

ST EDWARD'S SCHOOL

England & Wales · Charity number 1159721

Details

Status Registered

Legal form CIO

Registered 2014-12-23

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

Contact

Address St. Edwards School
Melchet Court
Sherfield English
Romsey
SO51 6ZR

Phone 01794885252

Email enquiries@melchetcourt.com

Website www.st-edwards.hants.sch.uk

Activities

Objects: TO ADVANCE FOR THE PUBLIC BENEFIT EDUCATION IN THE UNITED KINGDOM BY IN PARTICULAR BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING:1. ESTABLISHING, MAINTAINING, CARRYING ON, MANAGING AND DEVELOPING A SCHOOL OPERATING WITHIN THE DIOCESE WHICH SHALL OFFER A BROAD AND BALANCED CURRICULUM AND SHALL BE CONDUCTED IN ACCORDANCE WITH THE PRINCIPLES, PRACTICES AND TENETS OF THE CATHOLIC CHURCH AND HAVING REGARD TO ANY ADVICE ISSUED BY THE DIOCESAN BISHOP;2. MEETING THE SPECIAL EDUCATIONAL AND CARE NEEDS OF PUPILS AGED BETWEEN 10 AND 19 WHO BECAUSE OF BEHAVIOURAL DIFFICULTIES HAVE BEEN UNABLE TO COPE IN MAINSTREAM EDUCATION AND OTHER SPECIAL EDUCATIONAL ESTABLISHMENTS;3. TO PROVIDE EDUCATIONAL FACILITIES AND SERVICES TO STUDENTS OF ALL AGES AND THE WIDER COMMUNITY FOR THE PUBLIC BENEFIT;4. TO CARRY OUT RESEARCH INTO THE DEVELOPMENT AND APPLICATION OF NEW TECHNIQUES IN EDUCATION IN PARTICULAR IN RELATION TO THE AREAS OF CURRICULAR SPECIALISATION OF THE CIO AND TO ITS APPROACH TO CURRICULUM DEVELOPMENT, DELIVERY AND TO PUBLISH THE RESULTS OF RESEARCH AND TO DEVELOP MEANS OF BENEFITING FROM APPLICATION OF THE EXPERIENCE OF INDUSTRY, COMMERCE OR OTHER SCHOOLS IN THE VOLUNTARY SECTOR TO THE EDUCATIONS OF PUPILS IN SCHOOLS.

Activities: St Edward's School is a charitable trust providing day and residential placements for boys aged 9 and 18 years who exhibit behavioural difficulties associated with their social, emotional and mental health

(SEMH). These may be complicated by additional learning difficulties.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training
- **Who:** Children/young People

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£7,090,495	£7,103,206	£9,193,969	112
2024-03-31	£6,487,555	£6,216,582	£9,199,785	100
2023-03-31	£5,564,579	£4,914,848	£8,644,122	88
2022-03-31	£4,492,389	£4,352,156	£8,216,289	82
2021-03-31	£4,376,826	£3,867,087	£7,850,538	73

Trustees

Name	Role	Appointed
Andrew Dewar		2021-07-14
Andrew Elliott		2023-12-13
Dr CHRISTOPHER ALVEYN		2025-05-20
Jeremy Mawdsley		2024-09-18
LIAM NATHAN TAYLOR BA ED HONS		2017-01-31
MR M H TENNANT		2017-01-31
Matthew Argenti		2022-07-05
Matthew Higgins		2025-05-20
REV C PETTET		2017-11-15
SYLVIA MARGARET PEACH OBE, JP		2017-01-31
Sharon Clare Murphy		2019-05-15
Valerie Dickson		2024-07-09

Linked charities

- ST EDWARD'S SCHOOL (1159721-1)

Accounts

ST. EDWARD'S SCHOOL
STATEMENT OF ACCOUNTS
YEAR ENDED 31 MARCH 2025

Registered Charity No:

1159721

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FLETCHER & PARTNERS
CHARTERED ACCOUNTANTS
SALISBURY

ST. EDWARD'S SCHOOL
GOVERNORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

Property Trustee: Clifton Diocese

Governors: M H Tennant Esq. LLB (Hons.), BA(Hons.), Dip.Mus.(Open) (Chairman)
Mrs B G H Cherry BSc MRICS
A Dewar Esq.
Mrs S Murphy
Mrs S M Peach OBE JP
Rev C Pettet
L Taylor Esq.
M Argenti Esq.
J Mawdsley Esq.

Officers

Headmaster: G Maher Esq. MA

Finance Manager: Mrs K Donlon FMAAT

Address: Melchet Court
Sherfield English
Romsey
Hants SO51 6ZR

Advisers

Auditors: Fletcher & Partners, Crown Chambers, Bridge Street, Salisbury SP1 2LZ

Bankers: Royal Bank of Scotland, 14 Minster Street, Salisbury SP1 1TP
CCLA, 80 Cheapside, London EC2V 6DZ

Solicitors: Paris Smith LLP, Number 1 London Road
Southampton, SO15 2AE

Stockbrokers: Brewin Dolphin Securities Ltd., 9 Colmore Row,
Birmingham B3 2BJ

Registered Number

Charity No: 1159721

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 MARCH 2025

The Governing Body present their annual report and the audited accounts of St. Edward's School for the year ended 31 March 2025. These have been prepared to comply with the Charities Act 2011, the charity's constitution and the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS102)".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The School was originally constituted under the control of the Diocese of Clifton (DoC) by Trust Deeds dated 24 October 1962 and 1 June 1978, and in accordance with Statutory Instrument 1978 No. 629. The Trust was modified by a Scheme of the Charity Commission dated 4 April 2023.

The School developed independently, largely free from the control of the DoC, but in accordance with its protocols.

The School is now constituted as a Charitable Incorporated Organisation (CIO) which was registered on 23 December 2014 and to which the School's activities were transferred on 1 September 2015. Within the CIO, the Governors are trustees. The DoC as the freeholder of Melchet Court, has agreed to grant to the CIO, presently a licensee, a lease of 125 years at a peppercorn rent and on other terms to be negotiated.

Appointment and induction of Governors

The school is managed by a very active Board of Governors, whose experience spans many professional disciplines. Governors are appointed at a Meeting of the Board on the basis of nominations generated by existing Governors having regard to eligibility, personal competence, specialist skills and local availability. New Governors are provided with an induction programme relating to the charity and their responsibilities.

Organisational structure

Overall responsibility for the management of the Charity rests with the Governors, who meet at least twice termly. The Governors have established subcommittees for education and care, and for finance and property, whose functions are to examine issues in detail and make recommendations to the main Board. An ad hoc committee may be constituted to deal with applications for readmission following exclusion. Day to day management and administration is delegated to the Headmaster.

Key management

The Governors consider that the Headmaster, Director of Development, Deputy Headmaster (Academic), Deputy Headmaster (Pastoral), and the Finance Manager, comprise the key leadership personnel of the School in charge of directing and controlling, running and operating the School on a day to day basis. The remuneration of the key leadership is set by reference to comparative posts in the maintained and independent school sectors and is reviewed annually.

Related parties

Transactions with the Diocese are shown in Note 17 to the accounts.

Public Benefit

The Governors confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

OBJECTIVES AND ACTIVITIES

St Edward's is an independent school for boys who experience social, emotional and mental health difficulties (SEMH).

The school is a day school providing education for over thirty-eight weeks of the year. The geographical spread of user local authorities stretches across southern England and the western Home Counties. In 2024-25 an average of 80 pupils were placed in the school by local authorities. Pupils' placements are subject to the National Contract (or equivalent). Local authorities draw on Ofsted and other reports of the school's performance and are at liberty to conduct additional monitoring visits to confirm the efficient allocation of public resources.

Operating within the Roman Catholic Diocese of Clifton, its purpose is to meet the special educational and care needs of boys aged between 9 and 16 years who, because of the challenges they face, have been unable to cope in mainstream schools and other special educational establishments. The school strives to educate pupils to the maximum of their potential, and to address pupils' difficulties in the terms in which these are described in pupils' Educational, Health and Care Plans.

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Objectives and activities (continued)

Pupils who attend St Edward's have been assessed by their Local Authority as needing the type of provision which the school provides. The fees charged by the school are therefore borne by the Local Authority and, as a consequence, pupils attend the school irrespective of their, or their families', financial means.

It is the Governors' belief that, by helping its pupils to realise their potential, the school benefits not only its pupils and their families but the whole of society.

Aims and objectives for the year

- Educate pupils who have either: previously proved resistant to learning and presented sometimes serious behavioural difficulties in other settings, including other behavioural settings; or: for whom St Edward's is the natural transition from Primary provisions.
- Support and guide pupils' social, emotional, spiritual, moral and cultural development.
- Maintain a safe level of pupil occupancy.
- Maintain and develop the school's facilities to best meet pupil need.
- Meet the budgetary and financial criteria set in order to achieve these objectives.

Strategies

The school maintains a set of common principles and practices in the planning, delivery and evaluation of the National Curriculum; strong emphasis is placed upon the provision of useful and relevant learning experiences within a structured environment. The school's planning for the curriculum is linked to a detailed financial plan. Priorities for funding the school's initiatives are evidenced in the School's Improvement Plan. There is consultation at all levels - staff team, management and the Board of Governors - in determining priorities for improvement.

The National Curriculum is offered to the end of Key Stage 3. GCSE, Functional Skills, ELCs, AQA, ASDAN and BTEC courses are offered in Key Stage 4. An impressive range of vocational and recreational pursuits is offered to pupils. The aim is to encourage and instruct pupils experiencing SEMH difficulties in the productive use of work, leisure and recreational time.

The school maintains strong links with professional associations, external organisations and charities. It makes its facilities available for use by local sporting, cultural and recreational clubs and local historical and other groups.

The school continues to maintain extensive communication with parents, carers and local authorities, producing regular informative news publications. The school's new website is now live www.melchetcourt.com

ACHIEVEMENTS AND PERFORMANCE

Charitable activities during the year

The School continued to provide education to pupils aged 9 years to 16 from a wide range of social backgrounds from Hampshire and surrounding counties. The achievements listed below, coupled with a host of other successes in the year, are testimony to the Charity's ongoing commitment to nurture the spiritual, artistic, intellectual and sporting life of pupils with Social, Emotional and Mental Health (SEMH) needs.

- Material Change: the maximum number of pupils permitted on roll is now 100 (previous PAN -77) January 2024
- Material Change: closure of residential facilities, we are no longer registered as a school providing boarding. September 24
- Conversion of residential landing to additional teaching hub for Middle School pupils September 2024
- Additional teaching hub created to provide an Alternative Curriculum for Senior School pupils. The school now has five educational hubs, Eden (Alternative) Lower School, Middle School, Upper School, Upper School Alternative
- Recruitment of new staff ongoing to ensure correct ratios for number of pupils on roll.
- Annual curriculum review to ensure we continue to provide a bespoke, relevant curriculum with a choice of pathways
- Extension to the outdoor learning curriculum: land management, animal husbandry, forest school and DoE
- RSHE embedded in the curriculum
- Greater Governor oversight of the Independent School Standards
- Bespoke programme of staff CPD

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Charitable activities during the year (continued)

- Weekly training forums
- Extended day to include a programme of after-school activities
- The Safeguarding Team has been extended and now incorporates qualified Deputy Designated Safeguarding Leads in each of the 5 hubs
- The Senior Leadership Team convene a weekly Team Around the Child (TAC) meeting to discuss staff referrals for pupils who they deem to require an additional level of support or intervention
- Two senior members of staff have recently trained in trauma informed approaches to behaviour management and support
- Newly appointed therapeutic assistants and administrator
- Assistant Head for Wellbeing, who amongst other facets of her role, leads a team of 3 qualified ELSAs
- An improved focus on Maslow's Hierarchy of Need
- Operational changes to pupil arrivals and departures
- Appointed a member of staff whose role it is to use Arbor to analyse and present data to the Senior Leadership Team
- Improved communication between hub leads and Pastoral Care Team keyworkers to better plan pupil transitions between Eden, Lower, Middle and Upper Schools
- Further crisis management planning and procedures, including the introduction of a the CIRT and ensuring that staff understand how to respond safely to a major incident, without adversely affecting the mental health of the pupils on roll by unnecessarily raising their anxiety levels
- The development of the school hubs and the broadening of the curriculum continues to afford pupils more personalised placements that meets individual needs
- A renewed focus on field trips/extracurricular visits, especially within the alternative curriculum hubs, supplements classroom learning
- The appointment of a Careers Coordinator and adherence to The Gatsby Benchmarks has seen an increased uptake in work experience placements and an improvement in destination data
- Restructuring of the Senior Leadership Team and the appointment of an additional SENCo and Assistant Head for Wellbeing
- Piloting of Adaptive Behaviour Assessment System - gives a complete picture of adaptive skills across a placement. It is particularly useful for evaluating those with developmental delays, autism spectrum disorder, intellectual disability, learning disabilities, neuropsychological disorders, and sensory or physical impairments
- Introduction of Provision Map
- Extra-curricular Wider Horizons trips to increase Cultural Capital and incentivise pupils to attend and engage in their education
- Review of educational provision in Jan 2024 and sharing of curriculum vision with Governing Body
- Restructure of Education Team in conjunction with Well-Being and Restore programmes to identify barriers to learning and reduce exclusions
- Appointment of experienced Academic Deputy Head, Assistant Head and SENCo over time to build expertise and develop 'The St Edward's Way.'
- Strategic changes to teaching practices, focusing on 'knowing, doing and remembering more'
- Remodelling the programmes for monitoring, and evaluating the quality of education
- Provision for ongoing CPD to support teaching and learning
- Implementation of a 'hub' model to improve the learning environments, reduce transitions and provide enhanced consistency
- Staged expansion of alternative curriculum pathway, coupled with broader, bespoke option programmes
- Development of MER (Monitoring, Evaluation and Review) team to undertake quality assurance and plan for progression via middle leader coaching and teacher development
- Achieved Oscar Romero Innovator Award
- Creation of Ignatius of Loyola Fund to support school community
- 'Spend to Save' Hampshire transport cost saving scheme
- Successful Governor Recruitment

