

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023
Charity No: 1129776

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

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THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

REPORT OF THE TRUSTEES 31 December 2023

The Trustees are pleased to present their report and financial statements for the year ended 31 December 2023.

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

Objectives

The Trust's objectives reflect the historic purpose of King Edward's School, Birmingham: to provide an outstanding education for boys across Birmingham, whatever their family income. From 1944 until 1997, the government's Direct Grant and Assisted Places schemes provided means-tested support for bright pupils who lacked the means to fund a King Edward's education. Following the abolition of this funding, the need for alternative funding routes became evident.

In the absence of government funding, the King Edward's Foundation has contributed around £1 million towards Assisted Places each year. However, despite this, the School continues to struggle to meet a continued demand for financial support. With over 40% of all admissions applicants requesting Assisted Places, more funding is required to meet this urgent need.

The King Edward's School Birmingham Trust was established to address this need, by generating philanthropic funding streams from alumni, trusts, and corporates. The Declaration of Trust has as its objects: "The advancement of education by supporting the provision of education at King Edward's School, Birmingham ("the School") in such ways as the Trustees see fit in particular (but without prejudice to the generality of the foregoing) by providing funds to support the provision of bursaries to boys on the basis of financial need to enable them to attend the School."

To fulfil these objectives and secure Assisted Places funding, the Development & Old Edwardian Office coordinates a range of fundraising activities on the Trust's behalf. Fundraising for Assisted Places includes face-to-face, direct mail, and telephone solicitations. The funding these activities generate offers boys from a wide range of backgrounds a first-class education at a leading UK independent school. This education plays a valuable role in facilitating the social mobility of bright boys across Birmingham, helping to maintain the social and ethnic diversity of the School.

Public Benefit

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

Assisted Places are an important means of widening access to the School, ensuring that talented boys can not only take up their place here, but take full advantage of the activities and trips offered by the School.

The School's extensive Outreach programme provides opportunities to promote the availability of Assisted Places, whilst raising aspirations across primary schools in the local community. Each academic year, the School engages 7,000-10,000 primary school children from more than 150 schools. Outreach generates a diverse pool of applicants to the School which is seen as a place for all with the talent to attend, not just those whose parents can afford the fees. As a result of this awareness, 2023 saw another strong year for admissions applications: 592 applications were received, with 42% of applicants requesting Assisted Places funding.

Providing Assisted Places is a core element of the School's new strategic plan, which places significant emphasis on accessibility. The School was named 'The Sunday Times' West Midlands Independent School of the Decade' in 2020 and is one of the best schools nationally, as reflected in pupils' GCSE grades, International Baccalaureate results, and university destinations. It is therefore the Trust's principal mission to ensure that boys who will most benefit from a King Edward's education are able to do so. Assisted Places unlock this access; they also ensure that all boys at school, irrespective of how they are funded, enjoy learning in a diverse, supportive environment, preparing them for the challenges they will face in the wider world.

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

REPORT OF THE TRUSTEES (CONTINUED)

31 December 2023

The School's teaching staff are passionate about their subjects, teaching above and beyond the curriculum to ensure boys are challenged and stimulated, and are always available to provide encouragement and support. During their first three years at the School, boys study a broad curriculum alongside the core academic subjects and a great deal of time is set aside for the creative subjects: art, music, design, drama, and for sport and PE. Latin is compulsory for three years and in Year 9 boys can take up Spanish, German or Ancient Greek. Boys take 10 subjects at GCSE: English Language, English Literature, Maths, one language and at least two sciences are compulsory, and boys can choose three or four subjects from Art, Ancient Greek, Design and Technology, Drama, Geography, German, History, Latin, Music, Religious Studies and Spanish. In the Sixth Form all pupils study the International Baccalaureate (IB) Diploma, an internationally recognised course designed to provide intellectual challenge and preparation for a global future. It also requires a breadth of study, covering English, Maths, Science, a language and a humanities subject. In addition, all boys write an Extended Essay and study a course on Theory of Knowledge.

Exam results continue to be excellent. In 2023's GCSEs, out of a year group of 132, 33 boys achieved at least ten 9/8s and a further 32 achieved nine 9/8s. The overall percentage of 9/8 grades attained was 69% and 88% were 9-7.

Boys also achieved significant success in the International Baccalaureate. The average score was 35.9, five points above the global average. Eight boys scored either 44 or 43 points and 20% of the cohort of 101 attained scores of 40 points or above. Over half of the year group achieved grades of 7 or 6 in all three of their Higher Level subjects, the equivalent to three A*/A at A-level. A key factor in the School's academic performance has been the growth in the number of boys with Assisted Places, ensuring the School is able to attract the very best students.

