

The Calne Foundation Trust
(a company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 August 2021

The Calne Foundation Trust

REPORTS AND FINANCIAL STATEMENTS

for the year ended 31 August 2021

CONTENTS	PAGE
Trustees, officers and advisers	1
Annual Report of the Trustees	2 - 4
Independent Auditor's Report	5 - 8
Statement of financial activities (including income and expenditure account)	9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 19

The Calne Foundation Trust

TRUSTEES, OFFICERS AND ADVISERS

for the year ended 31 August 2021

TRUSTEES AND DIRECTORS

The members of the Board of Trustees listed below are, for the purposes of company law, directors of the Foundation and, for the purposes of charity law, trustees of the Foundation.

All Trustees, unless otherwise stated, served throughout the year and, at the date of signing this report are:

Mrs Elizabeth Gates (Chairperson) (resigned 18 June 2021)
Mrs Cate Bell (appointed as Chairperson 18 June 2021)
Ms Joanne Avery
Mr Andrew Aylwin
Mr Jack Churchill (resigned 3 December 2021)
Mrs Nicola James (appointed 3 December 2021)
Mrs Debs Wakeham (appointed 23 March 2021)
Mrs Victoria Wilson

Trustee meetings are also attended by the following School senior staff:

Dr F M Kirk – Headmistress, St Mary’s Calne
Mr L Bromwich – Headmaster, St Margaret’s Preparatory School
Mr D J Boswell – Bursar and Clerk to the Governors

SECRETARY AND CHIEF EXECUTIVE OF THE FOUNDATION

Mrs C M Depla

REGISTERED OFFICE

63 Curzon St
Calne
Wiltshire SN11 0DF

ADVISERS:

AUDITOR

RSM UK Audit LLP
Hartwell House
55-61 Victoria St
Bristol BS1 6AD

BANKERS

HSBC
Chippenham Commercial Centre
2 Market Place
Chippenham
Wiltshire SN15 3HE

SOLICITORS

Veale Wasbrough Vizards LLP
Narrow Quay House
Narrow Quay
Bristol BS1 4QA

INVESTMENT ADVISERS

James Hambro & Partners LLP
Ryder Court, 14 Ryder Street
London SW1Y 6QB

The Calne Foundation Trust

ANNUAL REPORT OF THE TRUSTEES

for the year ended 31 August 2021

The Trustees of the Calne Foundation Trust present their report and audited financial statements for the year ended 31 August 2021 and confirm that they comply with the requirements of the Charities Act 2011, as amended by the Charities Act 2011, the Charities SORP (FRS 102), the Companies Act 2006 and the Memorandum and Articles of Association of the Foundation.

BACKGROUND AND CONSTITUTION

The Calne Foundation Trust (CFT) is a charitable trust that exists to support present and future generations of pupils at St Mary's Calne and St Margaret's Preparatory School. It was established in 2012 by Governors, parents and leading members of the Calne Girls' Association (St Mary's alumnae, known as the CGA).

The CFT was incorporated on 27th April 2012 as a charitable company registered with the Charity Commission (Registration Number 1147327).

AIMS AND OBJECTIVES

The CFT exists to ensure continuing investment in the schools' facilities and to provide vital funding for Scholarships, Bursaries and other educational programmes benefiting the pupils of the two schools. The CFT helps the school to realise their ambitions and make a real difference for generations to come.

All funds raised are ring fenced and kept separate from main school finance and the CFT acts as a vehicle for collecting, holding/investing, and dispensing sums donated for the benefit of both schools.

ORGANISATION AND MANAGEMENT

There is an independent body of Trustees comprising Governors, old girls of St Mary's and parents of both schools. The Trustees are as detailed above and they meet at least 3 times per year. St Mary's School (Calne) has been delegated responsibility for the operations of The Calne Foundation Trust by the Trustees but this work is not remunerated by the Foundation.

RISK MANAGEMENT

Trustees are aware of their responsibility to manage risk. Strategies used to ameliorate and minimise risk are:

- Provision of a clear investment strategy.
- Appointment of an investment advisor. Consideration of an investment report at each meeting and meeting personally with the adviser at least once a year.
- Proper authorisation of expenditure.
- Monthly reports on the management of invested funds, funds held in the bank and cash.
- Annual audit.