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Investments

The Governors' investment policy is to invest in a mixed portfolio of fixed interest and equity investments, subject to a medium degree of risk, with the objective of generating income and capital growth that will maintain real value to finance the charity's expenditure on its charitable objectives. The investments are managed on a discretionary basis by Brewin Dolphin. The investments are in keeping with, and have regard for, the views of the Catholic Church and its teachings. During the year the portfolio achieved an overall rate of return (from income and capital) of 3.1%. This compares with a return of 6.79% on the RBC BD Risk Classification Benchmark - Total Return, which the school uses as its benchmark.

FINANCIAL REVIEW

Review of financial transactions

Pupils' fees in 2024/25 amounted to £6,760,587, compared with £6,167,387 in the previous year. Investment and other income was £329,908 resulting in total General Fund income of £7,090,495. General Fund expenditure was £6,465,171 resulting in a surplus of £625,324 before investment gains. The school spent £638,035 from its designated funds and the £Nil from its restricted fund during the year. This resulted in net deficit before investment gains of £12,711.

Review of financial position

After adjusting for the realised and unrealised gains and losses on the school's investments, the net assets at the end of the year were £9,193,969 (2024: £9,199,785) and the Governors expect that with the income from pupils' fees these will be sufficient to fund the school's activities for the foreseeable future.

Principal risks and uncertainties

Through the risk management processes established for the School, the Governors are satisfied that the major risks to which the School is exposed have been reviewed and systems or procedures have been established to mitigate those risks. It is recognised that systems can provide reasonable but not absolute assurance major risks have been eliminated.

The most significant risks identified by the Governors are: cutbacks in local authority funding for SEND pupil placements; a serious and unforeseen safeguarding issue; and failure of key IT systems. These risks are managed by detailed strategies including (1) ensuring that the quality of the setting is of the highest level while keeping fees to the minimum; (2) having comprehensive and robust safeguarding policies and procedures and (3) ensuring that there is an effective IT disaster recovery plan.

Reserves policy

The Governors' reserves policy is to maintain the General Fund at a sufficient level to cover the School's working capital requirements, to provide a contingency against an unexpected drop in pupil numbers and to provide funds in the event of the School's needing to be wound up. These translate to a target of approximately £5m.

The Major Building Repair Fund is maintained at a sufficient level to enable the School to undertake the anticipated major repair projects.

The West Wing Fund, now renamed as the Declan Building Fund, was established by the Governors in 2012 and was created to provide the funds which have now been used for the redevelopment of the school's West Wing.

The Staff Accommodation Fund was created to provide funds for the repair of staff accommodation.

The Development Fund was created to provide funds for small-scale projects of a capital or one-off nature.

The restricted Bridge Fund was created for the refurbishment and restoration of buildings for the provision of therapeutic services.

The policy is reviewed annually to ensure that it is still appropriate.

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

PLANS FOR FUTURE PERIODS

The school's objectives for the future are:

- To maintain preferred provider status within local authority strategic planning.
- To return a costs met result with surplus sufficient to justify expansion programmes.
- To maintain an efficient and effective staffing quota, subject to continuing efficiency reviews and the challenges inherent in local authority spending restrictions.
- To develop staff competencies so as best meet the needs and challenges presented by young people attending the school.
- To further improve the quality of the School's provision.
- To maintain and develop the school's ability to provide alternative curriculum opportunities for pupils who experience a greater degree of vulnerability.
- To continue to generate sufficient funds for the proper maintenance and care of the school's wider premises and to facilitate improvement and development.
- To render the school's educational building stock better fit for purpose through an improvement programme.
- To consider new and alternative streams of income which support the mission of the school.
- To exercise diligence in succession management planning, so as to safeguard the future prosperity of St Edward's.

It is intended that these will be met by following the strategies set out above. The provision continues to be considered by the agencies we work with to be of very high quality.

ACCOUNTING AND REPORTING RESPONSIBILITIES

Charity law requires the Governors to prepare financial statements, for each financial year, in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP) which give a true and fair view of the financial activities of the charity during the year and of its financial position at the end of the year. In preparing those statements, the Governors are required to:

- 1) Select suitable accounting policies and then apply them consistently;
- 2) Make judgements and estimates that are reasonable and prudent;
- 3) State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- 4) Prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the provisions of the Charities Act 2011. 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.

Signed on behalf of the Governors: M H Tennant - Chairman of Governors

Approved by the Governors: 9 July 2025

INDEPENDENT AUDITORS' REPORT TO THE GOVERNORS OF ST. EDWARD'S SCHOOL

Opinion

We have audited the financial statements of St Edward's School for the year ended 31 March 2025, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes, including the summary of significant accounting policies, set out on pages 9 to 22. 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: -

- i) give a true and fair view of the state of the charity's affairs as at 31 March 2025, and of its incoming resources and application of resources for the year then ended;
- ii) have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- iii) 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 Governors' use of the going concern basis of accounting in the preparation of the accounts 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 School'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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

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 Governors' Annual Report.

INDEPENDENT AUDITORS' REPORT TO
THE GOVERNORS OF ST. EDWARD'S SCHOOL (CONTINUED)

We have nothing to report in respect of the following matter where the Charities Act 2011 requires us to report to you if, in our opinion:

- i) the information given in the Governors' Annual Report is inconsistent in any material respect with the financial statements;
- ii) sufficient accounting records have not been kept;
- iii) the financial statements are not in agreement with the accounting records and returns; or
- iv) we have not received all the information and explanations we require for our audit.

Responsibilities of the Governors

As explained more fully in the Governors' Responsibilities Statement, set out on page 6, the Governors 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 they 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 Governors 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 Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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. We exercise professional judgement and maintain professional scepticism throughout the audit.

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. Our approach to detecting irregularities, including fraud, is detailed below:

- we ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations and that they remained alert to instances of non-compliance throughout the audit;
- we identified the legal and regulatory requirements applicable to the School, including the review of the latest Ofsted reports, and obtained an understanding of how the School complies with these requirements through discussions with management and those charged with governance;
- we assessed the susceptibility of the financial statements to material misstatement, including obtaining an understanding of how fraud might occur. This was done by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we addressed the risk of fraud through management bias and the over-ride of controls by assessing whether judgements and assumptions made by management were indicative of potential bias and by investigating the rationale behind significant or unusual transactions. In order to address the risk of irregularities we carried out procedures which included agreeing the financial statements to underlying documentation and enquiring of management as to actual and potential litigation and instances of non-compliance;
- we obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate to our audit objectives, but not for the purposes of expressing an opinion on the effectiveness of the School's internal control.

INDEPENDENT AUDITORS' REPORT TO
THE GOVERNORS OF ST. EDWARD'S SCHOOL (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance to enquiry of management and inspection of relevant correspondence. Furthermore, misstatements due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment and collusion.

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 Governors, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations under section 154 of that Act. Our audit work has been undertaken so that we might state to the Governors 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 assume responsibility to anyone other than the charity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Crown Chambers
Bridge Street
Salisbury
SP1 2LZ
31 July 2025

Fletcher & Partners is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

FLETCHER & PARTNERS
Chartered Accountants
and Statutory Auditors.

ST. EDWARD'S SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025

	Note	General Fund	Designated Funds	Restricted Fund	Year to 31/03/2025	Year to 31/03/2024
INCOME FROM:						
Donations and legacies		-	-	-	-	-
Charitable activities						
Pupils' fees		6,760,587	-	-	6,760,587	6,167,387
Other trading activities						
Lettings and wayleaves		3,766	-	-	3,766	5,729
Investments	2	195,256	-	-	195,256	205,150
Other						
Staff rents		109,695	-	-	109,695	97,485
Other income		21,191	-	-	21,191	11,804
Total		<u>7,090,495</u>	<u>-</u>	<u>-</u>	<u>7,090,495</u>	<u>6,487,555</u>
EXPENDITURE ON:						
Costs of generating funds						
Investment management charges		25,884	-	-	25,884	22,795
Charitable activities						
Costs of operation of school	3	<u>6,439,287</u>	<u>638,035</u>	<u>-</u>	<u>7,077,322</u>	<u>6,193,787</u>
Total		<u>6,465,171</u>	<u>638,035</u>	<u>-</u>	<u>7,103,206</u>	<u>6,216,582</u>
Net income/(expenditure) before gains and losses on investments		625,324	(638,035)	-	(12,711)	270,973
Net gains / (losses) on investments						
Unrealised		(10,863)	-	-	(10,863)	277,618
Realised		<u>17,758</u>	<u>-</u>	<u>-</u>	<u>17,758</u>	<u>7,072</u>
Net income / (expenditure)		<u>632,219</u>	<u>(638,035)</u>	<u>-</u>	<u>(5,816)</u>	<u>555,663</u>
Transfers between funds	14					
Appropriation of surplus				-	-	-
Capital expenditure				-	-	-
Other fund transfers		(632,219)	632,219	-	-	-
Other gains and losses						
Actuarial gains/(losses)	16	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>-</u>	<u>(5,816)</u>	<u>-</u>	<u>(5,816)</u>	<u>555,663</u>
Total funds brought forward		<u>7,964,047</u>	<u>1,235,738</u>	<u>-</u>	<u>9,199,785</u>	<u>8,644,122</u>
Total funds carried forward		<u>£7,964,047</u>	<u>£1,229,922</u>	<u>£0</u>	<u>£9,193,969</u>	<u>£9,199,785</u>

The notes on pages 13 to 22 form part of these accounts

ST. EDWARD'S SCHOOL
BALANCE SHEET
AS AT 31 MARCH 2025

	<u>Note</u>	<u>2025</u>	<u>2024</u>
FIXED ASSETS			
Tangible assets	6	3,284,743	3,118,328
Investments	8	5,432,672	5,285,332
		<u>8,717,415</u>	<u>8,403,660</u>
CURRENT ASSETS			
Debtors	9	160,924	138,517
Cash at bank and in hand	10	1,358,760	1,430,960
		<u>1,519,684</u>	<u>1,569,477</u>
CREDITORS: Amounts falling due within one year	11	<u>637,231</u>	<u>370,549</u>
NET CURRENT ASSETS		<u>882,453</u>	<u>1,198,928</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		9,599,868	9,602,588
PROVISIONS FOR LIABILITIES AND CHARGES	12	(405,899)	(402,803)
NET ASSETS		<u>£9,193,969</u>	<u>£9,199,785</u>
FUNDS (UNRESTRICTED)			
General Fund		7,964,047	7,964,047
Designated Funds	14	1,229,922	1,235,738
Restricted Funds	15	-	-
TOTAL FUNDS		<u>£9,193,969</u>	<u>£9,199,785</u>

Signed on behalf of the Board of Governors M H Tennant - Chairman of Governors

Approved by the Governors: 9 July 2025

The notes on pages 13 to 22 form part of these accounts

ST. EDWARD'S SCHOOL
CASH FLOW STATEMENT
AS AT 31 MARCH 2025

	Note	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by (used in) operating activities	a	272,791	296,440
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends and interest from investments		195,256	205,150
Proceeds from the sale of property, plant and equipment		500	-
VAT pre-registration claim on capital		107,723	
Purchase of property, plant and equipment		(508,027)	(176,218)
Proceeds from sale of investments		764,083	1,225,500
Purchase of investments		(937,422)	(1,215,007)
Net cash provided by (used in) investing activities		(377,887)	39,425
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	b	£(105,096)	£335,865

NOTES TO THE CASH FLOW STATEMENT

a. Reconciliation of net income/(expenditure) with net cash flow from operating activities

	2025	2024
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(5,816)	555,663
Adjustments for:		
Depreciation charges	231,868	176,267
(Gains)/losses on investments	(6,895)	(284,690)
Dividends and interest from investments	(195,256)	(205,150)
(Profit)/loss on disposal of fixed assets	1,519	-
(Increase)/decrease in debtors	(22,407)	11,693
Increase/(decrease) in creditors	266,682	68,607
Increase/(decrease) in provisions	3,096	(25,950)
Net cash flow from operating activities	£272,791	£296,440

Net cash flow from operating activities includes investment income since this forms part of the Charity's operating income.

b. Analysis of cash and cash equivalents

	At 31.3.25	At 1.4.24
Cash at bank and in hand	1,358,760	1,430,960
Bank overdraft	-	-
Investment cash deposits	28,638	61,534
	£ 1,387,398	£1,492,494

The notes on pages 13 to 22 form part of these accounts

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2025

1. ACCOUNTING POLICIES

a. Basis of Accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard (FRS) 102 and the Charities Act 2011.