Assisted Place holders do not just benefit from the academic advantages conferred by a King Edward's education; they are also able to access the School's wide-ranging and high-quality extra-curricular programme. The boys have the chance to play over 20 sports and to perform in musical groups as part of an annual programme of around 40 concerts and recitals. Their musical experience is further enriched by visiting speakers, masterclasses with internationally renowned musicians, and the School's connection with the City of Birmingham Symphony Orchestra (CBSO). Dramatists can take part in up to 20 performances each year, ranging in size and scale. There are also 50 regular clubs and societies to choose from, as well as a broad range of trips and expeditions in which they can participate, both nationally and internationally. On Friday afternoons, there are no academic lessons. Having an afternoon per week dedicated to co-curricular activities provides an opportunity for boys to develop their social skills ready for life at university and beyond. Options taken through the Friday afternoons activities programme can also fulfil parts of the Creativity, Activity, Service (CAS) element of the IB Diploma, which all boys will be working towards in the Sixth Form.

The Trust also enables all boys, including those on Assisted Places, to benefit from the School's exceptional facilities: for instance, the Sir Paul and Lady Ruddock Performing Arts Centre, the Andrew Brode Wing (a state-of-the-art modern languages and science building), the Andrew Brode Sports Centre, and the Southall Hockey Pavilion. These philanthropically-funded resources are also available to the local community outside of school hours and play a part in the School's Outreach work. Without the attention generated by the launch of the Trust and fundraising activity in School, it is arguable that some of these facilities may not have been established.

Further reinforcement of the transformational experience boys receive was provided by the findings of the most recent (2017) Independent Schools Inspectorate (ISI) Educational Quality inspection. The School was awarded the highest possible rating of 'excellent' in all areas, based upon the quality of both pupils' academic and other achievements and the quality of pupils' personal development. The inspection report praised the "consistently exceptional" examination results and the "harmonious and respectful" relationships between pupils. Pupils were found to "have gained a strong awareness of their individual strengths" and "an understated confidence and an inspiring humility" by the time they leave. The inspectors also observed "excellent relationships, based on mutual trust and high expectations" between pupils and their teachers and stated that "the scholarship of teaching" underpinned pupils' knowledge and understanding in all curriculum areas.

Grant making policy

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

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

REPORT OF THE TRUSTEES (CONTINUED) 31 December 2023

Grants

The Trustees are pleased to report that they made grants for Assisted Places totaling £441,122 (2022: £478,604). In November 2023, the Trustees agreed to make further funds available for the purpose of funding at least four Assisted Places for boys starting in September 2024.

By the end of 2023, the Trust will have provided funding for 139 Assisted Places - equivalent to more than an entire year group of pupils. This is a significant milestone in continuing to make a tangible difference to the lives of bright boys across our city.

Achievements and performance

The Trustees are pleased with the achievements and fundraising performance of the Trust during its fourteenth year of operation and remain very grateful to all the donors who have continued to support the charity. During 2023, £547,342 (2022: £678,492) was received in donations from 736 donors (2022: 863).

The fundraising undertaken in 2023 built on the remarkable achievements of the Trust so far. As of March 2024, the Campaign has raised over £14.6 million for Assisted Places.

Financial review

The Trust's financial statements are set out on pages 12 to 27.

The total incoming resources received by the Trust were £745,121 (2022: £763,760) of which £57,728 (2022: £70,801) was reclaimed Gift Aid. The Trust received donations from 736 different donors during the year.

Investment policy and performance

All the investments of the Trust are managed by Ruffer LLP. Ruffer was chosen because of their charity experience, their record of consistent returns over varying market cycles and a long-held goal of protecting capital over rolling 12-month periods. All Trust investments are invested in accordance with their investment policy and the Trustees take professional advice from the brokers regarding the market outlook, potential risks, investment trends and yield and the prospect for future capital growth.

Ruffer constructs portfolios that aim to preserve capital and deliver a return ahead of the risk-free alternative. The portfolio always contains protective assets as well as growth assets. From our perspective as a charity client, this conservative approach to fund management seems an appropriate stance and this has been extremely beneficial in protecting the assets of the Trust during the significant downturn during the course of the pandemic and subsequent global economic turbulence. The Trustees will, however, continue to review closely the performance of our investments as the situation unfolds.

At the year end the value of the portfolio was £7,662,102 (2022: £7,846,274). Over the same period, prices have risen by 4.2% as measured by the Consumers' Price Index and by 10% per annum as measured by the Retail Prices Index. This was driven by a number of factors, including the war in Ukraine, supply chain disruptions, and rising energy prices.