ACTIVITIES AND FINANCIAL REVIEW

Despite the huge challenges of the global pandemic, The Calne Foundation Trust (CFT) has had another successful year and has benefited from substantial major gifts and pledges as well as smaller, regular donations to our funds. These gifts have enabled the CFT to support Shaping the Future – the 10-year Vision of St Mary's Calne and St Margaret's Preparatory School.

The Shaping the Future programme benefits from the resources our community contributes to the schools whether in time, connections or funds.

At the beginning of the academic year, one of the key projects identified in Shaping the Future - a new Library for St Mary's – was opened to students and staff, although the official opening celebrations had to be postponed due to Covid restrictions. The vision for the new library was to provide a student-centred, technology-rich and interactive learning environment to encourage both collaborative and independent learning, providing greater opportunities for our students and the best possible preparation for the future. The build would not have been possible without the generosity of philanthropists within our community. The new Library will enrich the lives of current and future generations of students.

The Calne Foundation Trust

ANNUAL REPORT OF THE TRUSTEES

for the year ended 31 August 2021

At St Margaret's Prep, a fundraising campaign to transform the Early Years' Courtyard into a bright, fun and lively outdoor space to inspire exploration, stimulate pupils' imaginations and encourage harmonious play within a happy, exciting and safe environment was launched. The build began in July 2021 and was completed over the summer holidays. Pupils aged 2-6 years can now benefit from this exciting and inspiring new learning space. The facility will undoubtedly strengthen our youngest learners' early school experience, with the aim of ensuring they have the best possible start to their education. The work has transformed the centre of the prep school, and this amazing space, that provides an extension to our pupils' classrooms, will further develop key learning skills through play and exploration.

A key priority for the CFT is to build a strong and sustainable bursary fund aimed at changing lives for the better. Our ambition is to reach the 150th anniversary of the school in 2023 ready to fund an ambitious, genuinely transformational bursary programme which embodies the school's aims and values. Significant donations to the Bursary Fund this year have enabled us to continue our commitment to support girls referred to us through our partnership with Royal Springboard, and 2 new Springboard pupils joined the school in September 2021.

During the year donations and gift income was £504,711 (2020: £4,410,389) and total income was £519,183 (2020: £4,425,055). Income from investments and bank interest totalled £14,472 (2020: £14,666) and investment gains totalled £125,491 (2020: £35,737).

During the year the Foundation made awards, bursaries, scholarships and capital investments amounting to £773,619 (2020: £3.78m) to St Mary's School (Calne). Expenditure for the year was in excess of income due to donations for the new library having been received in the prior year but transferred to the school during the reporting year.

The expenses of the Foundation are met by the School.

PLANS FOR THE FUTURE

The School has a ten-year development plan that requires significant investment. The Foundation plans to raise funds to support the development plan and to provide bursaries to children at the School.

This academic year we aim to complete the final phase of the Lime Kiln Garden project – an oak-framed pavilion sitting within the garden providing a multi-functional space for lessons, meetings or socialising. This final element will help to ensure that use is made of the space throughout the year.

RELATED PARTY TRANSACTIONS AND CONNECTED ENTITIES

Refer to Note 11.

All Foundation salaries and operational costs were funded by St Mary's School, Calne.

RESERVES

The purpose of the Foundation is to support the two schools by raising funds for capital projects and bursaries. As noted above, its operational costs are met by St Mary's School.

In addition to the general discretionary fund, various sub funds have been set up for specific projects, for example, the Armed Forces Fund, the Capital Projects Fund and the Bursary Fund. In this way the Trustees can make sure that donations are applied for the purpose for which they were given.

INVESTMENT POWERS, POLICY AND PERFORMANCE

The Calne Foundation Trust funds are invested with James Hambro and Partners. The Investment horizon is long-term and the strategy is one of Capital Growth. The risk tolerance is medium to high. Trustees meet with the Fund Manager annually to review strategy and performance.

The Calne Foundation Trust

ANNUAL REPORT OF THE TRUSTEES

for the year ended 31 August 2021

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also directors of the Calne Foundation Trust for the purposes of company law) are responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year and give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

So far as the Trustees are aware, at the time this report is approved:

- There is no relevant audit information of which the company's auditor is unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of the relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

RSM UK Audit LLP have indicated their willingness to continue in office. A resolution to reappoint RSM UK Audit LLP as the Foundation's auditor will be made at the Annual General Meeting.