The School constitutes a public benefit entity as defined by FRS 102.

The governors consider that there are no material uncertainties about the School's ability to continue as a going concern. The most significant areas of future uncertainty that may affect the carrying value of assets held by the School are the level of investment return and the performance of investment markets. In the Governors' opinion there are no significant judgements that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting period.

b. Pupils' Fees

Pupils' fees represent the value of services charged to Local Authorities and are accounted for in the period in which the service is provided.

c. Resources Expended

Expenditure is accounted for on an accruals basis. The school was registered for VAT with effect from 1 January 2025 and all costs before then include input VAT where this has been charged.

Charitable activities include all expenditure incurred in meeting the educational and care needs of the pupils. The nature of the school is such that this is considered to be one activity.

Support costs are all attributable to the one charitable activity and consist of administration (including salaries, office costs and staff training), information technology and marketing.

Governance costs comprise the costs of audit, legal advice and compliance with constitutional and statutory requirements. They include a proportion of the salaries of members of staff who are engaged in these activities, apportioned on the basis of the time spent. Governance costs are included within charitable activities.

Amounts payable under operating leases are charged as expenditure on a straight-line basis over the lease terms.

d. Tangible Fixed Assets

Educational equipment used directly in carrying out the charitable purposes of the school is written off on acquisition, on the basis that it has no economic value.

Other fixed assets costing more than £5,000 are capitalised and depreciation is calculated to write off the costs over their expected useful economic lives as follows:

Assets under construction	None until assets are brought into use
Declan Building	2% straight line basis
Improvements to property	10% straight line basis
Telephone and computer network	20% to 33 1/3% straight line basis
Fixtures, fittings and garden equipment	25% straight line basis
Motor vehicles	25% straight line basis

A full year's depreciation is charged for assets purchased during the year. Impairment reviews are carried out when there is an indication that an asset's recoverable amount is less than its net book value.

e. Heritage Assets

Heritage assets are capitalised if the acquired cost or acquisition value is greater than £5,000, otherwise the cost is written off at acquisition.

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2025

1. ACCOUNTING POLICIES (CONTINUED)

f. 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.

g. Debtors

Debtors are measured at the amounts the charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services.

h. Cash at bank and in hand

Cash at bank and in hand includes cash and cash on deposit.

i. Creditors

Creditors are measured at the amounts the charity anticipates it will pay to settle a debt or the amount it has received as an advance payment for goods or services it must provide.

j. Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at their settlement value.

k. Pension Costs

Contributions in respect of the Teachers' Pension Scheme and the multi-employer scheme operated on behalf of other staff are charged as expenditure in the period to which they relate.

l. Provisions

Provisions are recognised when the School has a present obligation as a result of a past event and it is probable that the School will be required to settle the obligation. Provisions are measured at the Governors' best estimate of the amount required to settle the obligation.

m. Fund Accounting

Where the Governors have set aside certain amounts out of the school's general funds for specific purposes, these are referred to as 'designated funds' and accounted for separately. Income arising on designated funds is credited to the general fund and capital gains and losses are credited or charged to the designated fund on which they arose. When donations are received for specific purposes they are credited to separate restricted funds and any income arising is credited to the same funds.

n. Operating leases: the School as lessee

Leases which do not transfer substantially all the risks and rewards of ownership to the School are classified as operating leases.

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

STAFF COSTS	Year to 31/03/2025	Year to 31/03/2024
Salaries and wages	3,875,725	3,297,491
Social security costs	378,156	318,819
Pension costs	628,009	501,920
	<u>£4,881,890</u>	<u>£4,118,230</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2025

5. STAFF COSTS (continued)

The number of employees whose emoluments (excluding employer pension contributions) over £60,000 were :

	<u>2025</u>	<u>2024</u>
<u>Gross emoluments</u>		
£60,000 - £70,000	1	-
£70,000 - £80,000	1	1
£80,000 - £90,000	3	2
£130,000 - £140,000	1	1
	<u> </u>	<u> </u>

For these four employees (2024: four), retirement benefits are accruing in the Teachers' Pension Scheme.

The contributions amounted to: £70,554 £61,415

The average numbers of employees, analysed by function, were:

	<u>2025</u>	<u>2024</u>
Teaching (including Special School Assistants)	55	46
Care	21	21
Administration, domestic and maintenance	36	33
	<u>112</u>	<u>100</u>

The School considers its key management personnel to be the Headmaster, Director of Development, Deputy Head (Academic), Deputy Head (Pastoral) and the Finance Manager.

Employee benefits of the key management personnel comprises gross salaries of £480,070 (2024: £422,074) and employer's National Insurance Contributions and employer's pension contributions of £171,401 (2024: £133,710) totalling £651,471 (2024: £555,784).

The total termination and redundancy payments charged for the year to 31 March 2025 was £18,408 (2024: £Nil). The School's policy for any necessary redundancy or termination payments is settled in accordance with the appropriate legal advice.

The Governors received no remuneration in either of these years.

6. TANGIBLE FIXED ASSETS

	<u>Improvements to property</u>	<u>Declan Building</u>	<u>Telephone and computer network</u>	<u>Fixtures, Fittings and Garden Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
COST						
At 1 April 2024	791,714	2,915,202	329,134	470,351	107,893	4,614,294
Additions	359,532	-	52,142	60,111	36,242	508,027
Disposals	-	-	(26,108)	(77,973)	-	(104,081)
VAT Adjustment	(68,910)	-	(23,696)	(15,117)	-	(107,723)
	<u>1,082,336</u>	<u>2,915,202</u>	<u>331,472</u>	<u>437,372</u>	<u>144,135</u>	<u>4,910,517</u>
DEPRECIATION						
At 1 April 2024	635,091	92,315	247,081	424,024	97,455	1,495,966
Charge for the year	55,026	58,304	66,638	37,620	14,280	231,868
Disposals	-	-	(24,087)	(77,973)	-	(102,060)
	<u>690,117</u>	<u>150,619</u>	<u>289,632</u>	<u>383,671</u>	<u>111,735</u>	<u>1,625,774</u>
NET BOOK VALUE						
At 31 March 2025	<u>£ 392,219</u>	<u>£ 2,764,583</u>	<u>£ 41,840</u>	<u>£53,701</u>	<u>£32,400</u>	<u>£3,284,743</u>
At 31 March 2024	<u>£ 156,623</u>	<u>£ 2,822,887</u>	<u>£ 82,053</u>	<u>£46,327</u>	<u>£10,438</u>	<u>£3,118,328</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2025

6. TANGIBLE FIXED ASSETS (continued)

Capital Commitments	<u>2025</u>	<u>2024</u>
Contracted for but not provided for in the accounts	£0	£130,318
Authorised by Governors but not contracted for	£692,000	£0

7. HERITAGE ASSETS

The school has a collection of artefacts from the First World War which are considered to be heritage assets. No items were acquired for an amount of more than £5,000 and consequently in accordance with School's accounting policy no value is attributed to their costs in the Balance Sheet.

8. INVESTMENTS

Listed investments, at market value, and cash managed by Brewin Dolphin Securities Ltd. were invested as follows :-

	<u>General Fund 2025</u>	<u>General Fund 2024</u>
Market value at 1 April 2024	5,285,332	4,958,859
Acquisitions at cost	937,422	1,215,007
Disposals at opening market value	(746,323)	(1,218,428)
Increase/(decrease) in cash balances	(32,896)	52,276
Net unrealised gains / (losses)	(10,863)	277,618
Market value at 31 March 2025	<u>£5,432,672</u>	<u>£5,285,332</u>
Investments at market value comprised:		
UK Bonds	269,862	1,033,390
UK Equities	725,438	758,113
Overseas Bonds	1,137,099	364,380
Overseas Equities	2,501,198	1,958,080
Other Investments	770,437	1,109,835
Cash Deposits	28,638	61,534
	<u>£5,432,672</u>	<u>£5,285,332</u>
Historical cost	<u>£4,965,533</u>	<u>£4,802,798</u>

At 31 March 2025 there were no (2024: none) individual investments where the market value was greater than 5% of the total market value of the portfolio.

9. DEBTORS

	<u>2025</u>	<u>2024</u>
Local Authority fees	47,755	12,136
Investment income receivable	12,303	11,394
Other debtors	2,527	1,875
Prepayments	98,339	113,112
	<u>£160,924</u>	<u>£138,517</u>

10. CASH AT BANK AND IN HAND

	<u>2025</u>	<u>2024</u>
Bank current and deposit accounts	1,357,196	1,430,149
Cash in hand	1,564	811
	<u>£1,358,760</u>	<u>£1,430,960</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2025

11. CREDITORS: Amounts falling due within one year

	<u>2025</u>	<u>2024</u>
Trade creditors	89,673	139,458
Other creditors	46,418	43,257
Pension contributions	76,589	63,935
Accruals	48,490	38,752
Tax & social security	376,061	85,147
	<u>£637,231</u>	<u>£370,549</u>

12.1 PROVISIONS FOR LIABILITIES AND CHARGES - 2024

	<u>Pension liability</u>	<u>Holiday pay accrued</u>	<u>Total provisions</u>
Brought forward provisions at 1 April 2024	390,728	12,075	402,803
Additions	-	16,053	16,053
Reduction	(12,957)	-	(12,957)
Carried forward provisions at 31 March 2025	<u>£377,771</u>	<u>£28,128</u>	<u>£405,899</u>

Pension liability

This is set out in more detail in Note 16.

Holiday pay accrual

A provision has been made for the value of any holiday which staff have accrued at each year end but not yet taken. The movement in the provision is charged to staff costs.

12.2 PROVISIONS FOR LIABILITIES AND CHARGES - 2024

	<u>Pension liability</u>	<u>Holiday pay accrued</u>	<u>Total provisions</u>
Brought forward provisions at 1 April 2023	402,242	26,511	428,753
Additions	-	-	-
Reduction	(11,514)	(14,436)	(25,950)
Carried forward provisions at 31 March 2024	<u>£390,728</u>	<u>£12,075</u>	<u>£402,803</u>

13.1 ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2025

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Restricted Funds</u>	<u>Total Funds</u>
Tangible fixed assets	3,284,743	-	-	3,284,743
Investments	5,432,672	-	-	5,432,672
Net current assets	(347,469)	1,229,922	-	882,453
Long term liabilities	(405,899)	-	-	(405,899)
	<u>£7,964,047</u>	<u>£1,229,922</u>	<u>£0</u>	<u>£9,193,969</u>

13.2 ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2024

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Restricted Funds</u>	<u>Total Funds</u>
<i>Tangible fixed assets</i>	3,118,328	-	-	3,118,328
<i>Investments</i>	5,285,332	-	-	5,285,332
<i>Net current assets</i>	(36,810)	1,235,738	-	1,198,928
<i>Long term liabilities</i>	(402,803)	-	-	(402,803)
	<u>£7,964,047</u>	<u>£1,235,738</u>	<u>£0</u>	<u>£9,199,785</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2025

14.1 DESIGNATED FUNDS - 2025

	<u>At 1.4.24</u>	<u>Expended</u> <u>(revenue)</u>	<u>Expended</u> <u>(capital)</u>	<u>Transfers</u>	<u>At 31.3.25</u>
Major Building Repairs Fund	634,969	(284,395)	-	-	350,574
Declan Building Fund	-	-	-	-	-
Special Projects Fund	100,000	(100,000)	-	-	-
Staff Accommodation Fund	-	-	-	-	-
Development Fund	500,769	(253,640)	-	632,219	879,348
	<u>£1,235,738</u>	<u>£(638,035)</u>	<u>£0</u>	<u>£632,219</u>	<u>£1,229,922</u>

The funds have been designated by the Governors for specific school purposes as follows :-

MAJOR BUILDING REPAIRS FUND

The fund was created to provide funds for the repairs, refurbishment and restoration of the Grade II listed buildings at Melchet Court, together with monuments, gardens and walls and other buildings within the curtilage of the estate.

