-	567
Bursaries - Music	1,901	690	-	-	2,591
Archive	1,200	-	-	-	1,200
Roland Jacob Award	150	-	(50)	-	100
Junior Instruments	167	-	-	-	167
Trophy Cabinet	1,254	-	(716)	-	538
Sierra Leone	3,259	348	-	-	3,607
String Department	9,557	4,200	(625)	-	13,132
Woodwind Department	2,429	-	(900)	-	1,529
Music Department	7,430	-	-	-	7,430

Wells Cathedral School Foundation (limited by guarantee)
Report of the Trustees and Financial Statements
Period ended 31 August 2021

Notes (continued)

David Nasmyth	1,000	-	-	-	1,000
St Brandon's Fund	51,841	7,135	(1,800)	-	57,176
Quilter Family Bursary Fund	1,325	663	-	-	1,988
Choralia tour	3,148	250	-	-	3,398
Russell Fox Heath Trust	106,845	14,803	(2,250)	-	119,398
Alan Powell Fund	14,677	-	(1,879)	-	12,798
Charitable Volunteering Fund	21,210	-	-	-	21,210
Bow Fund	-	1,500	-	-	1,500
Drama Fund	-	158	-	-	158
Sport – MUGA	-	65,439	(23,103)	-	42,336
Football Equipment	-	584	-	-	584
	396,298	166,294	(98,103)	(70,000)	394,489

The remaining £10,000 legacy is a prudent estimate of the amount receivable for a legacy to be used at the Head Master's discretion towards a boy chorister. The transfer of legacies of £70,000 represents a legacy which was erroneously classified as restricted instead of unrestricted in the prior year.

The majority of the Russel Fox Heath Trust and the St Brandon's Fund restricted funds are held within the Smith & Williamson investment portfolio. Since they were transferred to the portfolio in December 2020 they have generated income of £21,938. This has been allocated to these funds in proportion to their capital value.

Comparative Statement of Restricted funds for year ended 31 July 2020

	Balance at 31 July 19	Incoming	Outgoing	Balance at 31 July 20
Income from Investments:				
Bursaries	-	23,263	-	23,263
Other Restricted income:				
Legacies	-	80,000	-	80,000
Cedars Hall Project	192	13,953	(13,162)	983
Pavilion Fund	-	225	(225)	-
Bursaries - General	12,561	58,443	(16,200)	54,804
Wells Music Society of Hong Kong	1,533	31,207	(31,251)	1,489
Bursaries - Sierra Leone	1,291	-	-	1,291
Bursaries - Music Travel	1,710	3,111	(1,200)	3,621
Bursaries - Sport Travel	1,707	1,580	(400)	2,887
Bursaries - Charitable Aid	567	-	-	567
Bursaries - Music	1,401	500	-	1,901
Archive	1,282	-	(82)	1,200
Roland Jacob Award	200	-	(50)	150

Notes (continued)

Junior Instruments	1,095	-	(928)	167
Trophy Cabinet	1,254	-	-	1,254
Sierra Leone	2,759	500	-	3,259
String Department	9,557	-	-	9,557
Woodwind Department	225	2,204	-	2,429
Music Department	7,430	-	-	7,430
Niall Mellis Fund	2,000	-	(2,000)	-
David Nasmyth	1,000	-	-	1,000
St Brandon's Fund	53,341	-	(1,500)	51,841
Quilter Family Bursary Fund	663	662	-	1,325
Quilter Family Fund Administration	3,578	-	(3,578)	-
Choralia tour	2,765	383	-	3,148
Russell Fox Heath Trust	109,245	-	(2,400)	106,845
Alan Powell Fund	17,497	-	(2,820)	14,677
Charitable Volunteering Fund	21,210	-	-	21,210
	256,063	216,031	(75,796)	396,298

10 Unrestricted Funds

	Balance at 31 July 20	Interest	Incoming	Outgoing	Transfer	Balance at 31 August 21
	£	£	£	£		£
General Funds	2,932	31	55,488	(1,976)	96,336	152,798
Designated Funds	442	-	-	(442)	-	-
	3,374	31	55,488	(2,431)	96,336	152,798

Unrestricted funds comprise gifts or donations made to the Foundation that are not committed to any project being undertaken by the Foundation. The Trustees determine how such funds shall be used.

The transfer is the total of a legacy of £26,118, a fund of £218 and the estimate in the prior year of £70,000 receivable from a legacy that was allocated to Restricted Funds in error.

Notes *(continued)*

Comparative Statement of Unrestricted funds for year ended 31 July 2020

	Balance at	Interest	Incoming	Outgoing	Balance at
	31 July 19				31 July 20
	£	£	£	£	£
General Funds	4,160	476	272	(1,976)	2,932
Designated Funds	442	-	-	-	442
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	4,602	476	272	(1,976)	3,374
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

11 Remuneration of the Trustees

The Foundation had no employees in either this or the preceding financial period and therefore no employee earned more than £60,000 in the current or previous period. The Trustees did not receive any emoluments, benefits or reimbursement of expenses during the period (2020: *£nil*). The staff were paid £33,102 (2020: £30,561) which is incorporated in the operating expenses and gifts in kind from the School of £44,634 (2020: £58,446). The difference of £11,532 (2020: £27,885) comprises expenses borne by the Foundation for office administration, travel and events of the Foundation.