The Report of the Trustees has been prepared in accordance with the specific provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board of Trustees on 04/02/22 and signed on their behalf by:



MRS C BELL

Chairperson of Trustees

The Calne Foundation Trust

INDEPENDENT AUDITOR'S REPORT

for the year ended 31 August 2021

Opinion

We have audited the financial statements of The Calne Foundation Trust (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' 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 Calne Foundation Trust

INDEPENDENT AUDITOR'S REPORT

for the year ended 31 August 2021

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 4, 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.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

The Calne Foundation Trust

INDEPENDENT AUDITOR'S REPORT

for the year ended 31 August 2021

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The audit engagement team identified the risk of management override of controls and income recognition as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and performing substantive test of details over a sampling of donations.

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

The Calne Foundation Trust

INDEPENDENT AUDITOR'S REPORT

for the year ended 31 August 2021

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.

Kerry Gallagher

KERRY GALLAGHER (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Hartwell House

55-61 Victoria Street

Bristol

BS1 6AD

Date: 14 March 2022

The Calne Foundation Trust

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

for the year ended 31 August 2021

	Notes	Unrestricted funds £	Restricted Funds £	Endowment Funds £	2021 £	2020 £
INCOME FROM:						
Donations	3	3,799	500,912	-	504,711	4,410,389
Investment income	4	-	14,472	-	14,472	14,666
Total income		<u>3,799</u>	<u>515,384</u>	<u>-</u>	<u>519,183</u>	<u>4,425,055</u>
EXPENDITURE FROM:						
Charitable Activities	5	<u>6,726</u>	<u>766,893</u>	<u>-</u>	<u>773,619</u>	<u>3,789,756</u>
Total expenditure		<u>6,726</u>	<u>766,893</u>	<u>-</u>	<u>773,619</u>	<u>3,789,756</u>
TOTAL		(2,927)	(251,509)	-	(254,436)	635,299
Gains on investments	4	<u>-</u>	<u>122,542</u>	<u>2,949</u>	<u>125,491</u>	<u>43,328</u>
NET (EXPENDITURE)/INCOME		<u>(2,927)</u>	<u>(128,967)</u>	<u>2,949</u>	<u>(128,945)</u>	<u>678,627</u>
NET MOVEMENT IN FUNDS FOR THE YEAR		(2,927)	(128,967)	2,949	(128,945)	678,627
Fund balances at start of year		<u>23,432</u>	<u>2,418,168</u>	<u>7,015</u>	<u>2,448,615</u>	<u>1,769,988</u>
Fund balances at end of year	10	<u>20,505</u>	<u>2,289,201</u>	<u>9,964</u>	<u>2,319,670</u>	<u>2,448,615</u>

The notes on pages 12 to 19 form part of these financial statements.

The Calne Foundation Trust

BALANCE SHEET

as at 31 August 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Investments	6	1,271,309	1,131,728
CURRENT ASSETS			
Debtors	7	365,632	484,193
Cash at bank and in hand		682,729	832,693
		1,048,361	1,316,887
NET CURRENT ASSETS		1,048,361	1,316,887
TOTAL ASSETS		2,319,670	2,448,615
FUNDS			
Endowment funds	9	9,964	7,015
Restricted funds	9	2,289,201	2,418,168
Unrestricted funds	9	20,505	23,432
TOTAL FOUNDATION FUNDS		2,319,670	2,448,615

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

04/02/22

The financial statements were approved and authorised for issue by the Board on..... and signed on its behalf by:



MRS C BELL
Chairperson of Trustees

The notes on pages 12 to 19 form part of these financial statements.

The Calne Foundation Trust

STATEMENT OF CASH FLOWS

for the year ended 31 August 2021

	Notes	2021 £	2020 £
Cash flow from operating activities:			
Cash generated by operations	13	623,272	4,258,258
Net cash from operating activities		<u>623,272</u>	<u>4,258,258</u>
Cash flows from investing activities:			
Investment income received		14,472	13,439
Cash donated to St Mary's School		(773,619)	(3,785,084)
Cash paid to host events		-	(3,737)
Purchase of investment assets		(14,089)	(250,000)
Net cash used in investing activities		<u>(773,236)</u>	<u>(4,025,382)</u>
Movement in cash		(149,964)	232,876
Cash and cash equivalents at the beginning of the reporting period		832,693	599,817
Cash and cash equivalents at the end of the reporting period		<u>682,729</u>	<u>832,693</u>
Analysis of cash and cash equivalents:			
Cash at bank and in hand		<u>682,729</u>	<u>832,693</u>

The notes on pages 12 to 19 form part of these financial statements

The Calne Foundation Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

1 ACCOUNTING POLICIES

Foundation information

The Calne Foundation Trust is a private company limited by guarantee and incorporated in England and Wales. The registered office is Curzon Street, Calne, Wiltshire, SN11 0DF.