Overall, the portfolio performance in 2023 was disappointing. Ruffer did not achieve their first aim of capital preservation over a 12 month period. The biggest detractors were our protective positions, though there was growth in equities and short-dated fixed-interest positions.

From 1 January 2024 to 31 March 2024, the portfolio had a total return of -1.6%.

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

REPORT OF THE TRUSTEES (CONTINUED) 31 December 2023

Risk management

The Trustees continue to keep under review the major operational and strategic risks to which the Trust is exposed and are satisfied that systems and controls are in place to minimise exposure to such risks as may exist.

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

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

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

Ethical policy

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

The Trust's full ethical policy is available here: <https://oldeds.kes.org.uk/the-kes-trust/trust-information-policies/>

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

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

Systems and controls document

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

Gift acceptance policy

The Trust's gift acceptance policy is reviewed annually, to include any new types of gifts that the Trust will accept and to ensure it complies with new legislation. The most up-to-date version is available at: <https://www.trust.kes.org.uk/gift-acceptance-policy.html>.

Data policy

In order to advance the Trust's mission and legitimate interest (providing bursaries to able boys on the basis of financial need, to enable them to attend King Edward's School), a database is held by the School. This holds information on donors and potential donors, and the Trust uses all reasonable care to keep this data up to date and secure.

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

The Privacy Notice covers the collection, usage, sharing, accuracy and retention of data, as well as the rights of those whose data is held by the School. The Privacy Notice was updated in spring 2023 to ensure it remains in keeping with current legislation and best practice, including how it profiles and wealth screens potential donors. A full Privacy Notice is available at: <https://oldeds.kes.org.uk/wp-content/uploads/2023/11/Privacy-Notice-reviewed-2023.pdf>. It is reviewed regularly.

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

REPORT OF THE TRUSTEES (CONTINUED) **31 December 2023**

External changes and recommendations

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

Reputational risk management and fundraising

The relationship between the School's academic results and the Trust's fundraising mitigates against the risk of either a reduction in donations or a decline in the School's academic success. The two are inextricably linked. The School's success makes a strong case for continued support, as the Trust continues its fundraising efforts.

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

Reserves policy

It is the policy of the Trustees to distribute the majority, although not necessarily the total amount of income received and projected Trust income. As a result, the Trustees may carry some undistributed income forward to the following financial year. At 31 December 2023, the undistributed reserves on the unrestricted fund totaled £5,142 (2022: £4,542). The operational costs of the charity are borne by The Schools of King Edward the Sixth in Birmingham.

Plans for the future

The Trustees continue to be delighted by the achievements of the Trust. Looking ahead, Trustees will consider the long-term aims of The KES Trust in supporting the school, principally their hope to generate an endowment to preserve the Assisted Places Fund in perpetuity, as well as supporting the forthcoming KE2052 plan which will explore the future of the Edgbaston campus and how the education provided there may develop over the next 30 years. The Trustees recognise that the next phase of fundraising will be more challenging, owing to changes in the donor demographic and the political climate regarding independent education.

Access and excellence remain the two pillars of King Edward's. Assisted Places will remain at the heart of new campaigns, bolstered by other strands that will emphasise and develop the school's place in the city of Birmingham, the diversity of our population and the campus from which we work.

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

REPORT OF THE TRUSTEES (CONTINUED) 31 December 2023

Structure, governance and management

The King Edward's School Birmingham Trust is a registered charity (number: 1129776) and is established as an independent charitable endowment under a Declaration of Trust dated 7 May 2009.

The Trust was established to receive donations for Assisted Places and for educational advancement on behalf of King Edward's School. The purpose of Assisted Places is to ensure that the School continues to open its doors to bright boys who deserve a place, but cannot afford to come without some form of financial assistance.

Reference and administration information

Charity Name	The King Edward's School Birmingham Trust
Charity Registration Number	1129776
Registered Office	King Edward's School Edgbaston Park Road Birmingham B15 2UA

Trustees

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

Mr O Choudhry	Appointed 19 May 2021; term of office expired 19 May 2024.
Mr A Kendall	Reappointed 22 March 2023; term of office expires 22 March 2026.
Mr J P N Martin (Chairman)	Reappointed Chairman on 5 May 2023; term of office expires 5 May 2026.
Mr I R Metcalfe OBE	Appointed 13 May 2024; term of office expires 13 May 2027.
Mr K Phillips	Reappointed 5 December 2022; term of office expires 5 December 2025.
Mr W Rehman	Appointed 24 March 2021; term of office expired 24 March 2024.
Dr C L Ricks	Appointed by virtue of being Chief Master on 1 September 2019; term of office expired 25 July 2024.
Mrs Kirsty von Malaisé	Appointed by virtue of being Chief Master & Principal on 25 July 2024.