12 Financial Instruments:

The Foundation has the following financial instruments:

- Financial assets that are measured at amortised cost

	2021	2020
	£	£
Debtors	5,702	86,515
	<hr/>	<hr/>

- Financial assets that are measured at fair value

	2021	2020
	£	£
Investments	1,247,012	879,222
	<hr/>	<hr/>

Notes (continued)

- Financial liabilities measured at amortised cost

	2021	2020
	£	£
Accruals	1,891	2,176
Endowed bond	5,028	853
	6,919	3,029

13 Allocation of Net Assets

The net assets are held for the various funds as follows:

	Fixed assets	Net current assets	Total
	£	£	2021 £
Endowment Funds	1,070,288	-	1,070,288
Restricted Funds	-	394,488	394,488
Unrestricted Funds	-	152,798	152,798
	1,070,288	547,286	1,617,574

Comparative Allocation of Net Assets for year 31 July 2020:

	Fixed assets	Net current assets	Total
	£	£	2020 £
Endowment Funds	855,959	-	855,959
Restricted Funds	-	396,298	396,298
Unrestricted Funds	-	2,932	2,932
Designated Funds	-	442	442
	855,959	399,672	1,255,631

Notes *(continued)*

14 Connected Parties

Wells Cathedral School ("the School") is a connected charity and parent within the terms of the SORP in that it has common, parallel or related objects and activities and unity of administration.

The School funded the initial set up costs of the Foundation and will fund certain ongoing costs of operation of the Foundation as agreed in the 'memorandum of understanding' between the School and the Foundation. In 2020 the Foundation's operating costs of £ 44,634 (2020: £58,446) were recharged to the School.

There were transactions with the School of £98,545 during the period (2020: £75,796) representing donations for bursaries and specific projects, and a nil credit (2020: £630) was due to the Foundation at the period end.

During the period, 1 Trustee (2020:1) donated a total of £4,050 to the Foundation (2020: £5,010). The School paid £22,500 (2020: £54,000) to a company owned by a Trustee of the Foundation for the lease of a property.

The results of the Foundation have been consolidated with those of the School. A copy of those Financial Statements for the period ended 31 August 2021 are available from the Company Secretary of the School, Wells Cathedral School Limited, College Road, Wells, Somerset, BA5 2SX. Charity No: 310212. Company No: 2804495.

15 Taxation

The Foundation is not liable to taxation on the revenue from its primary activities or on its investment income as it is a registered charity.

Notes (continued)

16 Comparative Statement of Financial Activities for year ended 31 July 2020

	Note	Endowment funds £	Restricted funds £	Unrestricted funds £	Total 2020 £
Income from:					
Donations & legacies	3	4,060	192,768	272	197,100
Income from investments	9	-	23,263	476	23,739
Gifts in kind – school	11	-	-	58,446	58,446
Total income		<u>4,060</u>	<u>216,031</u>	<u>59,194</u>	<u>279,285</u>
Expenditure on:					
Charitable activities - donations to school	9	-	(75,796)	-	(75,796)
Raising funds – operating costs	11	-	-	(58,446)	(58,446)
Other expenditure	4	-	-	(1,976)	(1,976)
Total expenditure		<u>-</u>	<u>(75,796)</u>	<u>(60,422)</u>	<u>(136,218)</u>
Net gains on investments	8	(34,479)	-	-	(34,479)
Net expenditure and net movement in funds		<u>(30,419)</u>	<u>140,235</u>	<u>(1,228)</u>	<u>108,588</u>
Fund balance brought forward at 1 August		<u>886,378</u>	<u>256,063</u>	<u>4,602</u>	<u>1,147,043</u>
Fund balance carried forward at 31 July	13	<u>855,959</u>	<u>396,298</u>	<u>3,374</u>	<u>1,255,631</u>

THE WELLS CATHEDRAL SCHOOL FOUNDATION

England & Wales - Charity number 1118159

Accounts

**The Wells Cathedral School Foundation
(Limited by Guarantee)**

Report of the Trustees and Financial Statements
Registered Company number 2804495
Registered Charity number 1118159
Year ended 31 July 2020

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Trustees' report (*continued*)

TRUSTEES' REPORT

The Trustees of Wells Cathedral School Foundation Limited ("Foundation") present their annual report for the year ended 31 July 2020 under the Charities Act 2011, together with the audited Financial Statements for the year and confirm that they comply with the requirements of the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities' Statement of Recommended Practice (FRS 102) ("the charities SORP"). These Financial Statements form part of the audited consolidated Financial Statements of Wells Cathedral School ("the School") for the year.

The Foundation is registered with the Charity Commission and was incorporated on 28 February 2007 as a registered Company, Limited by Guarantee, not having share capital. It is governed by its Memorandum and Articles of Association. The Foundation is a Company registered in England and Wales.

Governance

The Foundation has been created to act as the legal entity for the recording and control of all fundraising activity on behalf of the School.