The Calne Foundation Trust meets the definition of a public benefit entity under section 34 of FRS 102.

The principal objectives of the Foundation are detailed in the Trustees report found on page 2 of these financial statements.

The financial statements are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £.

Accounting convention

The financial statements have been prepared under historical cost convention, modified by the revaluation of investments. 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011. The accounting policies disclosed have been applied consistently throughout the current and preceding year.

Going concern

The Foundation has net current assets of £1,048,361 and income of £519,183. The Foundation's running costs are fully covered by its Parent Company – St Mary's School (Calne). Any reduction in the overall value of donations to the Foundation would impact the amount that is donated to the School for specific causes. To date, the Covid pandemic has not directly affected the Foundation or its ability to raise funds and the Trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern.

Income

Income received by way of donations and committed giving is taken into account in the year in which the income is received or receipt is considered probable. All other income is accounted for on an accruals basis.

Legacies are accounted for on a receivable basis when there is a reliable estimate of the amount to be received.

Where monies are received which are refundable in the event that conditions attaching to the receipts of the monies are not met by the Foundation, such monies, together with related interest accruing to them, are treated as deferred income until the conditions have been met.

Expenditure

All expenses are accounted for on an accruals basis.

Charitable activities

The main component of charitable activities consists of donations paid to St Mary's School (Calne).

Taxation

The Foundation is a registered charity, and as such claims tax exemptions from all its United Kingdom income and gains, properly applied for its charitable purposes.

The Foundation is not registered for VAT, and as such all expenditure is shown inclusive of irrecoverable VAT.

The Calne Foundation Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

1 ACCOUNTING POLICIES (*continued*)

Funds

Endowment funds are invested in shares in the Central Board of Finance Investment Fund, the income of which is taken to restricted funds and used as a contribution towards awards to pupils of St Mary's School (Calne).

Restricted funds comprise income funds subject to specific trusts arising either from the donor's wishes or the terms of a particular fund raising initiative.

Unrestricted funds comprise the Foundation's funds, which are expendable at the discretion of the Trustees.

Recognition of liabilities

Liabilities are recognised once there is a legal or constructive obligation that commits the Foundation to the obligation.

Investments

Investments are valued in the balance sheet at their mid-market value at the balance sheet date. Unrealised and realised gains and losses are shown in the Statement of Financial Activities.

Financial instruments

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables, amounts owed by group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Critical accounting estimates and areas of judgement

In the application of the Foundation's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The Calne Foundation Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

1 ACCOUNTING POLICIES *(continued)*

Critical accounting estimates and areas of judgement

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The Trustees do not consider there to be any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2 INFORMATION REGARDING TRUSTEES AND EMPLOYEES

None of the Trustees received any emoluments from the Foundation during the year or prior year.

During the year Trustee expenses totalling £nil (2020: £nil) were reimbursed.

3 DONATIONS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment Funds 2021 £	Total 2021 £	Total 2020 £
Donations	3,799	500,912	-	504,711	4,410,389
	<u>3,799</u>	<u>500,912</u>	<u>-</u>	<u>504,711</u>	<u>4,410,389</u>

In 2020, £12,095 of the donations received related to unrestricted funds, £4,398,294 related to restricted funds and £nil relates to endowment funds.

4 INVESTMENT GAINS AND INCOME

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment Funds 2021 £	Total 2021 £	Total 2020 £
Dividends received	-	14,472	-	14,472	13,439
Investment gains	-	122,542	2,949	125,491	45,357
Interest received	-	-	-	-	1,227
	<u>-</u>	<u>137,014</u>	<u>2,949</u>	<u>139,963</u>	<u>60,023</u>

In 2020, £1,227 of investment income received related to unrestricted funds and £58,796 related to restricted funds.