Auditors

Cooper Parry Group Limited
Statutory Auditors
Cubo Birmingham
Two Chamberlain Square
Birmingham
B3 3AX

Bankers

Lloyds
134 New Street
Birmingham
B2 4QZ

Investment Managers

Ruffer LLP
80 Victoria Street
London
SW1E 5JL

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

REPORT OF THE TRUSTEES (CONTINUED)

31 December 2023

Trustee recruitment and training

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

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

The Trust receives donations through the British Schools and Universities Foundation (BSUF) which allows donors in the US to make tax effective gifts to the Trust. Dr Frank Booth (King Edward's School, Class of 1965) is the current representative in the US. From June 2024, this will flow through the Foundation umbrella.

Organisational structure

All matters of policy and management are determined by the Trustees, who meet three times per year and at such other times as circumstances require. The Development Office is managed by the Development Director, who reports to and consults with the Trustees on all fundraising activity. The Development & OEA Office conducts the operational fundraising and communications, and the wider fundraising strategy is decided in concert with the Trustees.

The Chief Master and the Development Director have three-weekly meetings, at which they plan, monitor and evaluate the fundraising undertaken by the Development Office on the Trust's behalf. Trustees are welcome to attend these meetings.

Responsibilities of the Trustees

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

REPORT OF THE TRUSTEES (CONTINUED)
31 December 2023

Auditors

Cooper Parry Group Limited has expressed its willingness to continue in office and will be proposed for re-appointment at the next trustee meeting.

Approved by the Trustees on 30/08/2024 and signed on their behalf by:



J P N Martin
Chairman of Trustees

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

Opinion

We have audited the financial statements of The King Edward's School Birmingham Trust ('the charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Trustees Annual Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST (CONTINUED)

Matters on which we are required to report by exception

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

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

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 7, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

- obtaining an understanding of the legal and regulatory framework applicable to the charity and how the charity is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the charity's control environment and how the charity has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the charity's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST (CONTINUED)

- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

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

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

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Cooper Parry Group Limited
Statutory Auditors

Cubo Birmingham
Two Chamberlain Square
Birmingham
B3 3AX

Date: **11 October 2024**

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

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December
2023

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total funds £	2022 Total funds £
Income and endowments:						
Donations	2	111,521	410,823	24,998	547,342	678,492
Investment and other income	2	-	197,779	-	197,779	85,268
Total		111,521	608,602	24,998	745,121	763,760
Expenditure:						
Cost of raising funds	3	-	695	(22,458)	(21,763)	(90,726)
Expenditure on charitable activities	4	(110,921)	(470,073)	-	(580,994)	(590,058)
Total		(110,921)	(469,378)	(22,458)	(602,757)	(680,784)
Net Incoming resources/ (resources expended) before investment gains		600	139,224	2,540	142,364	82,976
Realised (loss)/gain in market value of investments		-	18,787	(607,734)	(588,947)	(311,698)
Unrealised gain in market value of investments	6	-	5,457	(176,547)	(171,090)	784,160
Net movement in funds		600	163,468	(781,741)	(617,673)	555,438
Reconciliation of funds:						
Total funds brought forward	10	4,542	2,331,365	8,096,559	10,432,466	9,877,028
Total funds carried forward	10	5,142	2,494,833	7,314,818	9,814,793	10,432,466

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

The notes on pages 16 to 27 form part of these financial statements.

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

**SUMMARY INCOME AND EXPENDITURE
ACCOUNT
for the year ended 31 December 2023**

	Note	2023 £	2022 £
Income		522,344	621,480
Gains on investments		24,244	16,490
Interest and investment income	2	197,779	85,268
Gross income		<hr/> 744,367	<hr/> 723,238
Expenditure		(580,299)	(593,224)
Net income for the financial year		<hr/> <hr/> 164,068	<hr/> <hr/> 130,014

The notes on pages 16 to 27 form part of these financial statements.