DECLAN BUILDING (FORMERLY WEST WING) FUND

The fund was created to provide funds for the redevelopment of the West Wing.

SPECIAL PROJECTS FUND

The fund was created to provide funds for specific projects for the School.

STAFF ACCOMMODATION FUND

This fund was created to provide funds for the repair of staff accommodation.

DEVELOPMENT FUND

This fund was created to provide funds for small-scale projects of a capital or one-off nature.

14.2 DESIGNATED FUNDS - 2024

	<u>At 1.4.23</u>	<u>Expended</u> <u>(revenue)</u>	<u>Expended</u> <u>(capital)</u>	<u>Transfers</u>	<u>At 31.3.24</u>
Major Building Repairs Fund	717,723	(82,754)	-	-	634,969
Declan Building Fund	(65,714)	-	-	65,714	-
Special Projects Fund	-	-	-	100,000	100,000
Staff Accommodation Fund	-	-	-	-	-
Development Fund	200,000	(199,231)	-	500,000	500,769
	<u>£852,009</u>	<u>£(281,985)</u>	<u>£0</u>	<u>£665,714</u>	<u>£1,235,738</u>

15.1 RESTRICTED FUND - 2025

	<u>At 1.4.24</u>	<u>Incoming</u> <u>Resources</u>	<u>Expended</u> <u>(revenue)</u>	<u>Transfers</u>	<u>At 31.3.25</u>
The Bridge Fund	-	-	-	-	-

The Bridge Fund was created for the refurbishment and restoration of buildings for the provision of therapeutic services.

15.2 RESTRICTED FUND - 2024

	<u>At 1.4.23</u>	<u>Incoming</u> <u>Resources</u>	<u>Expended</u> <u>(revenue)</u>	<u>Transfers</u>	<u>At 31.3.24</u>
The Bridge Fund	229,122	-	(229,122)	-	-

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2025

16.1 PENSION COSTS - 2025

Teaching staff belong to the Teachers' Pension Scheme. This is an unfunded defined benefit scheme operated by the Government with contributions calculated on an actuarial basis, but set in relation to the current service period only. In accordance with FRS 102 the contributions have been accounted for as if this were defined contribution scheme. The employer's contribution is 23.68% of contributory salary with effect from 1 September 2019. During the year to 31 March 2025, the employer's contributions were £332,695 (2024: £224,011). £41,322 was owed to the scheme at the year end and included in creditors (2024: £29,539).

Certain other staff belong to the Hampshire County Council scheme. This is a funded defined benefit multiple employer scheme, in which the individual assets and liabilities of the member employers are identified separately and the actuarial assumptions used for the valuations were tailored to the individual employers rather than averaged across the whole scheme.

During the year ended 31 March 2023 the scheme actuary carried out a full revaluation of the scheme as at 31 March 2022. The School's liability at 31 March 2025 is therefore the calculated liability at 31 March 2022 as adjusted by subsequent contributions and increases in earned member benefits, and with both assets and liabilities assumed to increase from the March 2022 figure in accordance with the discount rate used by the actuary for the purposes of the March 2022 revaluation. The basis of calculation was also changed to the attained aged methodology, reflecting the School's participation in the scheme.

The movements in the net liability during the year ended 31 March 2025 are as follows:

	<u>Plan assets</u>	<u>Obligations</u>	<u>Net liability</u>
Liability at 1 April 2024	7,778,486	(8,169,214)	(390,728)
Contributions in year	232,006	-	232,006
(Increase)/decrease in defined benefit liability	-	(204,006)	(204,006)
Interest	299,472	(314,515)	(15,043)
Liability at 31 March 2025	<u>£8,309,964</u>	<u>(£8,687,735)</u>	<u>(£377,771)</u>

The total employer's contributions during the year were £183,920 (2024: £179,158). A total of £19,389 was outstanding at the year end and included in creditors (2024: £19,267).

The principal actuarial assumptions used in the valuations are

Discount rate	3.85%
Future salary increases	3.30%

In the event that the school were to leave the scheme it would be liable to make a termination payment to the scheme calculated on more conservative actuarial assumptions than the overall scheme deficit. This payment was calculated at £3.398 million as at 31 March 2022 although it is possible that the payment could be mitigated depending on the circumstances.

The school also operates a defined contribution scheme on behalf of other employees. The assets of these schemes are held separately from those of the school in an independently administered funds. During the year to 31 March 2025, the employer's contributions amounted to £100,696 (2024: £88,963). There was £15,274 unpaid to the scheme at the year end (2024: £15,130).

16.2 PENSION COSTS - 2024

The movements in the net liability during the year ended 31 March 2024 are as follows:

	<u>Plan assets</u>	<u>Obligations</u>	<u>Net liability</u>
Liability at 1 April 2023	7,272,670	(7,674,912)	(402,242)
Contributions in year	225,818	-	225,818
(Increase)/decrease in defined benefit liability	-	(198,818)	(198,818)
Interest	279,998	(295,484)	(15,486)
Liability at 31 March 2024	<u>£7,778,486</u>	<u>(£8,169,214)</u>	<u>(£390,728)</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2025

17. RELATED PARTY AND CONTROL

The school land and buildings are owned by Clifton Diocese and occupied by the school which maintains them.

The school pays the buildings insurance totalling £27,108 (2024: £24,777) and also core services and other services of £506 (2024 £436) to the Clifton Diocese.

The school received £3,552 from the Clifton Diocese in the year in respect to farm tenancy agreements (2024: £5,485)

The school incurred professional fees relating to the negotiation of a new lease with the Clifton Diocese, of which £14,100 was funded by the Clifton Diocese.

18. OPERATING LEASES

At 31 March 2025 the School had future minimum lease payments under non-cancellable operating leases as follows:

	Equipment		Motor Vehicles	
	2025	2024	2025	2024
Amounts due within one year	5,415	6,498	8,251	10,451
Amounts due between two and five years	11,600	20,418	6,876	19,160
	<u>£17,015</u>	<u>£26,916</u>	<u>£15,127</u>	<u>£29,611</u>

The total amounts charged as an expense during the year for operating leases were £15,174 (2024: £11,035)

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2025

19. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	<u>Note</u>	<u>General Fund</u>	<u>Designated Funds</u>	<u>Restricted Fund</u>	<u>Year to 31/03/2024</u>	<u>Year to 31/03/2023</u>
INCOME FROM:						
Donations and legacies		-	-	-	-	237,046
Charitable activities						
Pupils' fees		6,167,387	-	-	6,167,387	5,021,171
Other trading activities						
Lettings and wayleaves		5,729	-	-	5,729	5,973
Investments	2	205,150	-	-	205,150	188,826
Other						
Staff rents		97,485	-	-	97,485	95,682
Other income		11,804	-	-	11,804	15,881
Total		<u>6,487,555</u>	<u>-</u>	<u>-</u>	<u>6,487,555</u>	<u>5,564,579</u>
EXPENDITURE ON:						
Costs of generating funds						
Investment management charges		22,795	-	-	22,795	21,403
Charitable activities						
Costs of operation of school	3	<u>5,682,680</u>	<u>281,985</u>	<u>229,122</u>	<u>6,193,787</u>	<u>4,893,445</u>
Total		<u>5,705,475</u>	<u>281,985</u>	<u>229,122</u>	<u>6,216,582</u>	<u>4,914,848</u>
Net income/(expenditure) before gains and losses on investments		782,080	(281,985)	(229,122)	270,973	649,731
Net gains / (losses) on investments						
Unrealised		277,618	-	-	277,618	(362,469)
Realised		<u>7,072</u>	<u>-</u>	<u>-</u>	<u>7,072</u>	<u>(64,150)</u>
Net income / (expenditure)		<u>1,066,770</u>	<u>(281,985)</u>	<u>(229,122)</u>	<u>555,663</u>	<u>223,112</u>
Transfers between funds	14					
Appropriation of surplus				-	-	-
Capital expenditure				-	-	-
Other fund transfers		(665,714)	665,714	-	-	-
Other gains and losses						
Actuarial gains/(losses)	16	-	-	-	-	(118,410)
Removal of loan provision	12	-	-	-	-	323,131
Net movement in funds		<u>401,056</u>	<u>383,729</u>	<u>(229,122)</u>	<u>555,663</u>	<u>427,833</u>
Total funds brought forward		<u>7,562,991</u>	<u>852,009</u>	<u>229,122</u>	<u>8,644,122</u>	<u>8,216,289</u>
Total funds carried forward		<u>£7,964,047</u>	<u>£1,235,738</u>	<u>£0</u>	<u>£9,199,785</u>	<u>£8,644,122</u>

Accounts

ST. EDWARD'S SCHOOL
STATEMENT OF ACCOUNTS
YEAR ENDED 31 MARCH 2024

Registered Charity No:

1159721

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FLETCHER & PARTNERS

CHARTERED ACCOUNTANTS

SALISBURY

ST. EDWARD'S SCHOOL
GOVERNORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

Property Trustee: Clifton Diocese

Governors: M H Tennant Esq. LLB (Hons.), BA(Hons.), Dip.Mus.(Open) (Chairman)
Mrs B G H Cherry BSc MRICS
A Dewar Esq.
Mrs S Murphy
Mrs S M Peach OBE JP
Rev C Pettet
L Taylor Esq.
M Argenti Esq.
A Elliott Esq. (appointed 13 December 2023)

Officers

Headmaster: G Maher Esq. MA

Finance Manager: Mrs K Donlon FMAAT

Address: Melchet Court
Sherfield English
Romsey
Hants SO51 6ZR

Advisers

Auditors: Fletcher & Partners, Crown Chambers, Bridge Street, Salisbury SP1 2LZ

Bankers: Royal Bank of Scotland, 14 Minster Street, Salisbury SP1 1TP
CCLA, 80 Cheapside, London EC2V 6DZ

Solicitors: Paris Smith LLP, Number 1 London Road
Southampton, SO15 2AE

Stockbrokers: Brewin Dolphin Securities Ltd., 9 Colmore Row,
Birmingham B3 2BJ

Registered Number

Charity No: 1159721

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 MARCH 2024

The Governing Body present their annual report and the audited accounts of St. Edward's School for the year ended 31 March 2024. These have been prepared to comply with the Charities Act 2011, the charity's constitution and the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS102)".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The School was originally constituted under the control of the Diocese of Clifton (DoC) by Trust Deeds dated 24 October 1962 and 1 June 1978, and in accordance with Statutory Instrument 1978 No. 629. The Trust was modified by a Scheme of the Charity Commission dated 4 April 2023.

The School developed independently, largely free from the control of the DoC, but in accordance with its protocols.

The School is now constituted as a Charitable Incorporated Organisation (CIO) which was registered on 23 December 2014 and to which the School's activities were transferred on 1 September 2015. Within the CIO, the Governors are trustees. The DoC as the freeholder of Melchet Court, has agreed to grant to the CIO, presently a licensee, a lease of 125 years at a peppercorn rent and on other terms to be negotiated.

Appointment and induction of Governors

The school is managed by a very active Board of Governors, whose experience spans many professional disciplines. Governors are appointed at a Meeting of the Board on the basis of nominations generated by existing Governors having regard to eligibility, personal competence, specialist skills and local availability. New Governors are provided with an induction programme relating to the charity and their responsibilities.

Organisational structure

Overall responsibility for the management of the Charity rests with the Governors, who meet at least twice termly.

The Governors have established subcommittees for education and care, and for finance and property, whose functions are to examine issues in detail and make recommendations to the main Board. An ad hoc committee may be constituted to deal with applications for readmission following exclusion. Day to day management and administration is delegated to the Headmaster.

Key management

The Governors consider that the Headmaster, Deputy Headmasters, Director of Development, Finance Manager, Assistant Head of (Pastoral) Care, Assistant Head of Education and the Assistant Head SEND comprise the key leadership personnel of the School in charge of directing and controlling, running and operating the School on a day to day basis. The remuneration of the key leadership is set by reference to comparative posts in the maintained and independent school sectors and is reviewed annually.

Related parties

Transactions with the Diocese are shown in Note 17 to the accounts.

Public Benefit

The Governors confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

OBJECTIVES AND ACTIVITIES

St Edward's is an independent school for boys who experience social, emotional and mental health difficulties (SEMH).

The school is a day school providing education for over thirty-eight weeks of the year. The geographical spread of user local authorities stretches across southern England and the western Home Counties. In 2023-24 an average of 72 pupils were placed in the school by local authorities. Pupils' placements are subject to the National Contract (or equivalent). Local authorities draw on Ofsted and other reports of the school's performance and are at liberty to conduct additional monitoring visits to confirm the efficient allocation of public resources.