The Calne Foundation Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

5 ANALYSIS OF TOTAL EXPENDITURE

	Other Costs £	Support Costs £	2021 Total £	2020 Total £
Charitable Activities:				
Administrative expenses (including Event Costs and Donations)	-	-	-	4,672
Donation to St Mary's School (Calne)	773,619	-	773,619	3,785,084
Total for Foundation	<u>773,619</u>	<u>-</u>	<u>773,619</u>	<u>3,789,756</u>

Of the above expenditure £6,726 (2020: £935) relates to unrestricted funds and £766,893 (2020: £3,788,821) relates to restricted funds.

St Mary's School (Calne) has agreed to make a donation to pay for governance costs including audit fees, legal and professional and consultancy costs in relation to assisting the Trustees perform their roles under Charity law.

6 FIXED ASSET INVESTMENTS

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Valuation at 1 September 2020	-	1,125,188	6,540	1,131,728
Additions	-	14,090	-	14,090
Gain on investments	-	122,542	2,949	125,491
Valuation at 31 August 2021	<u>-</u>	<u>1,261,820</u>	<u>9,489</u>	<u>1,271,309</u>

7 DEBTORS

	2021 £	2020 £
Trade debtors	450	-
Amounts owed by group undertakings	691	488
Other debtors	22,475	82,234
Prepayments and accrued income	342,016	401,471
	<u>365,632</u>	<u>484,193</u>

The Calne Foundation Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

8 FINANCIAL INSTRUMENTS

	2021 £	2020 £
Carrying amount of financial assets:		
Equity instruments measured at fair value	1,271,309	1,131,728

9 RECONCILIATION OF MOVEMENT IN FUNDS

	Balance at 31 August 2020 £	Incoming resources £	Outgoing resources £	Transfers and gains £	Balance at 31 August 2021 £
Endowment Funds:					
C James Music Prize Fund	7,015	-	-	2,949	9,964
	<u>7,015</u>	<u>-</u>	<u>-</u>	<u>2,949</u>	<u>9,964</u>
Restricted Funds:					
STEM Centre	22,020	1,050	-	-	23,070
Sports Fund	83	-	(83)	-	-
St Mary's Library Fund	407,676	219,232	(626,908)	-	-
New Bursary Fund	1,858,281	131,926	(18,461)	120,521	2,092,267
Armed Forces Fund	101	50	-	-	151
Capital Projects Fund	52,350	156,597	(64,961)	-	143,986
C James Music Prize Fund	2,613	639	(1,130)	2,021	4,143
Other restricted funds	75,044	5,890	(55,350)	-	25,584
	<u>2,418,168</u>	<u>515,384</u>	<u>(766,893)</u>	<u>122,542</u>	<u>2,289,201</u>
Unrestricted Funds:					
General Fund	23,432	3,799	(6,726)	-	20,505
	<u>2,448,615</u>	<u>519,183</u>	<u>(773,619)</u>	<u>125,491</u>	<u>2,319,670</u>
TOTALS	<u>2,448,615</u>	<u>519,183</u>	<u>(773,619)</u>	<u>125,491</u>	<u>2,319,670</u>

The Calne Foundation Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

9 RECONCILIATION OF MOVEMENT IN FUNDS (continued)

2020 COMPARATIVE FIGURES – MOVEMENT IN FUNDS

	Balance at 31 August 2019 £	Incoming resources £	Outgoing resources £	Transfers and gains/ (losses) £	Balance at 31 August 2020 £
Endowment Funds:					
C James Music Prize Fund	9,044	-	-	(2,029)	7,015
	9,044	-	-	(2,029)	7,015
Restricted Funds:					
STEM Centre	20,895	1,125	-	-	22,020
Sports Fund	8,606	4,135	(12,658)	-	83
St Mary's Library Fund	479,296	3,486,728	(3,558,348)	-	407,676
New Bursary Fund	1,117,580	768,720	(74,767)	46,748	1,858,281
Armed Forces Fund	1	100	-	-	101
Capital Projects Fund	120,142	74,343	(142,135)	-	52,350
C James Music Prize Fund	3,335	1,582	(913)	(1,391)	2,613
Other restricted funds	44	75,000	-	-	75,044
	1,749,899	4,411,733	(3,788,821)	45,357	2,418,168
Unrestricted Fund:					
General Fund	11,045	13,322	(935)	-	23,432
TOTALS	1,769,988	4,425,055	(3,789,756)	43,328	2,448,615

C James Music Prize Fund

The C James Music Prize Fund is cash to be invested in shares, the income of which will be restricted and used as a contribution towards the cost of prizes awarded.