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

BALANCE SHEET
as at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	6	7,662,102	7,846,274
Total fixed assets		7,662,102	7,846,274
Current assets			
Debtors	8	43,109	62,882
Cash and cash equivalents	7	2,275,937	2,696,922
		2,319,046	2,759,804
Creditors: amounts falling due within one year	9	(166,355)	(173,612)
Net current assets		2,152,689	2,586,192
Net assets		9,814,793	10,432,466
Charity Funds			
Endowment funds			
Permanent endowment	10	1,814,283	2,015,063
Expendable endowment	10	2,494,832	6,081,496
Restricted funds	10	5,500,536	2,331,365
Unrestricted funds	10	5,142	4,542
Total charity funds		9,814,793	10,432,466

The financial statements on pages 12 to 27 were approved by the Trustees on 30/08/2024 and signed on its behalf by:

J P N Martin
Chairman of Trustees

The notes on pages 16 to 27 form part of these financial statements.

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

STATEMENT OF CASH FLOWS
as at 31 December 2023

	Note	2023 £	2022 £
Cash flow from operating activities	14	(21,136)	63,526
Cash flow from investing activities			
Payments to acquire investments		(7,042,207)	(6,341,586)
Receipts from sales of investments		6,466,342	6,916,327
Income from investment portfolio		187,730	83,341
Interest received		10,049	1,927
Investment manager costs		(21,763)	(90,726)
Net cash used by investing activities		<hr/> (399,849) <hr/>	<hr/> 569,283 <hr/>
Change in cash and cash equivalents in the year		(420,985)	632,809
Cash and cash equivalents at 1 January 2023		2,696,922	2,064,113
Cash and cash equivalents at 31 December 2023		<hr/> 2,275,937 <hr/>	<hr/> 2,696,922 <hr/>
Cash and cash equivalents consists of:			
Cash at bank		2,275,937	2,166,166
Investment manager account		-	530,756
Cash and cash equivalents at 31 December 2023		<hr/> 2,275,937 <hr/>	<hr/> 2,696,922 <hr/>

Analysis of changes in net debt

	At 1-Jan-23 £	Cashflows £	At 31-Dec-23 £
Cash at bank and in hand	2,696,922	(420,985)	2,275,937
	<hr/>	<hr/>	<hr/>

The notes on pages 16 to 27 form part of these financial statements.

NOTES TO THE ACCOUNTS
for the year ended 31 December 2023

1 Summary of significant accounting policies

(a) General information and basis of preparation

The King Edward's School Birmingham Trust is a registered unincorporated charity in the United Kingdom. The address of the registered office is given in the charity information on page 6 of these financial statements. The nature of the charity's operations and principal activities are to advance education by supporting the provision of education at King Edward's School Birmingham ("the School") in such ways that the Trustees see fit in particular by providing funds to support the provision of bursaries to boys on the basis of financial need to enable them to attend school.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) effective October 2019.

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

Cost of living crisis, UK election and going concern

At the balance sheet date, the Trust had a significant cash balance and strong net current asset position. At the time of signing these accounts, the Trustees continue to consider the effect of the cost of living crisis and the election on the going concern position, and consider that this does indicate that the Trust will continue to trade for a period of at least 12 months from the date of signing these accounts due to the cash and investment balance available to it and the relative flexibility of its funds.

The financial forecasts prepared by the Trustees show that the Trust will be able to operate and continue to make grant awards within the funds available to it.

On that basis, the Trustees have prepared these financial statements on a going concern basis.

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

(b) Funds

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

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

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

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

NOTES TO THE ACCOUNTS
for the year ended 31 December 2023

1 Summary of significant accounting policies (continued)

(c) Income recognition

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

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

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

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

(d) Expenditure recognition

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

- Costs of raising funds
- Expenditure on charitable activities

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

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

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

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

The analysis of these costs is included in note 4.

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

NOTES TO THE ACCOUNTS for the year ended 31 December 2023

1 Summary of significant accounting policies (continued)

(f) Fixed Asset Investments

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

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

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

Realised and unrealised gains and losses

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

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

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

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

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

(h) Tax

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

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

NOTES TO THE ACCOUNTS
for the year ended 31 December 2023

2 Income and endowments from:

	2023	2022
	£	£
Unrestricted		
<i>Donations and legacies</i>		
Donations in kind (Note 4)	110,921	85,282
Donations	600	600
	<hr/>	<hr/>
Total unrestricted fund income	111,521	85,882
	<hr/>	<hr/>
Restricted		
<i>Donations and legacies</i>		
Donations	355,995	468,476
Gift Aid reclaimed	54,828	67,122
	<hr/>	<hr/>
	410,823	535,598
	<hr/>	<hr/>
<i>Investments</i>		
Bank interest receivable	190,385	446
Income from investment portfolio	7,394	84,822
	<hr/>	<hr/>
	197,779	85,268
	<hr/>	<hr/>
Total restricted fund income	608,602	620,866
	<hr/>	<hr/>
Endowed		
<i>Donations and legacies</i>		
Donations	22,098	53,333
Gift Aid reclaimed	2,900	3,679
	<hr/>	<hr/>
Total endowed fund income	24,998	57,012
	<hr/>	<hr/>
Total income	745,121	763,760
	<hr/> <hr/>	<hr/> <hr/>