Operating within the Roman Catholic Diocese of Clifton, its purpose is to meet the special educational and care needs of boys aged between 9 and 16 years who, because of the challenges they face, have been unable to cope in mainstream schools and other special educational establishments. The school strives to educate pupils to the maximum of their potential, and to address pupils' difficulties in the terms in which these are described in pupils' Educational, Health and Care Plans.

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities (continued)

Pupils who attend St Edward's have been assessed by their Local Authority as needing the type of provision which the school provides. The fees charged by the school are therefore borne by the Local Authority and, as a consequence, pupils attend the school irrespective of their, or their families', financial means.

It is the Governors' belief that, by helping its pupils to realise their potential, the school benefits not only its pupils and their families but the whole of society.

Aims and objectives for the year

- Educate pupils who have either: previously proved resistant to learning and presented sometimes serious behavioural difficulties in other settings, including other behavioural settings; or: for whom St Edward's is the natural transition from Primary provisions.
- Support and guide pupils' social, emotional, spiritual, moral and cultural development.
- Maintain a safe level of pupil occupancy.
- Maintain and develop the school's facilities to best meet pupil need.
- Meet the budgetary and financial criteria set in order to achieve these objectives.

Strategies

The school maintains a set of common principles and practices in the planning, delivery and evaluation of the National Curriculum; strong emphasis is placed upon the provision of useful and relevant learning experiences within a structured environment. The school's planning for the curriculum is linked to a detailed financial plan. Priorities for funding the school's initiatives are evidenced in the School's Improvement Plan. There is consultation at all levels - staff team, management and the Board of Governors - in determining priorities for improvement.

The National Curriculum is offered to the end of Key Stage 3. GCSE, Functional Skills, ELCs, AQA, ASDAN and BTEC courses are offered in Key Stage 4. An impressive range of vocational and recreational pursuits is offered to pupils. The aim is to encourage and instruct pupils experiencing SEMH difficulties in the productive use of work, leisure and recreational time.

The school maintains strong links with professional associations, external organisations and charities. It makes its facilities available for use by local sporting, cultural and recreational clubs and local historical and other groups.

The school continues to maintain extensive communication with parents, carers and local authorities, producing regular informative news publications. The school's new website is now live www.melchetcourt.com

ACHIEVEMENTS AND PERFORMANCE

Charitable activities during the year

The School continued to provide education to pupils aged 9 years to 16 from a wide range of social backgrounds from Hampshire and surrounding counties. The achievements listed below, coupled with a host of other successes in the year, are testimony to the Charity's ongoing commitment to nurture the spiritual, artistic, intellectual and sporting life of pupils with Social, Emotional and Mental Health (SEMH) needs.

- Integrated therapy within school day- Occupational Therapy & Speech and Language Therapy
- More subject options for pupils

Introduction of:

- Outdoor Learning/horticulture/animal husbandry
- Forest Schools
- Duke of Edinburgh
- ASDAN qualifications
- Work experience
- Wider Horizons – diverse extra-curricular programme
- Cultural capital reflected across curriculum
- New assessment package– Prisma
- New Policies
- Careers integrated into all subjects
- Co-ordinator & Middle Manager roles created
- Curriculum Maps

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Charitable activities during the year (continued)

- Pupil Passports
- Re-designed subject/options handbooks- corporate style
- Renewed focus on staff appraisal
- Ofsted Deep Dives – subject based
- Integration of Education and Care- more pro-active not re-active
- Greater focus on numeracy and literacy across the curriculum
- CPD- Increased training budget- more qualified staff
- Culture of school to reflect ‘Always be ambitious for our pupils’
- Teacher Meetings – focused on teaching and learning
- Creation of new hubs- Eden, The Bridge, Upper, Middle and Lower School
- New Uniform
- New Facilities: Refurbished Lower Landing as a hub for Lower School, new playground for Eden/Lower School, new Playground Equipment, new Games Room, Conference Room, Mountain Bike Trail, refurbishment of Chapel, new Careers/Literacy Room, new Staffroom, upgrading and re-purposing of Education Corridor, new exam suite, new Btec room, additional rooms created in the Bridge, new Outdoor Education Classroom, shelters and pens for animals.
- Arbor- data management system to support recording and tracking of pupil data – administrator appointed to oversee:
- Timetable package
- Finance – New purchase requisition system ‘Elementary’
- Staff Intranet
- Edu-care package to support CPD replaced with The National College training package
- Improvements with ICT, more laptops and clever touch screens
- Displays – more inter-active and updated regularly
- Wall Art
- Currently forging links with other schools to share good practice
- New website/Brand/Fonts/Logo/School Signage
- Greater focus on Mission and Ethos
- School values shared with all stakeholders
- Charity Work- home and abroad
- Focus on protecting the environment- stewardship group, solar energy, air conditioning units solar powered and tree planting programme
- Appointment of Assistant Head - Well-being
- Appointment of additional Deputy Head responsible for curriculum
- Appointment of additional SENCo
- Focus on staff supervision and staff reflection
- New behaviour Policy/Daily Plans
- Increased the provision of SALT and OT
- Recruitment of clinical psychologist
- Continued focus on maintaining the integrity of the school buildings
- Estate management- includes pupil involvement, work parties
- Creation of new school car parks
- Governor recruitment
- Increased the number of pupils on roll
- Established strong relationship with local authorities (Hampshire & Wiltshire)

Investments

The Governors' investment policy is to invest in a mixed portfolio of fixed interest and equity investments, subject to a medium degree of risk, with the objective of generating income and capital growth that will maintain real value to finance the charity's expenditure on its charitable objectives. The investments are managed on a discretionary basis by Brewin Dolphin. The investments are in keeping with, and have regard for, the views of the Catholic Church and its teachings. During the year the portfolio achieved an overall rate of return (from income and capital) of 9.3%. This compares with a return of 10.9% on the WMA Private Investors Income Index (Total Return), which the school uses as its benchmark.

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

FINANCIAL REVIEW

Review of financial transactions

Pupils' fees in 2023/24 amounted to £6,167,387, compared with £5,021,171 in the previous year. Investment and other income was £320,168 resulting in total General Fund income of £6,487,555. General Fund expenditure was £5,705,475 resulting in a surplus of £782,080 before investment gains. The school spent £281,985 from its designated funds and the remaining £229,122 from its restricted fund during the year. This resulted in net income before investment gains of £270,973.

Review of financial position

After adjusting for the realised and unrealised gains and losses on the school's investments, the net assets at the end of the year were £9,199,785 (2023: £8,644,122) and the Governors expect that with the income from pupils' fees these will be sufficient to fund the school's activities for the foreseeable future.

Principal risks and uncertainties

Through the risk management processes established for the School, the Governors are satisfied that the major risks to which the School is exposed have been reviewed and systems or procedures have been established to mitigate those risks. It is recognised that systems can provide reasonable but not absolute assurance major risks have been eliminated.

The most significant risks identified by the Governors are: cutbacks in local authority funding for SEND pupil placements; a serious and unforeseen safeguarding issue; and failure of key IT systems. These risks are managed by detailed strategies including (1) ensuring that the quality of the setting is of the highest level while keeping fees to the minimum; (2) having comprehensive and robust safeguarding policies and procedures and (3) ensuring that there is an effective IT disaster recovery plan.

Reserves policy

The Governors' reserves policy is to maintain the General Fund at a sufficient level to cover the School's working capital requirements, to provide a contingency against an unexpected drop in pupil numbers and to provide funds in the event of the School's needing to be wound up. These translate to a target of between £4m and £5m.

The Major Building Repair Fund is maintained at a sufficient level to enable the School to undertake the anticipated major repair projects.

The West Wing Fund, now renamed as the Declan Building Fund, was established by the Governors in 2012 and was created to provide the funds which have now been used for the redevelopment of the school's West Wing.

The Staff Accommodation Fund was created to provide funds for the repair of staff accommodation.

The Development Fund was created to provide funds for small-scale projects of a capital or one-off nature.

The restricted Bridge Fund was created for the refurbishment and restoration of buildings for the provision of therapeutic services.

The policy is reviewed annually to ensure that it is still appropriate.

PLANS FOR FUTURE PERIODS

The school's objectives for the future are:

- To maintain preferred provider status within local authority strategic planning.
- To return a costs met result with surplus sufficient to justify expansion programmes.
- To maintain an efficient and effective staffing quota, subject to continuing efficiency reviews and the challenges inherent in local authority spending restrictions.
- To develop staff competencies so as best meet the needs and challenges presented by young people attending the school.
- To further improve the quality of the School's provision.
- To maintain and develop the school's ability to provide alternative curriculum opportunities for pupils who experience a greater degree of vulnerability.
- To continue to generate sufficient funds for the proper maintenance and care of the school's wider premises and to facilitate improvement and development.

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

PLANS FOR FUTURE PERIODS (continued)

- To render the school's educational building stock better fit for purpose through an improvement programme.
- To consider new and alternative streams of income which support the mission of the school.
- To exercise diligence in succession management planning, so as to safeguard the future prosperity of St Edward's.

It is intended that these will be met by following the strategies set out above. The provision continues to be considered by the agencies we work with to be of very high quality.

ACCOUNTING AND REPORTING RESPONSIBILITIES

Charity law requires the Governors to prepare financial statements, for each financial year, in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP) which give a true and fair view of the financial activities of the charity during the year and of its financial position at the end of the year. In preparing those statements, the Governors are required to:

- 1) Select suitable accounting policies and then apply them consistently;
- 2) Make judgements and estimates that are reasonable and prudent;
- 3) State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- 4) Prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the provisions of the Charities Act 2011. 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.

Signed on behalf of the Governors: M H Tennant - Chairman of Governors

Approved by the Governors: 10 July 2024

INDEPENDENT AUDITORS' REPORT TO
THE GOVERNORS OF ST. EDWARD'S SCHOOL

Opinion

We have audited the financial statements of St Edward's School for the year ended 31 March 2024, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes, including the summary of significant accounting policies, set out on pages 9 to 21. 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: -

- i) give a true and fair view of the state of the charity's affairs as at 31 March 2024, and of its incoming resources and application of resources for the year then ended;
- ii) have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- iii) 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 Governors' use of the going concern basis of accounting in the preparation of the accounts 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 School'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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

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 Governors' Annual Report.

INDEPENDENT AUDITORS' REPORT TO
THE GOVERNORS OF ST. EDWARD'S SCHOOL (CONTINUED)

We have nothing to report in respect of the following matter where the Charities Act 2011 requires us to report to you if, in our opinion:

- i) the information given in the Governors' Annual Report is inconsistent in any material respect with the financial statements;
- ii) sufficient accounting records have not been kept;
- iii) the financial statements are not in agreement with the accounting records and returns; or
- iv) we have not received all the information and explanations we require for our audit.

Responsibilities of the Governors

As explained more fully in the Governors' Responsibilities Statement, set out on page 6, the Governors 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 they 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 Governors 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 Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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. We exercise professional judgement and maintain professional scepticism throughout the audit.

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. Our approach to detecting irregularities, including fraud, is detailed below:

- we ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations and that they remained alert to instances of non-compliance throughout the audit;
- we identified the legal and regulatory requirements applicable to the School, including the review of the latest Ofsted reports, and obtained an understanding of how the School complies with these requirements through discussions with management and those charged with governance;
- we assessed the susceptibility of the financial statements to material misstatement, including obtaining an understanding of how fraud might occur. This was done by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we addressed the risk of fraud through management bias and the over-ride of controls by assessing whether judgements and assumptions made by management were indicative of potential bias and by investigating the rationale behind significant or unusual transactions. In order to address the risk of irregularities we carried out procedures which included agreeing the financial statements to underlying documentation and enquiring of management as to actual and potential litigation and instances of non-compliance;
- we obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate to our audit objectives, but not for the purposes of expressing an opinion on the effectiveness of the School's internal control.

INDEPENDENT AUDITORS' REPORT TO
THE GOVERNORS OF ST. EDWARD'S SCHOOL (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance to enquiry of management and inspection of relevant correspondence. Furthermore, misstatements due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment and collusion.

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 Governors, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations under section 154 of that Act. Our audit work has been undertaken so that we might state to the Governors 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 assume responsibility to anyone other than the charity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Crown Chambers
 Bridge Street
 Salisbury
 SP1 2LZ
 17 July 2024

Fletcher & Partners is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

FLETCHER & PARTNERS
 Chartered Accountants
 and Statutory Auditors.