Unrestricted funds

Unrestricted funds relate to donations and investment income which can be used for the general purpose of the Foundation.

Sports fund

The Sports Fund (previously known as the Sports Hall Fund) relates to donations received for various sport capital projects and is released in line with expenditure.

New Bursary fund

The New Bursary Fund relates to donations for specific bursaries. This year bursaries were paid out for the Matthews Bursary, Music Bursary and the Springboard Bursary.

Armed Forces fund

The Armed Forces Fund relates to donations to support the education of children who have a parent, of any rank, killed or wounded in active service.

Capital Projects fund

The Capital Projects Fund relates to various ongoing school related capital projects. The majority of the income this year is in relation to the Lime Kiln Garden and Early Years Courtyard. Donations were also received for the Art School.

Library fund

The Library Fund relates to donations received for the purpose of building a new library and is released in line with valuation reports submitted by the project manager.

The Calne Foundation Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

9 RECONCILIATION OF MOVEMENT IN FUNDS (continued)

STEM Centre fund

The STEM Centre Fund relates to donations received for the purpose of building a new STEM Centre. This is very much in its infancy and expenditure relates to design development.

Other restricted funds

Other restricted funds relate to amounts received to be used for specific purposes.

10 NET ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

Fund balances at 31 August 2021 are represented by:

	Fixed asset investments £	Current assets £	Liabilities £	Total £
Endowment Funds	9,489	475	-	9,964
Restricted Funds	1,261,820	1,027,381	-	2,289,201
Unrestricted Funds	-	20,505	-	20,505
	<u>1,271,309</u>	<u>1,048,361</u>	<u>-</u>	<u>2,319,670</u>

Fund balances at 31 August 2020 are represented by:

	Fixed asset investments £	Current assets £	Liabilities £	Total £
Endowment Funds	7,015	-	-	7,015
Restricted Funds	1,124,713	1,293,455	-	2,418,168
Unrestricted Funds	-	23,432	-	23,432
	<u>1,131,728</u>	<u>1,316,887</u>	<u>-</u>	<u>2,448,615</u>

11 RELATED PARTY TRANSACTIONS

Key management personnel

No key management personnel received any remuneration in the current or prior year.

Transactions with group undertakings

During the year the Foundation made donations of £773,619 (2020: £3,785,084) to its parent entity St Mary's School (Calne) and received income of £522 (2020: £9,366) from St Mary's School (Calne).

At the balance sheet date St Mary's School (Calne) owed the Foundation £691 (2020: £488).

Transactions with related parties

Donations and pledges totalling £504,711 (2020: £4,410,389) were received in the year, of which £4,933 (2020: £545,925) were made to the Foundation by Trustees and their spouses.

12 CONTROLLING PARTY

The Foundation has one member, the existing charity, St Mary's School (Calne) a company incorporated and registered in England and Wales. A copy of St Mary's School (Calne)'s group financial statements are available from its registered office at 63 Curzon Street, Calne, Wiltshire, SN11 0DF.

The Calne Foundation Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

13 RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH INFLOW FROM OPERATIONS

	2021 £	2020 £
Net (expenditure)/income	(128,945)	4,468,383
Adjustments for:		
Investment income	(14,472)	(13,439)
Investment gains	(125,491)	(45,357)
Investment book value increase	-	7,592
Cash donated to St Mary's School	773,619	-
	<u>504,711</u>	<u>4,417,179</u>
Decrease/(increase) in debtors	118,561	(147,806)
Gift aid included in brought forward accrued income	-	(643)
	<u>623,272</u>	<u>4,258,259</u>
Net cash generated by operating activities	<u>623,272</u>	<u>4,258,259</u>

There are no restrictions on cash or cash equivalents.

14 ANALYSIS OF CHANGED IN NET FUNDS

	1 September 2020 £	Cashflows £	31 August 2021 £
Cash	<u>832,693</u>	<u>(149,964)</u>	<u>682,729</u>