The governing body

The following served as Trustees in the year under review and up to the date of signing the Financial Statements. The Trustees of the Foundation are Directors of the Foundation for Companies Act 2006 purposes:

Mr David Brown MA, OBE
Mr Max Constantini
Mrs Ann Gummer BSc (Hons)
Mr Christopher Jackson MA (Hons), OBE, SBS, Chairman
Dr Jenny Kingston BDS, LDS RCS (Eng), FDS RCS (Ed), MSc Orth, M. Orth
Mr Philip Lemanski MA (Oxon), FCA
Mr Tim Lewis MA (Cantab), FCA
Mr Chris Seaton BSc (Hons)
Mr Alan Durant BSc (Econ) (*appointed November 2019*)
Mr Alastair Tighe MA (Cantab)

The Foundation's Executive Board comprises the Chairman of the Foundation, an elected School Governor, the Head Master of the School and an elected Foundation Trustee. These four "member" Trustees are joined by the other Trustees in the running of the Foundation and in all appropriate Board meeting decisions but only the member Trustees have the power to vote at the Annual General Meeting ("AGM"). The member Trustees are Christopher Jackson (chairman), Alastair Tighe, Tim Lewis and David Brown. A maximum of 25 Trustees may be appointed to the Board.

Trustees' report (*continued*)

Legal and Administrative Details

Registered and Principal office Wells Cathedral School Limited
College Road
Wells
Somerset
BA5 2SX

Bankers National Westminster Bank plc
7 High Street
Wells
Somerset
BA5 2AD

Solicitors Harris & Harris
14 Market Place,
Wells,
BA5 2RE

Independent Auditor Crowe U.K. LLP
Carrick House
Lypiatt Road
Cheltenham
GL50 2QJ

Company Secretary Mr Peter Knell
Wells Cathedral School
Limited
College Road
Wells
Somerset
BA5 2SX

Connected Charity Wells Cathedral School
Limited
College Road
Wells
Somerset
BA5 2SX

Connected charity registered number 310212

Charitable Objectives

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The objectives of the Foundation are to advance the education of pupils at the School and to promote any other charitable purpose or charitable organisation that the Trustees shall determine, and in particular to assist in:

Trustees' report (*continued*)

- The provision of financial assistance towards the maintenance and development of the School;
- Raising money for awards to pupils to pursue their education at the School, including pupils whose parents or guardians are in need of financial assistance;
- The provision of facilities and equipment to support the education (including the social and physical training) of pupils in the School; and
- The organisation of events to promote the good name of the School and further its educational objectives, including orchestral and choral concerts in the UK and overseas.

Charitable Benefit

The Foundation's charitable benefit is to raise income for the School and the parents of its pupils in the form of bursaries and grants, and for the purchase of equipment and facilities for the use of its pupils.

Organisational Structure

The Foundation's fundraising and related activities are carried out by staff of the School's development office, managed by the Head of Wells Cathedral School Foundation ("the Head of the Foundation") Rebecca Roberts and supported by the School's development committee. An allocation of the development office's operating costs, including School staff costs and other direct costs associated with the Foundation, which are borne by the School, has been made to the Foundation based on time actually spent by the office's staff on the Foundation's affairs. These costs of £58,446 (2019: £48,317) are reflected in the Statement of Financial Activities in operating expenses and income from the School of £58,446 (2019: £48,317) recognised as "Gift in kind - School" in *Income from Charitable Activities*.

The Foundation's committees and their Chairmen are as follows:

Bursaries	Mr Max Constantini
Investment	Mr Tim Lewis
Wells Music Society of Hong Kong	Mr Bryan Carter

The chairman and members of the Board meet with the Head of the Foundation as necessary between Board meetings. Various Trustees take an interest in particular fundraising activities so that the Board can be kept fully informed of all work being undertaken in its name.

The Head of the Foundation is responsible for maintaining the operational processes required to run the Foundation, and for providing professional advice in fundraising, communications and alumni relations. The Head of the Foundation is assisted by a part time administrative assistant and various other events and marketing personnel as required. The arrangement for setting staff pay is through the School and the Head Master agrees the salary in consultation with the Governors of the School. Benchmarking with comparable salaries is achieved through visiting websites such as Pay Scale and ISBA.

Recruiting and Training of Trustees

The Trustees are appointed at a meeting of the Board on the basis of nominations agreed between the chairman, the Head Master of the School and Head of the Foundation, having regard to the Board's requirements concerning eligibility, personal competence, specialist skills and availability for meetings. New Trustees are inducted into the working of the Foundation, including its aims and objectives, by the Chairman and the Head of the Foundation. A document outlining the responsibilities and expectations of the Trustees is provided to all prospective Trustees.

Trustees' report (*continued*)

Charity Governance Code

All Trustees of the Foundation:

- Are committed to the Foundation's cause and have joined its Board because they want to help it deliver its purposes most effectively for public benefit;
- Recognise that meeting the Foundation's stated public benefit is an ongoing requirement;
- Understand their roles and legal responsibilities, and have read and understood:
 - The Charity Commission's guidance *The Essential Trustee (CC3)*;
 - The Foundation's governing document;
 - Are committed to good governance and want to contribute to the Foundation's continued improvement.

The Trustees are familiar with and acknowledge the updated version of the Charity Governance Code published in July 2017 and the Code's principles are reviewed at the yearly AGMs.

Fundraising Disclosures

As required under S162A of the Charities Act 2011, the Foundation has continued to undertake fundraising activities during the year using its database, as in previous years. These fundraising activities have been undertaken by staff employed by the Foundation and no external persons have been used. The Foundation has voluntarily subscribed to the Fundraising Regulator which holds the Foundation to the Code of Fundraising. Over the course of the financial year there have been no failures to comply with the Code, nor have any complaints been received.