ST. EDWARD'S SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024

	<u>Note</u>	<u>General Fund</u>	<u>Designated Funds</u>	<u>Restricted Fund</u>	<u>Year to 31/03/2024</u>	<u>Year to 31/03/2023</u>
INCOME FROM:						
Donations and legacies		-	-	-	-	237,046
Charitable activities						
Pupils' fees		6,167,387	-	-	6,167,387	5,021,171
Other trading activities						
Lettings and wayleaves		5,729	-	-	5,729	5,973
Investments	2	205,150	-	-	205,150	188,826
Other						
Staff rents		97,485	-	-	97,485	95,682
Other income		11,804	-	-	11,804	15,881
Total		<u>6,487,555</u>	<u>-</u>	<u>-</u>	<u>6,487,555</u>	<u>5,564,579</u>
EXPENDITURE ON:						
Costs of generating funds						
Investment management charges		22,795	-	-	22,795	21,403
Charitable activities						
Costs of operation of school	3	<u>5,682,680</u>	<u>281,985</u>	<u>229,122</u>	<u>6,193,787</u>	<u>4,893,445</u>
Total		<u>5,705,475</u>	<u>281,985</u>	<u>229,122</u>	<u>6,216,582</u>	<u>4,914,848</u>
Net income/(expenditure) before gains and losses on investments		782,080	(281,985)	(229,122)	270,973	649,731
Net gains / (losses) on investments						
Unrealised		277,618	-	-	277,618	(362,469)
Realised		7,072	-	-	7,072	(64,150)
Net income / (expenditure)		<u>1,066,770</u>	<u>(281,985)</u>	<u>(229,122)</u>	<u>555,663</u>	<u>223,112</u>
Transfers between funds	14					
Appropriation of surplus				-	-	-
Capital expenditure				-	-	-
Other fund transfers		(665,714)	665,714	-	-	-
Other gains and losses						
Actuarial gains/(losses)	16	-	-	-	-	(118,410)
Removal of loan provision	12	-	-	-	-	323,131
Net movement in funds		<u>401,056</u>	<u>383,729</u>	<u>(229,122)</u>	<u>555,663</u>	<u>427,833</u>
Total funds brought forward		<u>7,562,991</u>	<u>852,009</u>	<u>229,122</u>	<u>8,644,122</u>	<u>8,216,289</u>
Total funds carried forward		<u>£7,964,047</u>	<u>£1,235,738</u>	<u>£0</u>	<u>£9,199,785</u>	<u>£8,644,122</u>

The notes on pages 13 to 22 form part of these accounts

ST. EDWARD'S SCHOOL
BALANCE SHEET
AS AT 31 MARCH 2024

	<u>Note</u>	<u>2024</u>	<u>2023</u>
FIXED ASSETS			
Tangible assets	6	3,118,328	3,118,377
Investments	8	5,285,332	4,958,859
		<u>8,403,660</u>	<u>8,077,236</u>
CURRENT ASSETS			
Debtors	9	138,517	150,210
Cash at bank and in hand	10	<u>1,430,960</u>	<u>1,147,371</u>
		1,569,477	1,297,581
CREDITORS: Amounts falling due within one year	11	<u>370,549</u>	<u>301,942</u>
NET CURRENT ASSETS		<u>1,198,928</u>	<u>995,639</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		9,602,588	9,072,875
PROVISIONS FOR LIABILITIES AND CHARGES	12	(402,803)	(428,753)
NET ASSETS		<u><u>£9,199,785</u></u>	<u><u>£8,644,122</u></u>
FUNDS (UNRESTRICTED)			
General Fund		7,964,047	7,562,991
Designated Funds	14	1,235,738	852,009
Restricted Funds	15	-	229,122
TOTAL FUNDS		<u><u>£9,199,785</u></u>	<u><u>£8,644,122</u></u>

Signed on behalf of the Board of Governors: M H Tennant - Chairman of Governors

Approved by the Governors: 10 July 2024

The notes on pages 13 to 22 form part of these accounts

ST. EDWARD'S SCHOOL
CASH FLOW STATEMENT
AS AT 31 MARCH 2024

	<u>Note</u>	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by (used in) operating activities	a	296,440	613,135
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends and interest from investments		205,150	188,826
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(176,218)	(1,597,731)
Proceeds from sale of investments		1,225,500	1,329,081
Purchase of investments		(1,215,007)	(857,161)
Net cash provided by (used in) investing activities		39,425	(936,985)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	b	<u>£335,865</u>	<u>£(323,850)</u>

NOTES TO THE CASH FLOW STATEMENT

a. Reconciliation of net income/(expenditure) with net cash flow from operating activities

	<u>2024</u>	<u>2023</u>
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	555,663	223,112
Adjustments for:		
Depreciation charges	176,267	127,520
(Gains)/losses on investments	(284,690)	426,619
Dividends and interest from investments	(205,150)	(188,826)
(Profit)/loss on disposal of fixed assets	-	-
(Increase)/decrease in debtors	11,693	(1,295)
Increase/(decrease) in creditors	68,607	43,330
Increase/(decrease) in provisions	(25,950)	(17,325)
Net cash flow from operating activities	<u>£296,440</u>	<u>£613,135</u>

Net cash flow from operating activities includes investment income since this forms part of the Charity's operating income.

b. Analysis of cash and cash equivalents

	<u>At 31.3.24</u>	<u>At 1.4.23</u>
Cash at bank and in hand	1,430,960	1,147,371
Bank overdraft	-	-
Investment cash deposits	61,534	9,258
	<u>£ 1,492,494</u>	<u>£1,156,629</u>

The notes on pages 13 to 22 form part of these accounts

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2024

1. ACCOUNTING POLICIES

a. Basis of Accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard (FRS) 102 and the Charities Act 2011.

The School constitutes a public benefit entity as defined by FRS 102.

The governors consider that there are no material uncertainties about the School's ability to continue as a going concern. The most significant areas of future uncertainty that may affect the carrying value of assets held by the School are the level of investment return and the performance of investment markets. In the Governors' opinion there are no significant judgements that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting period.

b. Pupils' Fees

Pupils' fees represent the value of services charged to Local Authorities and are accounted for in the period in which the service is provided.

c. Resources Expended

Expenditure is accounted for on an accruals basis. The school is not registered for VAT and all costs include input VAT where this has been charged.

Charitable activities include all expenditure incurred in meeting the educational and care needs of the pupils. The nature of the school is such that this is considered to be one activity.

Support costs are all attributable to the one charitable activity and consist of administration (including salaries, office costs and staff training), information technology and marketing.

Governance costs comprise the costs of audit, legal advice and compliance with constitutional and statutory requirements. They include a proportion of the salaries of members of staff who are engaged in these activities, apportioned on the basis of the time spent. Governance costs are included within charitable activities.

Amounts payable under operating leases are charged as expenditure on a straight-line basis over the lease terms.

d. Tangible Fixed Assets

Educational equipment used directly in carrying out the charitable purposes of the school is written off on acquisition, on the basis that it has no economic value.

Other fixed assets costing more than £5,000 are capitalised and depreciation is calculated to write off the costs over their expected useful economic lives as follows:

Assets under construction	None until assets are brought into use
Declan Building	2% straight line basis
Improvements to property	10% straight line basis
Telephone and computer network	20% to 33 1/3% straight line basis
Fixtures, fittings and garden equipment	25% straight line basis
Motor vehicles	25% straight line basis

A full year's depreciation is charged for assets purchased during the year. Impairment reviews are carried out when there is an indication that an asset's recoverable amount is less than its net book value.

e. Heritage Assets

Heritage assets are capitalised if the acquired cost or acquisition value is greater than £5,000, otherwise the cost is written off at acquisition.

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2024

1. ACCOUNTING POLICIES (CONTINUED)

f. 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.

g. Debtors

Debtors are measured at the amounts the charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services.

h. Cash at bank and in hand

Cash at bank and in hand includes cash and cash on deposit.

i. Creditors

Creditors are measured at the amounts the charity anticipates it will pay to settle a debt or the amount it has received as an advance payment for goods or services it must provide.

j. Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at their settlement value.

k. Pension Costs

Contributions in respect of the Teachers' Pension Scheme and the multi-employer scheme operated on behalf of other staff are charged as expenditure in the period to which they relate.

l. Provisions

Provisions are recognised when the School has a present obligation as a result of a past event and it is probable that the School will be required to settle the obligation. Provisions are measured at the Governors' best estimate of the amount required to settle the obligation.

m. Fund Accounting

Where the Governors have set aside certain amounts out of the school's general funds for specific purposes, these are referred to as 'designated funds' and accounted for separately. Income arising on designated funds is credited to the general fund and capital gains and losses are credited or charged to the designated fund on which they arose. When donations are received for specific purposes they are credited to separate restricted funds and any income arising is credited to the same funds.

n. Operating leases: the School as lessee

Leases which do not transfer substantially all the risks and rewards of ownership to the School are classified as operating leases.

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2024

5. STAFF COSTS (continued)

The number of employees whose emoluments (excluding employer pension contributions) over £60,000 were :

	<u>2024</u>	<u>2023</u>
<u>Gross emoluments</u>		
£60,000 - £70,000	-	1
£70,000 - £80,000	1	1
£80,000 - £90,000	2	1
£110,000 - £120,000	-	1
£130,000 - £140,000	1	-
	<u> </u>	<u> </u>

For these four employees (2023: four), retirement benefits are accruing in the Teachers' Pension Scheme.

The contributions amounted to:	<u>£70,554</u>	<u>£61,415</u>
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The average numbers of employees, analysed by function, were:

	<u>2024</u>	<u>2023</u>
Teaching (including Special School Assistants)	46	40
Care	21	18
Administration, domestic and maintenance	33	30
	<u>100</u>	<u>88</u>

The School considers its key management personnel to be the senior leadership team which comprised the Headmaster, Deputy Headmasters, Director of Development, Finance Manager, Assistant Head of Pastoral Care, Assistant Head of Education and the Assistant Head SEND. The total employee benefits of the key management personnel were £766,370 (2023: £646,393).

The Governors received no remuneration in either of these years.

6. TANGIBLE FIXED ASSETS

	Improvements to property	Declan Building	Telephone and computer network	Fixtures, Fittings and Garden Equipment	Motor Vehicles	<u>Total</u>
COST						
At 1 April 2023	1,088,456	2,915,202	325,602	534,132	107,893	4,971,285
Additions	66,783	-	91,802	17,633	-	176,218
Disposals	(363,525)	-	(88,270)	(81,414)	-	(533,209)
	<u>791,714</u>	<u>2,915,202</u>	<u>329,134</u>	<u>470,351</u>	<u>107,893</u>	<u>4,614,294</u>
DEPRECIATION						
At 1 April 2023	979,543	34,011	279,761	467,357	92,236	1,852,908
Charge for the year	19,073	58,304	55,590	38,081	5,219	176,267
Disposals	(363,525)	-	(88,270)	(81,414)	-	(533,209)
	<u>635,091</u>	<u>92,315</u>	<u>247,081</u>	<u>424,024</u>	<u>97,455</u>	<u>1,495,966</u>
NET BOOK VALUE						
At 31 March 2024	<u>£ 156,623</u>	<u>£ 2,822,887</u>	<u>£ 82,053</u>	<u>£46,327</u>	<u>£10,438</u>	<u>£3,118,328</u>
At 31 March 2023	<u>£ 108,913</u>	<u>£ 2,881,191</u>	<u>£ 45,841</u>	<u>£66,775</u>	<u>£15,657</u>	<u>£3,118,377</u>

Capital Commitments

	<u>2024</u>	<u>2023</u>
Contracted for but not provided for in the accounts	<u>£130,318</u>	<u>£179,994</u>
Authorised by Governors but not contracted for	<u>£0</u>	<u>£0</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2024

7. HERITAGE ASSETS

The school has a collection of artefacts from the First World War which are considered to be heritage assets. No items were acquired for an amount of more than £5,000 and consequently in accordance with School's accounting policy no value is attributed to their costs in the Balance Sheet.

8. INVESTMENTS

Listed investments, at market value, and cash managed by Brewin Dolphin Securities Ltd. were invested as follows :-

	General Fund 2024	General Fund 2023
Market value at 1 April 2023	4,958,859	5,909,817
Acquisitions at cost	1,215,007	857,161
Disposals at opening market value	(1,218,428)	(1,393,232)
Increase/(decrease) in cash balances	52,276	(52,418)
Net unrealised gains / (losses)	277,618	(362,469)
Market value at 31 March 2024	<u>£5,285,332</u>	<u>£4,958,859</u>
Investments at market value comprised:		
UK Bonds	1,033,390	838,230
UK Equities	758,113	964,096
Overseas Bonds	364,380	370,282
Overseas Equities	1,958,080	1,506,883
Other Investments	1,109,835	1,270,110
Cash Deposits	61,534	9,258
	<u>£5,285,332</u>	<u>£4,958,859</u>
Historical cost	<u>£4,802,798</u>	<u>£4,537,148</u>

At 31 March 2024 there were no (2023: none) individual investments where the market value was greater than 5% of the total market value of the portfolio.