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

3 Cost of raising funds

	Restricted £	Endowed £	2023 £	2022 £
Investment Management Costs	(695)	22,458	21,763	90,726
	<u>(695)</u>	<u>22,458</u>	<u>21,763</u>	<u>90,726</u>

Of the £90,726 total cost during 2022, £87,560 were attributable to the endowed fund and £3,166 were attributable to the restricted fund.

4 Resources expended

	Charitable Activities £	Governance £	2023 Total £	2022 Total £
Grants awarded				
- Assisted Places	441,122	-	441,122	478,604
- Assisted Places Support	655	-	655	1,172
- Osborn PD Mentor Fund	-	-	-	25,000
- Other	28,296	-	28,296	-
Support costs	101,320	9,601	110,921	85,282
	<u>571,393</u>	<u>9,601</u>	<u>580,994</u>	<u>590,058</u>

Of the above costs, £110,921 (2022: £85,282) were attributable to unrestricted funds, £470,072 (2022: £504,776) were attributable to restricted funds and £Nil (2022: £Nil) were attributable to endowment.

The Assisted Places Fund has benefited a total of 45 (2022: 49) boys during the year.

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

	2023 £	2022 £
Salaries	57,604	54,994
Communications and mailings	8,292	6,685
Database maintenance	10,079	5,816
Event expenses	8,840	666
Office supplies	745	454
Subscriptions and memberships	1,648	2,031
Audit and accountancy fees	9,601	7,349
Bank and general fees	(160)	2,878
Legal fees	141	4,409
Cricket bowling machine	14,130	-
	<u>110,921</u>	<u>85,282</u>

5 Auditor's remuneration

	2023 £	2022 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	<u>9,120</u>	<u>8,700</u>

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

NOTES TO THE ACCOUNTS for the year ended 31 December 2023

6 Fixed Asset Investments

	2023 £	2022 £
Movement in fixed asset investments		
Market value as at 1 January 2023	7,846,274	7,948,553
Add:		
Additions to investments at cost	7,042,207	6,341,586
Less:		
Net gain on revaluation	(171,090)	784,160
Disposals at carrying value	(7,055,289)	(7,228,025)
Market value as at 31 December 2023	7,662,102	7,846,274
Investments at market value comprised:		
UK equities	-	256,529
Overseas equities and funds	-	624,475
UK Fixed Interest securities	-	1,764,444
Overseas fixed interest securities	-	2,431,347
Precious metals	-	387,771
Global Funds	7,662,102	579,293
Credit and capital funds	-	1,802,415
	7,662,102	7,846,274

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

	2023 £	2022 £
2.5% Treasury Index-Linked 17/07/2024	-	699,935
Charity Assets Trust C Inc	7,662,102	-
Ruffer Illiquid Multi Strategies Fund 2015	-	488,835
Ruffer Protection Strategies International Z GBP	-	996,946
Ruffer SCIAV Fixed Income Z GBP	-	2,431,348

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

World stock markets continue to be affected by a combination of domestic and global factors. This is exemplified by the portfolio valuation as at 31 March 2024 having a 3 month total return of -1.6%.

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

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

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

NOTES TO THE ACCOUNTS
for the year ended 31 December 2023

7 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	2,275,937	2,166,166
Investment manager account	-	530,756
	<u>2,275,937</u>	<u>2,696,922</u>

8 Debtors

	2023 £	2022 £
Gift aid receivable	12,518	25,399
Other debtors	30,591	37,483
	<u>43,109</u>	<u>62,882</u>

9 Creditors: amounts falling due within one year

	2023 £	2022 £
Other creditors	157,235	164,912
Accruals	9,120	8,700
	<u>166,355</u>	<u>173,612</u>