Safeguarding Policy

In order to protect vulnerable people the Foundation complies with the School's Safeguarding Policy to report concerns of abuse, all members of staff receive regular training, and safeguarding is an agenda item at all Trustee meetings. This allows Trustees and staff members to raise and be aware of any concerns.

Indemnity Insurance

As permitted by the Articles of Association of the School, the Trustees are the beneficiaries of a qualifying third party indemnity as defined by section 234 of the Companies Act 2006. The School also purchased and maintained throughout the financial year Governors' and officers' liability insurance in respect of itself, its Governors and the Trustees of the Foundation.

The cost of insurance, which is included in the cost of public liability cover in the Consolidated Financial Statements of the School, amounted to £ 7,560 (2019: £8,830) in the year for the School and Foundation.

Statement of Going Concern

In their consideration of the presumption of going concern as the basis for the preparation of the report and Financial Statements, the Trustees have concluded that no material uncertainties have been identified that may cast significant doubt on the ability of the Foundation to continue as a going concern. The Trustees and Head Master have considered that there may be a change in fundraising ability due to the impact of COVID-19 but this will be monitored through professional vigilance and ongoing discussions between the Head Master, Head of Foundation and Trustees.

The Trustees therefore have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis continues to be adopted in preparing the Financial Statements.

Trustees' report (*continued*)

STRATEGIC REPORT

Review of Developments, Activities and Achievements

There are currently ten Foundation Trustees in place to help deliver the Foundation's aims, meeting up to four times a year and combining the Annual General Meeting with the November meeting.

There is also a cohort of Foundation Fellows many of whom play an active role in helping to deliver the strategic aims of the Foundation and School.

During the year the Foundation's bursaries appeal continued to work to support the School's ability to provide financial assistance to certain pupils, a need that has become more pronounced. In the financial year donations and interest income of £58,443 (*2019: 32,967*) and no firm pledges (*2019: nil*) were received.

The Foundation has supported the Board of the Wells Music Society of Hong Kong Limited in the past year, and the School has two music scholars who are supported financially by the Society, Lee Hysan Foundation and the School.

Immediate & Future plans

The emphasis this year has been on increasing alumni engagement and the launch of an Annual Fund: Sport which focuses on developing the Sport provision within the School. Next year will continue to focus on the Annual Fund: Sport, in addition to re-focusing Bursary and Legacy fundraising materials.

FINANCIAL REVIEW

During the year the Foundation received £220,363 (*2019: £575,553*) in financial contributions in the form of donations and legacies, which is a decrease of 62% (*2019: an increase of 103%*) in incoming resources. The Foundation's net movement in funds during the year was a surplus of £108,588 (*2019: surplus of £532,475*).

Investment Policy, Powers and Performances

In accordance with the Trust Deed, the Trustees may authorise the funds of the Foundation to be invested in any stocks, shares or insurance policies. The Trustees' aim is to generate a long-term total return from endowment funds invested, combining both capital growth and income. Endowment funds are defined as donations made to the School in perpetuity, the income from which is to be used for the benefit of future pupils. The investment objective is to outperform the MSCI Wealth Management Association Growth return which this year was -5.9% (*2019: 5.8%*). This year the portfolio outperformed the index return by 4.5% (*2019: 0.6%*).

The Foundation's Endowment funds have been entrusted to Smith & Williamson Investment Management to invest in a portfolio of equities, funds, bonds and cash. The investment is classed as a non-current asset as it will be held for longer than 12 months. The investment objectives and risk parameters are reviewed every year by the investment committee.

Once the value of this portfolio reaches a sufficient amount the income will be used to award bursaries to pupils of the School, consistent with the Foundation's objectives.

Political and Charitable Contributions

The Foundation made no political or charitable contributions during the year under review other than donations to the School of £75,796 (*2019: £94,314*), as disclosed in the statement of financial activities. The Foundation's grant making policy is to make donations only to the School.

Trustees' report (*continued*)

Reserves Policy

The Foundation had unrestricted general funds of £3,374 (2019: £4,602) at the year end. The policy of the Trustees is to use immediately available unrestricted general funds for bursaries or other financial assistance for pupils. At the yearend it had restricted funds of £396,298 (2019: £256,063) and endowment funds of £855,959 (2019: £886,378), giving a total of £1,255,631 (2019: £1,147,043).

Risk Management

The Board of Trustees has considered the principle areas of the Foundation's operations and assessed the major risks faced in each of these areas. They have identified the following risks and controls:

- Failure to attract appropriate Trustees with expertise to provide strong, wise leadership – this is regularly reviewed by the Head Master and Trustees;
- Change in management of the Foundation – continually reviewed by the Head Master and Foundation Chairman;
- Reputational damage caused by inappropriate activity, or failure to secure necessary funds – constant professional vigilance and early consideration of possible issues by the Trustees;
- Financial and reputational damage caused by the government closing down the Music and Dance scheme ("MDS"). The aim of the MDS is to assist pupils at the School with exceptional potential in music and dance, regardless of their personal circumstances. They benefit from world class specialist training, as part of a broad and balanced education. This enables them to proceed towards self sustaining careers in music and dance, if they choose. The future of the MDS is subject to continual governmental spending reviews, which are closely monitored by the Foundation;
- Loss or misuse of funds provided to the Foundation – two staff monitoring the banking process together with full documentation of allocation of all receipts; and
- Change in fundraising ability due to the impact of COVID-19 - professional vigilance and ongoing discussions with the Head Master, Head of Foundation and Trustees.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' report and the Financial Statements in accordance with applicable law, United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and the Charities SORP.