9. DEBTORS

	2024	2023
Local Authority fees	12,136	84,856
Investment income receivable	11,394	17,139
Other debtors	1,875	5,432
Prepayments	113,112	42,783
	<u>£138,517</u>	<u>£150,210</u>

10. CASH AT BANK AND IN HAND

	2024	2023
Bank current and deposit accounts	1,430,149	1,146,638
Cash in hand	811	729
	<u>£1,430,960</u>	<u>£1,147,367</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2024

11. CREDITORS: Amounts falling due within one year

	2024	2023
Trade creditors	139,458	67,713
Other creditors	43,257	41,782
Pension contributions	63,935	51,502
Accruals	38,752	70,115
Tax & social security	85,147	70,830
	<u>£370,549</u>	<u>£301,942</u>

12.1 PROVISIONS FOR LIABILITIES AND CHARGES - 2024

	Pension liability	Holiday pay accrued	Total provisions
Brought forward provisions at 1 April 2023	402,242	26,511	428,753
Additions	-	-	-
Reduction	(11,514)	(14,436)	(25,950)
Carried forward provisions at 31 March 2024	<u>£390,728</u>	<u>£12,075</u>	<u>£402,803</u>

Pension liability

This is set out in more detail in Note 15.

Holiday pay accrual

A provision has been made for the value of any holiday which staff have accrued at each year end but not yet taken. The movement in the provision is charged to staff costs.

12.2 PROVISIONS FOR LIABILITIES AND CHARGES - 2023

	Deferred loan	Pension liability	Holiday pay accrued	Total provisions
Brought forward provisions at 1 April 2023	323,131	268,068	59,600	650,799
Additions	-	-	-	-
Reduction	(323,131)	134,174	(33,089)	(222,046)
Carried forward provisions at 31 March 2024	<u>£0</u>	<u>£402,242</u>	<u>£26,511</u>	<u>£428,753</u>

13.1 ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2024

	General Fund	Designated Funds	Restricted Funds	Total Funds
Tangible fixed assets	3,118,328	-	-	3,118,328
Investments	5,285,332	-	-	5,285,332
Net current assets	(36,810)	1,235,738	-	1,198,928
Long term liabilities	(402,803)	-	-	(402,803)
	<u>£7,964,047</u>	<u>£1,235,738</u>	<u>£0</u>	<u>£9,199,785</u>

13.2 ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2023

	General Fund	Designated Funds	Restricted Funds	Total Funds
Tangible fixed assets	3,118,377	-	-	3,118,377
Investments	4,958,859	-	-	4,958,859
Net current assets	143,630	852,009	-	995,639
Long term liabilities	(428,753)	-	-	(428,753)
	<u>£7,792,113</u>	<u>£852,009</u>	<u>£0</u>	<u>£8,644,122</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2024

14.1 DESIGNATED FUNDS - 2024

	<u>At 1.4.23</u>	<u>Expended</u> <u>(revenue)</u>	<u>Expended</u> <u>(capital)</u>	<u>Transfers</u>	<u>At 31.3.24</u>
Major Building Repairs Fund	717,723	(82,754)	-	-	634,969
Declan Building Fund	(65,714)	-	-	65,714	-
Special Projects Fund	-	-	-	100,000	100,000
Staff Accommodation Fund	-	-	-	-	-
Development Fund	200,000	(199,231)	-	500,000	500,769
	<u>£852,009</u>	<u>£(281,985)</u>	<u>£0</u>	<u>£665,714</u>	<u>£1,235,738</u>

The funds have been designated by the Governors for specific school purposes as follows :-

MAJOR BUILDING REPAIRS FUND

The fund was created to provide funds for the repairs, refurbishment and restoration of the Grade II listed buildings at Melchet Court, together with monuments, gardens and walls and other buildings within the curtilage of the estate.

DECLAN BUILDING (FORMERLY WEST WING) FUND

The fund was created to provide funds for the redevelopment of the West Wing.

SPECIAL PROJECTS FUND

The fund was created to provide funds for specific projects for the School.

STAFF ACCOMMODATION FUND

This fund was created to provide funds for the repair of staff accommodation.

DEVELOPMENT FUND

This fund was created to provide funds for small-scale projects of a capital or one-off nature.

14.2 DESIGNATED FUNDS - 2023

	<u>At 1.4.22</u>	<u>Expended</u> <u>(revenue)</u>	<u>Expended</u> <u>(capital)</u>	<u>Transfers</u>	<u>At 31.3.23</u>
Major Building Repairs Fund	856,122	(138,399)	-	-	717,723
Declan Building Fund	658,817	-	(1,347,662)	623,131	(65,714)
Staff Accommodation Fund	11,591	-	-	(11,591)	-
Development Fund	-	-	-	200,000	200,000
	<u>£1,526,530</u>	<u>£(138,399)</u>	<u>£(1,347,662)</u>	<u>£811,540</u>	<u>£852,009</u>

15.1 RESTRICTED FUND - 2024

	<u>At 1.4.23</u>	<u>Incoming</u> <u>Resources</u>	<u>Expended</u> <u>(revenue)</u>	<u>Transfers</u>	<u>At 31.3.24</u>
The Bridge Fund	229,122	-	(229,122)	-	-

The Bridge Fund was created for the refurbishment and restoration of buildings for the provision of therapeutic services.

15.2 RESTRICTED FUND - 2023

	<u>At 1.4.22</u>	<u>Incoming</u> <u>Resources</u>	<u>Expended</u> <u>(revenue)</u>	<u>Transfers</u>	<u>At 31.3.23</u>
The Bridge Fund	-	236,546	(7,424)	-	229,122

16.1 PENSION COSTS - 2023

Teaching staff belong to the Teachers' Pension Scheme. This is an unfunded defined benefit scheme operated by the Government with contributions calculated on an actuarial basis, but set in relation to the current service period only. In accordance with FRS 102 the contributions have been accounted for as if this were defined contribution scheme. The employer's contribution is 23.68% of contributory salary with effect from 1 September 2019. During the year to 31 March 2024, the employer's contributions were £224,011 (2023: £176,147). £29,539 was owed to the scheme at the year end and included in creditors (2023: £22,321).

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2024

16.1 PENSION COSTS (continued)

Certain other staff belong to the Hampshire County Council scheme. This is a funded defined benefit multiple employer scheme, in which the individual assets and liabilities of the member employers are identified separately and the actuarial assumptions used for the valuations were tailored to the individual employers rather than averaged across the whole scheme.

During the year ended 31 March 2023 the scheme actuary carried out a full revaluation of the scheme as at 31 March 2022. The School's liability at 31 March 2024 is therefore the calculated liability at 31 March 2022 as adjusted by subsequent contributions and increases in earned member benefits, and with both assets and liabilities assumed to increase from the March 2022 figure in accordance with the discount rate used by the actuary for the purposes of the March 2022 revaluation. The basis of calculation was also changed to the attained aged methodology, reflecting the School's participation in the scheme.

The movements in the net liability during the year ended 31 March 2024 are as follows:

	<u>Plan assets</u>	<u>Obligations</u>	<u>Net liability</u>
Liability at 1 April 2023	7,272,670	(7,674,912)	(402,242)
Contributions in year	225,818	-	225,818
(Increase)/decrease in defined benefit liability	-	(198,818)	(198,818)
Interest	279,998	(295,484)	(15,486)
Liability at 31 March 2024	<u>£7,778,486</u>	<u>(£8,169,214)</u>	<u>(£390,728)</u>

The total employer's contributions during the year were £179,158 (2023: £178,597). A total of £19,267 was outstanding at the year end and included in creditors (2023: £18,839).

The principal actuarial assumptions used in the valuations are

Discount rate	3.85%
Future salary increases	3.30%

In the event that the school were to leave the scheme it would be liable to make a termination payment to the scheme calculated on more conservative actuarial assumptions than the overall scheme deficit. This payment was calculated at £3.398 million as at 31 March 2022 although it is possible that the payment could be mitigated depending on the circumstances.

The school also operates a defined contribution scheme on behalf of other employees. The assets of these schemes are held separately from those of the school in an independently administered funds. During the year to 31 March 2024, the employer's contributions amounted to £88,963 (2023: £61,835). There was £15,130 unpaid to the scheme at the year end (2023: £10,342).

16.2 PENSION COSTS - 2023

The movements in the net liability during the year ended 31 March 2023 are as follows:

	<u>Plan assets</u>	<u>Obligations</u>	<u>Net liability</u>
Liability at 1 April 2022	6,532,316	(6,800,384)	(268,068)
Revaluation of fund assets at 1 April 2022	254,684	-	254,684
Effect of change in actuarial assumptions at 1 April 2022	-	(396,093)	(396,093)
	<u>6,787,000</u>	<u>(7,196,477)</u>	<u>(409,477)</u>
Contributions in year	224,370	-	224,370
(Increase)/decrease in defined benefit liability	-	(201,371)	(201,371)
Interest	261,300	(277,064)	(15,764)
Liability at 31 March 2023	<u>£7,272,670</u>	<u>(£7,674,912)</u>	<u>(402,242)</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2024

17. RELATED PARTY AND CONTROL

The school land and buildings are owned by Clifton Diocese and occupied by the school which maintains them.
The school pays the buildings insurance of £24,777 (2023: £25,893) and core services and other services of £436.
(2023: £257) to the Clifton Diocese.
The school received £5,485 from the Clifton Diocese in the year in respect to farm tenancy agreements (2023: £4,705).

18. OPERATING LEASES

At 31 March 2024 the School had future minimum lease payments under non-cancellable operating leases as follows:

	Equipment		Motor Vehicles	
	2024	2023	2024	2023
Amounts due within one year	6,498	3,394	10,451	4,032
Amounts due between two and five years	20,418	12,162	19,160	-
	<u>£26,916</u>	<u>£15,556</u>	<u>£29,611</u>	<u>£4,032</u>

The total amounts charged as an expense during the year for operating leases were £11,035 (2023: £11,251)

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2024

19. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	<u>Note</u>	<u>General Fund</u>	<u>Designated Funds</u>	<u>Restricted Fund</u>	<u>Year to 31/03/2023</u>
INCOME FROM:					
Donations and legacies		500	-	236,546	237,046
Charitable activities					
Pupils' fees		5,021,171	-	-	5,021,171
Other trading activities					
Lettings and wayleaves		5,973	-	-	5,973
Investments	2	188,826	-	-	188,826
Other					
Staff rents		95,682	-	-	95,682
Other income		15,881	-	-	15,881
Total		<u>5,328,033</u>	<u>-</u>	<u>236,546</u>	<u>5,564,579</u>
EXPENDITURE ON:					
Costs of generating funds					
Investment management charges		21,403	-	-	21,403
Charitable activities					
Costs of operation of school	3.2	4,747,622	138,399	7,424	4,893,445
Total		<u>4,769,025</u>	<u>138,399</u>	<u>7,424</u>	<u>4,914,848</u>
Net income/(expenditure) before gains and losses on investments		559,008	(138,399)	229,122	649,731
Net gains / (losses) on investments					
Unrealised		(362,469)	-	-	(362,469)
Realised		(64,150)	-	-	(64,150)
Net income / (expenditure)		<u>132,389</u>	<u>(138,399)</u>	<u>229,122</u>	<u>223,112</u>
Transfers between funds	14.2				
Appropriation of surplus		(500,000)	500,000	-	-
Capital expenditure		1,347,662	(1,347,662)	-	-
Other fund transfers		(311,540)	311,540	-	-
Other gains and losses					
Actuarial gains	16.2	(118,410)	-	-	(118,410)
Removal of loan provision		323,131	-	-	323,131
Net movement in funds		<u>873,232</u>	<u>(674,521)</u>	<u>229,122</u>	<u>427,833</u>
Total funds brought forward		<u>6,689,759</u>	<u>1,526,530</u>	<u>-</u>	<u>8,216,289</u>
Total funds carried forward		<u>£7,562,991</u>	<u>£852,009</u>	<u>£229,122</u>	<u>£8,644,122</u>

Accounts

ST. EDWARD'S SCHOOL
STATEMENT OF ACCOUNTS
YEAR ENDED 31 MARCH 2023

Registered Charity No:

1159721

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FLETCHER & PARTNERS

CHARTERED ACCOUNTANTS

SALISBURY

ST. EDWARD'S SCHOOL
GOVERNORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

Property Trustee: Clifton Diocese

Governors: M H Tennant Esq. LLB (Hons.), BA(Hons.), Dip.Mus.(Open) (Chairman)
Mrs B G H Cherry BSc MRICS
A Dewar Esq.
Mrs S Murphy
Mrs S M Peach OBE JP
Rev C Pettet
L Taylor Esq.
M Argenti Esq. (appointed 5 July 2022)

Officers

Headmaster: G Maher Esq. MA

Finance Manager: Mrs K Donlon FMAAT

Address: Melchet Court
Sherfield English
Romsey
Hants SO51 6ZR

Advisers

Auditors: Fletcher & Partners, Crown Chambers, Bridge Street, Salisbury SP1 2LZ

Bankers: Royal Bank of Scotland, 14 Minster Street, Salisbury SP1 1TP
CCLA, 80 Cheapside, London EC2V 6DZ

Solicitors: Paris Smith LLP, Number 1 London Road
Southampton, SO15 2AE

Stockbrokers: Brewin Dolphin Securities Ltd., 9 Colmore Row,
Birmingham B3 2BJ

Registered Number

Charity No: 1159721

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 MARCH 2023

The Governing Body present their annual report and the audited accounts of St. Edward's School for the year ended 31 March 2023. These have been prepared to comply with the Charities Act 2011, the charity's constitution and the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS102)".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The School was originally constituted under the control of the Diocese of Clifton (DoC) by Trust Deeds dated 24 October 1962 and 1 June 1978, and in accordance with Statutory Instrument 1978 No. 629. The Trust was modified by a Scheme of the Charity Commission dated 4 April 2023.