NOTES TO THE ACCOUNTS
for the year ended 31 December 2023

10 Funds	Balance at 01-Jan-23 £	Incoming Resources £	Outgoing resources £	Other recognised gains and losses £	Transfer £	Balance at 31-Dec-23 £
Restricted Funds						
Assisted Places Fund	1,607,550	545,940	(440,428)	24,244	-	1,737,306
Assisted Places Support Fund	5,309	7,190	(655)	-	-	11,844
John Osborn Post-Doctoral Mentor Fund	50,000	25,000	-	-	-	75,000
Masterplan Fund	162,500	-	-	-	-	162,500
Scholarship Fund	18,215	-	-	-	-	18,215
The Tolkien Trust Matched Fund	478,751	-	-	-	-	478,751
Other restricted funds	9,040	30,472	(28,295)	-	-	11,217
	2,331,365	608,602	(469,378)	24,244	-	2,494,833
Endowed Funds						
Permanent Endowed Funds						
John Osborn Endowment Funds	2,015,063	-	(5,591)	(195,190)	-	1,184,282
Expendable Endowed Funds						
Robert Cooke Fund	43,743	-	(121)	(4,237)	-	39,385
Miss Margaret Davis Fund	2,532,395	-	(7,023)	(245,303)	-	2,280,069
Jim Grant Fund	542,301	-	(1,504)	(52,530)	-	488,267
Old Edwardians Association	514,127	-	(1,426)	(49,801)	-	462,900
The Tolkien Trust	398,104	-	(1,104)	(38,563)	-	358,437
Wesley & Sheila Cummings Trust	226,798	-	(629)	(21,969)	-	204,200
Claughton Scholarship Fund	923,759	11,870	(2,562)	(89,481)	-	843,586
General Endowment Fund	900,269	13,125	(2,497)	(87,205)	-	823,692
	6,081,496	24,995	(16,867)	(589,089)	-	5,500,536
Unrestricted Fund						
	4,542	111,521	(110,921)	-	-	5,142
Total Funds	10,432,466	745,120	(602,756)	(760,037)	-	9,814,793

NOTES TO THE ACCOUNTS
for the year ended 31 December 2022

10 Funds 2022	Balance at 01-Jan-22 £	Incoming Resources £	Outgoing resources £	Other recognised gains and losses £	Transfer £	Balance at 31-Dec-22 £
Restricted Funds						
Assisted Places Fund	1,640,745	432,085	(481,770)	16,490	-	1,607,550
Assisted Places Support Fund	5,200	1,281	(1,172)	-	-	5,309
John Osborn Post-Doctoral Mentor Fund	50,000	25,000	(25,000)	-	-	50,000
Masterplan Fund	-	162,500	-	-	-	162,500
Scholarship Fund	18,215	-	-	-	-	18,215
The Tolkien Trust Matched Fund	478,751	-	-	-	-	478,751
Other restricted funds	9,040	-	-	-	-	9,040
	2,201,951	620,866	(507,942)	16,490	-	2,331,365
Endowed Funds						
Permanent Endowed Funds						
John Osborn Endowment Funds	1,922,723	-	(21,946)	114,286	-	2,015,063
Expendable Endowed Funds						
Robert Cooke Fund	41,737	-	(475)	2,481	-	43,743
Miss Margaret Davis Fund	2,416,350	-	(27,583)	143,628	-	2,532,395
Jim Grant Fund	517,450	-	(5,906)	30,757	-	542,301
Old Edwardians Association	490,567	-	(5,599)	29,159	-	514,127
The Tolkien Trust	379,861	-	(4,336)	22,579	-	398,104
Wesley & Sheila Cummings Trust	216,405	-	(2,470)	12,863	-	226,798
Claughton Scholarship Fund	866,093	16,071	(9,886)	51,481	-	923,759
General Endowment Fund	819,949	40,941	(9,359)	48,738	-	900,269
	5,748,412	57,012	(65,614)	341,686	-	6,081,496
Unrestricted Fund						
	3,942	85,882	(85,282)	-	-	4,542
Total Funds	9,877,028	763,760	(680,784)	472,462	-	10,432,466

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

NOTES TO THE ACCOUNTS for the year ended 31 December 2023

10 Funds (continued)

Assisted Places Fund

This Fund is used to support either full-fee or part-fee Assisted Places for boys who are academically able to attend the School but whose parents are unable to afford the school fees. The money received into this fund is normally used as expendable income.

Assisted Places Support Fund

This Fund is used to support extra-curricular activities at the School for boys who are on Assisted Places. This support may include funding for music lessons, sports trips or other school trips.

John Osborn Post-Doctoral Mentor Fund

This Fund supports the provision of a new teaching post: the Osborn Fellow. This post will support the school's IB ethos of enquiry and intellectual ambition, through Classics extension work and inter-departmental collaborations. The fund is expendable.

Masterplan Fund

This Fund is being used to commission architects to take a long-term holistic view of how the site could develop in the coming years, identifying potential areas to repurpose or refurbish and any new facilities which would be beneficial.