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 they give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources, including the income and expenditure, of the Foundation for that period. In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and the apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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 Foundation will continue in operation.

Trustees' report (*continued*)

The Trustees are responsible for ensuring adequate accounting records are kept by the School sufficient to show and explain the Foundation's transactions, disclose with reasonable accuracy at any time the financial position of the Foundation and enable the Trustees to ensure that the Financial Statements comply with the Companies Act 2006 and the provisions of the Foundation's constitution. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement on Disclosure of Information to the Auditor

So far as each Trustee is aware, there is no relevant audit information of which the Foundation's auditor is unaware. 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 auditor is aware of the information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the page of the School's website dealing with the Foundation. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Independent Auditor

Crowe U.K. LLP have indicated their willingness to accept reappointment as the Foundation's Auditors and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

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



Mr Christopher Jackson
Chairman of Trustees

18th November 2020

Independent Auditor's Report to the Members of Wells Cathedral School Foundation

Opinion

We have audited the Financial Statements of The Wells Cathedral School Foundation for the year ended 31 July 2020 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 July 2020 and of its incoming resources and application or resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 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

We have nothing to report in respect of the following matter in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the Financial Statements is not appropriate; or
- the Trustees have not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt about the charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Financial Statements are authorised for issue.

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 auditor's report 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.

Independent Auditor's Report to the Members of Wells Cathedral School Foundation

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 there is a material misstatement in the Financial Statements or a material misstatement of the other information. 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.

Opinion on other matter 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 have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report 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; or
- the Trustees were not entitled to prepare the Financial Statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' report.

Responsibilities of the Trustees

As explained more fully in the Trustees' responsibilities statement, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

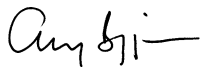
Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

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

Use of 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 Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Guy Biggin
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP

Statutory Auditor
Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Date: 5 February 2021

Statement of Financial Activities (incorporating an income and expenditure account) for the year ended 31 July 2020

	Note	Endowment funds £	Restricted funds £	Unrestricted funds £	Total 2020 £	Total 2019 £
Income from:						
Donations & legacies	3	4,060	192,768	272	197,100	575,553
Income from investments	9	-	23,263	476	23,739	20,406
Gifts in kind – school	11	-	-	58,446	58,446	48,317
Total income		4,060	216,031	59,194	279,285	644,276
Expenditure on:						
Charitable activities - donations to school	9	-	(75,796)	-	(75,796)	(94,314)
Raising funds – operating costs	11	-	-	(58,446)	(58,446)	(48,317)
Other expenditure	4	-	-	(1,976)	(1,976)	(2,047)
Total expenditure		-	(75,796)	(60,422)	(136,218)	(144,678)
Net (losses) /gains on investments	8	(34,479)	-	-	(34,479)	32,877
Net (expenditure)/income and net movement in funds		(30,419)	140,235	(1,228)	108,588	532,475
Fund balances brought forward at 1 August		886,378	256,063	4,602	1,147,043	614,568
Fund balances carried forward at 31 July	13	855,959	396,298	3,374	1,255,631	1,147,043

The notes on pages 14 to 24 form part of these Financial Statements.

Balance sheet as at 31 July 2020

Company number: 2804495

	Note		2020		2019
		£	£	£	£
Fixed assets					
Investments	5		879,222		886,378
Current assets					
Debtors	6	86,515		4,749	
Cash at bank and in hand		292,923		259,027	
			379,438		
Total current assets					263,776
Creditors: amounts falling due within one year	7		(3,029)		(3,111)
Net current assets			376,409		260,665
			1,255,631		
Total assets less current liabilities					1,147,043
			1,255,631		
Net assets					1,147,043
The funds of the charity:					
Endowment funds	8		855,959		886,378
Restricted funds	9		396,298		256,063
Unrestricted funds	10		3,374		4,602
			1,255,631		
Total charity funds					1,147,043

The notes on pages 14 to 24 form part of these Financial Statements.

The Financial Statements have been prepared in accordance with the small companies' regime of the Companies Act 2006.

The Financial Statements were approved by the Trustees on ^{18th} November 2020 and signed on their behalf by:

Mr Christopher Jackson
Chairman of Trustees



Mr Tim Lewis
Trustee



Notes

1 Company Status

The Foundation is a Charitable Company (registered no. 2804495) limited by guarantee registered in England and Wales, not having any share capital. The member Trustees undertake to contribute to the assets of the Foundation in the event of it being wound up, either whilst members or within one year of their membership ceasing. The maximum contribution required from each member is £1.

The registered and principal office of the Foundation is Wells Cathedral School Limited, College Road, Wells, Somerset, BA5 2SX. The Foundation is also registered as a charity with the Charity Commission in England and Wales (Charity Number: 1118159).

2 Accounting Policies

The following accounting policies have been applied consistently throughout the year in dealing with items which are considered material in relation to the Foundation's Financial Statements. There have been no material changes to accounting policies since the prior year.

Basis of Preparation

The Financial Statements have been prepared on the going concern basis under the historic cost convention, with the exception of listed investments which are held at fair value, 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 (FRS 102) 2015 'Accounting and Reporting by Charities' ('the Charities SORP'), the Charities Act 2011 and the Companies Act 2006.

The Foundation has taken advantage of the exemption from the requirement to prepare a cash flow statement in accordance with section 1.12 of FRS 102.

The Foundation is a public benefit entity and the Foundation's functional and presentational currency is the pound sterling.

Going Concern

The Financial Statements are prepared on a going concern basis. The Trustees have a reasonable expectation that they have adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the Foundation's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the Financial Statements. There are no material uncertainties.

Income

Income in furtherance of the Foundation's activities is represented by:

- Donations, which comprise primarily donations and charitable gifts from individuals, grant giving trusts and Foundations, and are accounted for on an accruals basis. Income is recognised when there is a legally binding commitment to the Foundation for the transfer of funds. Donations of assets are brought into the balance sheet and statement of financial activities at market value, at the date of acquisition. Gift aid is subsequently applied for where appropriate;
- Legacies, which are accounted for at the earliest receipt of estate accounts or cash received. An assessment is performed post year end of up to two months. Any legacies received are considered, their value reliably measured and then accounted for appropriately;

Notes *(continued)*

Income *(continued)*

- Income from investments, which represents interest and dividends earned during the year from bonds and deposits and the endowment funds and any realised gains on their disposal. Income is accounted for on an accruals basis; and
- Gifts in kind, which are recorded in income to reflect the value of the Foundation's operating costs that are borne by the School, which include the employees of the Foundation.

Accrued Income

When, as a result of performing a service or otherwise meeting the requirements of any arrangement with a third party, income falls due but has not been invoiced at the year end, an accrual is made for this income.

Expenditure

All expenditure is included in the statement of financial activities and on an accruals basis, inclusive of any value added tax which cannot be recovered. Costs directly attributed to a specific expense heading are allocated to that heading.

Expenditure is recognised when a liability is incurred and in the following categories:

- The costs of charitable activities which consist of charitable donations to the School; and
- Operating costs, which are the allocated operating costs of the School's development office and the direct costs associated with the Foundation which are borne by the School.

Investments

In accordance with the trust deed, the Trustees may authorise the funds of the Foundation to be invested in any stocks, shares or insurance policies. The Trustees' aim is to generate long-term total return from endowment funds invested, combining both capital growth and income, and to invest other funds received in bank deposits and bonds at attractive rates of interest. The basis for determining fair value is the quoted market price in an active market.

Any realised and unrealised gains and losses on sale or revaluation of investments are recorded within the statement of financial activities.

Cash and Cash Equivalents

Cash is represented by cash in hand.

Creditors

Creditors and provisions are recognised where the Foundation has a present obligation resulting from a past event that will probably result in the transfer of funds, and the amount due to settle the obligation can be measured or estimated reliably.

Notes *(continued)*

Fund Accounting

The Foundation has three types of funds for which it is responsible, which require separate disclosure. These are as follows:

- Unrestricted funds which are expendable at the discretion of the Trustees in furtherance of the objects of the Foundation. In addition to expenditure on the principal activities of the Foundation, such funds may be held in order to finance working capital;
- Restricted funds that have been donated for specific purposes, such as bursaries or projects; and
- Endowment funds, which are defined as donations made to the School in perpetuity, the income from which is to be used for the benefit of future pupils.

Financial Instrument Policy

All of the Foundation'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 of Uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements

The Trustees do not believe that any critical judgements have been made in preparing the Financial Statements, except pledges which are included based on a firm judgement by the Foundation.

The accruals and prepayments are calculated based on fact or historical evidence.

(b) Estimates and assumptions

The estimates and assumptions made by the Foundation consist primarily of an allocation of the School's development office's operating costs based on the knowledge of key management personnel.

3 Donations and Legacies

	2020	2019
	£	£
Trusts	41,078	55,396
Legacies	80,000	-
Transfer of endowed funds from School	-	413,963
Companies/individuals	76,022	106,194
	197,100	575,553

Notes (continued)

4 Expenditure

	2020	2019
	£	£
Auditor's remuneration	1,530	1,530
Irrecoverable VAT	306	306
Bank charges	140	211
	1,976	2,047

5 Investments

	2020	2019
	£	£
Investments at valuation		
At 1 August	886,378	392,808
Additions	262,346	496,940
Disposal proceeds	(263,342)	(82,611)
Cash held for re-investment	27,096	24,665
Net (losses)/gains	(34,479)	52,861
	877,999	884,663
Increase in income account (dividends)	1,223	1,715
At 31 July	879,222	886,378

The investment fund is backed by the following funds:

Endowed funds - £855,959
 Restricted funds - £23,263

The investments consist of a portfolio of equities, funds, bonds and cash managed by Smith & Williamson Investment Management, the majority of which comprise UK assets. They are categorised as non-current assets as they are held for longer than 12 months. The investment objective is to outperform the MSCI Wealth Management Association Growth return which this year was -5.9% (2019: 5.8%). This year the portfolio outperformed the index return by 4.5% (2019: 0.6%).

6 Debtors

These comprise accrued income.

Notes (continued)

7 Creditors: amount falling due within one year

These consist of accruals.