Scholarship Fund

This Fund is used to support Scholarships for academically able boys attending the School. The money received into this fund is normally used as expendable income.

Tolkien Trust Matched Fund

This Fund is used to provide matched funding for either full-fee or part-fee Assisted Places for boys who are academically able to attend the School but whose parents are unable to afford the school fees. The money received into this fund is used as expendable income.

Permanent Endowed Funds

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

Expendable Endowed Funds

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

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

NOTES TO THE ACCOUNT for the year ended 31 December 2023

11	Net assets of the funds	Investments	Net current assets	Total
	The charity's net assets belong to the various funds as follows:	£	£	£
	31 December 2023			
	Unrestricted funds	-	5,142	5,142
	Restricted funds	1,235,716	1,259,116	2,494,832
	Permanent endowed funds	1,814,283	-	1,814,283
	Expendable endowed funds	4,612,103	888,433	5,500,536
		<u>7,662,102</u>	<u>2,152,691</u>	<u>9,814,793</u>
	31 December 2022			
	Unrestricted funds	-	4,542	4,542
	Restricted funds	666,054	1,665,311	2,331,365
	Permanent endowed funds	2,015,063	-	2,015,063
	Expendable endowed funds	5,165,157	916,339	6,081,496
		<u>7,846,274</u>	<u>2,586,192</u>	<u>10,432,466</u>

12 Related parties

The administration duties of the Trust are carried out by employees of The Schools of King Edward the Sixth in Birmingham. The Schools of King Edward the Sixth in Birmingham also reimburse the Trust for administration costs. During the year, administration costs of £110,921 (2022: £85,282) were paid for by The Schools of King Edward the Sixth in Birmingham on behalf of the Trust and are reflected as a donation in kind in these accounts.

Mr O Choudhry was one of the Governors of the Independent Schools Governing Body of the Schools of King Edward the Sixth in Birmingham until 19 May 2024. Mr I Metcalfe is a Governor of the Independent Schools Governing Body of the Schools of King Edward the Sixth in Birmingham, and has previously also been a Foundation Governor (from 1st May 2013 to 31st March 2024). Transactions between the charities are detailed above.

Mr J P N Martin, a Trustee of this charity, is the Chairman of the Old Edwardians' Association. He is on the committee of the Old Edwardians' Association, as is Mr A Kendall. Mr K Phillips, a Trustee of this charity, is employed by the school as Masterplanning Co-ordinator. Dr C L Ricks is Chief Master of the School and President of the Old Edwardians Association.

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

	£
Mr A Kendall	150
Mr J P N Martin	600
Mr K Phillips	360
Total	1,110

THE KING EDWARD'S SCHOOL BIRMINGHAM TRUST

NOTES TO THE ACCOUNTS for the year ended 31 December 2023

13 Commitments

At 31 December 2023, the Trust was committed to funding 41 boys on Assisted Places (2022: 45). The estimated total cost of funding these pupils from Spring Term 2024 to the end of their education at the school is £1,950,464. In addition, the Trustees have committed to funding 1 full fee equivalent place and 1 sixth form place starting in September 2024 and offers have been made to prospective pupils with a total future commitment value of £138,789. These figures include an increased allowance from fee inflation, now 5% per annum.

An additional 7 boys have received an Assisted Place funded by the Trust in the past, though their family's current income exceeds the upper threshold of the means testing scheme meaning they are receiving no financial support from the Trust in the current financial year. However, the Trust remains committed to providing financial support in the future should the improvement in their financial circumstances reverse.

Of this commitment, £353,348 will be met by the donations made under Deeds of Gift entered into by individuals who are sponsoring specific Assisted Places. As at 31 December 2023, the Trust holds assets to the value of £1,559,600 on the Restricted Fund for the purpose of meeting the cost of providing Assisted Places.

In addition, on an annual basis, the Trust expects to receive regular income from three sources (based on recent averages): income from regular giving of £168,000, income from its investments of at least £78,000, and Gift Aid of at least £31,500. The Trust assumes that this level of regular income can be relied on for at least 3 years.

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

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

	2023 £	2022 £
Net income for the year	(617,673)	555,438
Income from investment portfolio	(187,730)	(83,341)
Interest receivable	(10,049)	(1,927)
Gains on investments	760,037	(472,462)
Investment manager costs	21,763	90,726
Decrease in debtors	19,775	4,944
Increase/(decrease) in creditors	(7,257)	(29,852)
Net cash flow from operating activities	(21,136)	63,526