8 Endowment Funds

	2020	2019
	£	£
At beginning of year	886,378	392,808
Add donations	4,060	26,746
Add transfers from school	-	413,963
Income from investments	-	19,984
Unrealised (losses)/gains on investments	(34,479)	32,877
	855,959	886,378

The endowment fund represents the investment portfolio held by Smith & Williamson Investment Management. When the portfolio reaches a sufficient amount, the income therefrom will be used to award bursaries to the pupils of the School. The income received is restricted and so transferred to the restricted fund (note 9), reducing the Endowment fund to £855,959. Any realised and unrealised gains and losses on sale or revaluation of investments are recorded within the Statement of Financial Activities.

9 Restricted Funds

	Balance at 31-Jul-19	Incoming	Outgoing	Balance at 31-Jul-20
	£	£	£	£
Income from Investments:				
Bursaries	-	23,263	-	23,263
Other Restricted income:				
Legacies	-	80,000	-	80,000
Cedars Hall Project	192	13,953	(13,162)	983
Pavilion Fund	-	225	(225)	-
Bursaries - General	12,561	58,443	(16,200)	54,804
Wells Music Society of Hong Kong	1,533	31,207	(31,251)	1,489
Bursaries - Sierra Leone	1,291	-	-	1,291
Bursaries - Music Travel	1,710	3,111	(1,200)	3,621
Bursaries - Sport Travel	1,707	1,580	(400)	2,887
Bursaries - Charitable Aid	567	-	-	567
Bursaries - Music	1,401	500	-	1,901
Archive	1,282	-	(82)	1,200
Roland Jacob Award	200	-	(50)	150
Junior Instruments	1,095	-	(928)	167
Trophy Cabinet	1,254	-	-	1,254

Notes (continued)

Sierra Leone	2,759	500	-	3,259
String Department	9,557	-	-	9,557
Woodwind Department	225	2,204	-	2,429
Music Department	7,430	-	-	7,430
Niall Mellis Fund	2,000	-	(2,000)	-
David Nasmyth	1,000	-	-	1,000
St Brandon's Fund	53,341	-	(1,500)	51,841
Quilter Family Bursary Fund	663	662	-	1,325
Quilter Family Fund Administration	3,578	-	(3,578)	-
Choralia tour	2,765	383	-	3,148
Russell Fox Trust	109,245	-	(2,400)	106,845
Alan Powell Fund	17,497	-	(2,820)	14,677
Charitable Volunteering Fund	21,210	-	-	21,210
	<hr/>	<hr/>	<hr/>	<hr/>
	256,063	216,031	(75,796)	396,298
	<hr/>	<hr/>	<hr/>	<hr/>

The restricted income from investments held in the Smith & Williamson portfolio of £23,263 is allocated as follows:

John Cook Legacy	35%	£8,062
Donors	5%	£1,223
Chandler Fund, income from which to be used for music bursaries	11%	£2,580
Quilter Fund, to provide scholarships and bursaries	1%	£193
Dulverton Fund, to fund bursaries for ex-boy choristers	6%	£1,283
Carnegie Fund, to fund a folk singing scholarship	3%	£795
Vandervell Fund, to fund scholarships and bursaries	35%	£8,036
Ashley Jones Fund, endowment income from which to be used to fund bursaries	2%	£461
Legacy	3%	£630

Restrictions are on the use of the larger funds, the Russell Fox Trust (£106,845) and St Brandon's fund (£51,841). St Brandon's is a grant making charity to be used towards the clergy's children and the Russell Fox Trusts were set up in memory of a student who died in 1992 rock climbing, the funds going towards outdoor pursuits. These funds were transferred from the School during the last financial year.

There are two legacies outstanding totalling a prudent £80,000, accounted for in this financial year. One of the legacies is for use at the discretion of the Head Master towards a boy chorister. The purpose of the other remains unclear at this time.

Notes (continued)

Comparative Statement of Restricted funds for year ended 31 July 2019

	Balance at 31-Jul-18	Incoming	Outgoing	Balance at 31-Jul-19
	£	£	£	£
Cedars Hall Project	7,795	13,978	(21,581)	192
Pavilion Fund	244	300	(544)	-
Bursaries - General	(20,406)	32,967	-	12,561
Wells Music Society of Hong Kong	1,578	34,452	(34,497)	1,533
Bursaries - Sierra Leone	1,291	-	-	1,291
Bursaries - Music Travel	646	1,943	(879)	1,710
Bursaries - Sport Travel	2,007	50	(350)	1,707
Bursaries - Charitable Aid	567	-	-	567
Bursaries - Music	575	2,575	(1,749)	1,401
Archive	1,282	-	-	1,282
Roland Jacob Award	250	-	(50)	200
Junior Instruments	1,095	-	-	1,095
Trophy Cabinet	1,754	-	(500)	1,254
Sierra Leone	2,759	-	-	2,759
String Department	9,557	-	-	9,557
Woodwind Department	150	75	-	225
Music Department	1,326	6,104	-	7,430
Conservatoire Instruments	5,000	-	(5,000)	-
Niall Mellis Fund	2,000	-	-	2,000
David Nasmyth	1,000	-	-	1,000
St Brandon's Fund	53,841	-	(500)	53,341
Quilter Family Bursary Fund	865	713	(915)	663
Quilter Family Fund Administration	3,578	-	-	3,578
Choralia tour	-	2,765	-	2,765
Russell Fox Trust 1	2,677	-	(2,677)	-
Russell Fox Trust 2	109,643	-	(399)	109,244
Alan Powell Fund	-	17,497	-	17,497
Charitable Volunteering Fund	-	21,210	-	21,210
	<u>191,074</u>	<u>134,628</u>	<u>(69,639)</u>	<u>256,063</u>

Notes (continued)

10 Unrestricted Funds

	Balance at 31-Jul-19 £	Interest £	Incoming £	Outgoing £	Balance at 31-Jul-20 £
General Funds	4,160	476	272	(1,976)	2,932
Designated Funds	442	-	-	-	442
	4,602	476	272	(1,976)	3,374

Unrestricted funds comprise gifts provided to the Foundation that are not committed to any project being undertaken by the Foundation. The Trustees determine how such funds shall be used. The £422 (2019: £442) in the designated funds is the balance in the curriculum development fund and will be released next year.

Comparative Statement of Unrestricted funds for year ended 31 July 2019

	Balance at 31-Jul-18 £	Interest £	Incoming £	Outgoing £	Balance at 31-Jul-19 £
General Funds	30,244	422	216	(26,722)	4,160
Designated Funds	442	-	48,317	(48,317)	442
	30,686	422	48,533	(75,039)	4,602

11 Remuneration of the Trustees

The Foundation had no employees in either this or the preceding financial year and therefore no employee earned more than £60,000 in the current or previous year. The Trustees did not receive any emoluments, benefits or reimbursement of expenses during the year (2019: £nil). The staff were paid £30,561 (2019: £30,066) which is incorporated in the operating expenses and gift in kind from the School of £58,446 (2019: £48,317). The difference of £27,885 (2019: £18,252) comprises expenses borne by the Foundation for office administration, travel and events of the Foundation.

Notes (continued)

12 Financial Instruments:

The Foundation has the following financial instruments:

- Financial assets that are measured at amortised cost

	2020	2019
	£	£
Debtors	86,515	4,747
	<hr/>	<hr/>

- Financial assets that are measured at fair value

	2020	2019
	£	£
Investments	879,222	886,378
	<hr/>	<hr/>

- Financial liabilities measured at amortised cost

	2020	2019
	£	£
Accruals	2,176	1,840
Endowed bond	853	1,271
	<hr/>	<hr/>
	3,029	3,111
	<hr/>	<hr/>

13 Allocation of Net Assets

The net assets are held for the various funds as follows:

	Fixed assets	Net current assets	Total
	£	£	£
Endowment Funds	855,959	-	855,959
Restricted Funds	-	396,298	396,298
Revenue Funds	-	2,932	2,932
Designated Funds	-	442	442
	<hr/>	<hr/>	<hr/>
	855,959	399,672	1,255,631
	<hr/>	<hr/>	<hr/>

Notes (continued)

Comparative Allocation of Net Assets for year ended 31 July 2019:

	Fixed assets	Net current assets	Total
	£	£	2019 £
Endowment Funds	886,378	-	886,378
Restricted Funds	-	256,063	256,063
Revenue Funds	-	4,160	4,160
Designated Funds	-	442	442
	886,378	260,665	1,147,043

14 Connected Parties

Wells Cathedral School (“the School”) is a connected charity and parent within the terms of the SORP in that it has common, parallel or related objects and activities and unity of administration.

The School funded the initial set up costs of the Foundation and will fund certain ongoing costs of operation of the Foundation as agreed in the ‘memorandum of understanding’ between the School and the Foundation. In 2020 the Foundation’s operating costs of £ 58,448 (2019: £48,317) were recharged to the School.

There were transactions with the School of £75,796 during the year (2019: £94,314) representing donations for bursaries and specific projects, and a credit of £630 (2019: £nil) was due to the Foundation at the year end.

During the year, 1 Trustees (2019:2) donated a total of £5,010 to the Foundation (2019: £6,510). The School paid £54,000 (2019: £54,000) to a company owned by a Trustee of the Foundation for the lease of a property.

The results of the Foundation have been consolidated with those of the School, a copy of those Financial Statements for the year ended 31 July 2020 are available from the Company Secretary of the School, Wells Cathedral School Limited, College Road, Wells, Somerset, BA5 2SX. Charity No: 310212. Company No: 2804495.

15 Taxation

The Foundation is not liable to taxation on the revenue from its primary activities or on its investment income as it is a registered charity.

Notes (continued)

16 Comparative Statement of Financial Activities for year ended 31 July 2019

	Note	Endowment funds £	Restricted funds £	Unrestricted funds £	Total 2019 £
Income from:					
Donations & legacies	3	440,709	134,628	216	575,553
Income from investments	5,8	19,984	-	422	20,406
Gifts in kind – school	11	-	-	48,317	48,317
Total income		460,693	134,628	48,955	644,276
Expenditure on:					
Charitable activities - donations to school	3	-	69,639	24,675	94,314
Raising funds – operating costs	11	-	-	48,317	48,317
Other expenditure	4	-	-	2,047	2,047
Total expenditure		-	69,639	75,039	144,678
Net gains on investments	8	32,877	-	-	32,877
Net expenditure and net movement in funds		493,570	64,989	(26,084)	532,475
Fund balance brought forward at 1 August		392,808	191,074	30,686	614,568
Fund balance carried forward at 31 July	13	886,378	256,063	4,602	1,147,043