The School developed independently, largely free from the control of the DoC, but in accordance with its protocols.

The School is now constituted as a Charitable Incorporated Organisation (CIO) which was registered on 23 December 2014 and to which the School's activities were transferred on 1 September 2015. Within the CIO, the Governors are trustees. The DoC as the freeholder of Melchet Court, has agreed to grant to the CIO, presently a licensee, a lease of 125 years at a peppercorn rent and on other terms to be negotiated.

Appointment and induction of Governors

The school is managed by a very active Board of Governors, whose experience spans many professional disciplines. Governors are appointed at a Meeting of the Board on the basis of nominations generated by existing Governors having regard to eligibility, personal competence, specialist skills and local availability. New Governors are provided with an induction programme relating to the charity and their responsibilities.

Organisational structure

Overall responsibility for the management of the Charity rests with the Governors, who meet monthly. The Governors have established subcommittees for finance and property, whose function is to examine issues in detail and make recommendations to the main Board. An ad hoc committee may be constituted to deal with applications for readmission following exclusion. Day to day management and administration is delegated to the Headmaster.

Key management

The Governors consider that the Headmaster, Deputy Head, the Head of (Pastoral) Care, Head of Education, Finance Manager, Director of Development and the SENCo comprise the key leadership personnel of the School in charge of directing and controlling, running and operating the School on a day to day basis. The remuneration of the key leadership is set by reference to comparative posts in the maintained and independent school sectors and is reviewed annually.

Related parties

Transactions with the Diocese are shown in Note 17 to the accounts.

Public Benefit

The Governors confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

OBJECTIVES AND ACTIVITIES

St Edward's is an independent school for boys who experience social, emotional and mental health difficulties (SEMH).

The school provides day and weekly boarding facilities over thirty-eight weeks of the year. The geographical spread of user local authorities stretches across southern England, London and the eastern Home Counties. In 2022-23 an average of 60 pupils were placed in the school by local authorities. Pupils' placements are subject to the National Contract (or equivalent). Local authorities draw on Ofsted and other reports of the school's performance and are at liberty to conduct additional monitoring visits to confirm the efficient allocation of public resources.

Operating within the Roman Catholic Diocese of Clifton, its purpose is to meet the special educational and care needs of boys aged between 9 and 18 years who, because of the challenges they face, have been unable to cope in mainstream schools and other special educational establishments. The school strives to educate pupils to the maximum of their potential, and to address pupils' difficulties in the terms in which these are described in pupils' Educational, Health and Care Plans.

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

Pupils who attend St Edward's have been assessed by their Local Authority as needing the type of provision which the school provides. The fees charged by the school are therefore borne by the Local Authority and, as a consequence, pupils attend the school irrespective of their, or their families', financial means.

It is the Governors' belief that, by helping its pupils to realise their potential, the school benefits not only its pupils and their families but the whole of society.

Aims and objectives for the year

- Educate pupils who have either: previously proved resistant to learning and presented sometimes serious behavioural difficulties in other settings, including other behavioural settings; or: for whom St Edward's is the natural transition from Primary provisions.
- Support and guide pupils' social, emotional, spiritual, moral and cultural development.
- Maintain a safe level of pupil occupancy.
- Maintain and develop the school's facilities to best meet pupil need.
- Meet the budgetary and financial criteria set in order to achieve these objectives.

Strategies

The school maintains a set of common principles and practices in the planning, delivery and evaluation of the National Curriculum; strong emphasis is placed upon the provision of useful and relevant learning experiences within a structured environment. The school's planning for the curriculum is linked to a detailed financial plan. Priorities for funding the school's initiatives are evidenced in the School's Improvement Plan. There is consultation at all levels - staff team, management and the Board of Governors - in determining priorities for improvement.

The National Curriculum is offered to the end of Key Stage 3. GCSE, Functional Skills, ELCs, AQA, ASDAN and BTEC courses are offered in Key Stage 4. An impressive range of vocational and recreational pursuits is offered to pupils. The aim is to encourage and instruct pupils experiencing SEMH difficulties in the productive use of work, leisure and recreational time. Post-16 students can pursue courses in school and/or at local colleges, with a bespoke programme at school including work experience, independent living skills, social skills and further therapeutic support.

The school maintains strong links with professional associations, external organisations and charities. It makes its facilities available for use by local sporting, cultural and recreational clubs and local historical and other groups.

The school continues to maintain extensive communication with parents, carers and local authorities, producing regular informative news publications. The school's new website is now live www.melchetcourt.com

ACHIEVEMENTS AND PERFORMANCE

Charitable activities during the year

The School continued to provide education to pupils aged 9 years to 18 from a wide range of social backgrounds from Hampshire and surrounding counties. The achievements listed below, coupled with a host of other successes in the year, are testimony to the Charity's ongoing commitment to nurture the spiritual, artistic, intellectual and sporting life of pupils with Social, Emotional and Mental Health (SEMH) needs.

- New teaching building; 6 additional classrooms, 6 breakout spaces, 3 offices and 1 sensory room and 6 toilets
- New car park
- New boiler house
- New landscaping
- Additional therapy suite
- Food technology room
- Outdoor classroom
- All weather play pitch
- Additional OT play equipment
- Upgraded residential accommodation to include new bathroom
- Electrical Charging points for vehicles (supports carbon neutral policy)
- New ICT suite

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Charitable activities during the year (continued)

- Upgraded art room
- New admissions brochure
- New app to support communication with stakeholders
- Continued investment in staff CPD
- Curriculum enrichment- additional GCSEs, Outdoor Education Programme, Duke of Edinburgh Award, Forest School Curriculum, Music Provision and Alternative Curriculum for more vulnerable pupils
- Fibre Optic cable – to support investment in assistive technologies
- Leadership review to support school growth
- Continued maintenance of estate and buildings
- Pastoral Care review to support school growth
- New signage
- Continued charity work, at home and abroad
- Use of school grounds to support strong environmental focus
- Staff recruitment to support growth
- Co-ordinators appointed; Assistive Technology

Investments

The Governors' investment policy is to invest in a mixed portfolio of fixed interest and equity investments, subject to a medium degree of risk, with the objective of generating income and capital growth that will maintain real value to finance the charity's expenditure on its charitable objectives. The investments are in keeping with, and have regard for, the views of the Catholic Church and its teachings. During the year the portfolio achieved an overall rate of return (from income and capital) of -4.1%. This compares with a return of -5.0% on the WMA Private Investors Income Index (Total Return), which the school uses as its benchmark.

FINANCIAL REVIEW

Review of financial transactions

Pupils' fees in 2022/23 amounted to £5,021,171, compared with £4,181,437 in the previous year. Investment and other income was £306,862 resulting in total General Fund income of £5,328,033. General Fund expenditure was £4,769,025 resulting in a surplus of £559,008 before investment losses. The school spent £138,399 from its designated funds during the year. Additionally, the school received a restricted donation in the year of £236,546, out of which, £7,424 was spent before the year end. This resulted in net income before investment losses of £649,731.

Review of financial position

After adjusting for the realised and unrealised gains and losses on the school's investments, the net assets at the end of the year were £8,644,122 (2022: £8,216,289) and the Governors expect that with the income from pupils' fees these will be sufficient to fund the school's activities for the foreseeable future.

Principal risks and uncertainties

Through the risk management processes established for the School, the Governors are satisfied that the major risks to which the School is exposed have been reviewed and systems or procedures have been established to mitigate those risks. It is recognised that systems can provide reasonable but not absolute assurance major risks have been eliminated.

The most significant risks identified by the Governors are: cutbacks in local authority funding for SEND pupil placements; a serious and unforeseen safeguarding issue; and failure of key IT systems. These risks are managed by detailed strategies including (1) ensuring that the quality of the setting is of the highest level while keeping fees to the minimum; (2) having comprehensive and robust safeguarding policies and procedures and (3) ensuring that there is an effective IT disaster recovery plan.

Reserves policy

The Governors' reserves policy is to maintain the General Fund at a sufficient level to cover the School's working capital requirements, to provide a contingency against an unexpected drop in pupil numbers and to provide funds in the event of the School's needing to be wound up. These translate to a target of between £4m and £5m.

The Major Building Repair Fund is maintained at a sufficient level to enable the School to undertake the anticipated major repair projects.

The West Wing Fund, now renamed as the Declan Building Fund, was established by the Governors in 2012 and was created to provide the funds which have now been used for the redevelopment of the school's West Wing.

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Reserves policy (continued)

The Staff Accommodation Fund was created to provide funds for the repair of staff accommodation.

The Development Fund was created to provide funds for small-scale projects of a capital or one-off nature.

The restricted Bridge Fund was created for the refurbishment and restoration of buildings for the provision of therapeutic services.

The policy is reviewed annually to ensure that it is still appropriate.

PLANS FOR FUTURE PERIODS

The school's objectives for the future are:

- To maintain preferred provider status within local authority strategic planning.
- To return a costs met result with surplus sufficient to justify expansion programmes.
- To maintain an efficient and effective staffing quota, subject to continuing efficiency reviews and the challenges inherent in local authority spending restrictions.
- To develop staff competencies so as best meet the needs and challenges presented by young people attending the school.
- To further improve the quality of the School's provision.
- To maintain and develop the school's ability to provide alternative curriculum opportunities for pupils who experience a greater degree of vulnerability.
- To continue to generate sufficient funds for the proper maintenance and care of the school's wider premises and to facilitate improvement and development.
- To render the school's educational building stock better fit for purpose through an improvement programme.
- To consider new and alternative streams of income which support the mission of the school.
- To exercise diligence in succession management planning, so as to safeguard the future prosperity of St Edward's.

It is intended that these will be met by following the strategies set out above. The provision continues to be considered by the agencies we work with to be of very high quality.

ACCOUNTING AND REPORTING RESPONSIBILITIES

Charity law requires the Governors to prepare financial statements, for each financial year, in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP) which give a true and fair view of the financial activities of the charity during the year and of its financial position at the end of the year. In preparing those statements, the Governors are required to:

- 1) Select suitable accounting policies and then apply them consistently;
- 2) Make judgements and estimates that are reasonable and prudent;
- 3) State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- 4) Prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the provisions of the Charities Act 2011. 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.

Signed on behalf of the Governors: M H Tennant - Chairman of Governors

Approved by the Governors: 12 July 2023

INDEPENDENT AUDITORS' REPORT TO
THE GOVERNORS OF ST. EDWARD'S SCHOOL

Opinion

We have audited the financial statements of St Edward's School for the year ended 31 March 2023, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes, including the summary of significant accounting policies, set out on pages 9 to 21. 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: -

- i) give a true and fair view of the state of the charity's affairs as at 31 March 2023, and of its incoming resources and application of resources for the year then ended;
- ii) have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- iii) 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 Governors' use of the going concern basis of accounting in the preparation of the accounts 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 School'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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

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 Governors' Annual Report.

INDEPENDENT AUDITORS' REPORT TO
THE GOVERNORS OF ST. EDWARD'S SCHOOL (CONTINUED)

We have nothing to report in respect of the following matter where the Charities Act 2011 requires us to report to you if, in our opinion:

- i) the information given in the Governors' Annual Report is inconsistent in any material respect with the financial statements;
- ii) sufficient accounting records have not been kept;
- iii) the financial statements are not in agreement with the accounting records and returns; or
- iv) we have not received all the information and explanations we require for our audit.

Responsibilities of the Governors

As explained more fully in the Governors' Responsibilities Statement, set out on page 5, the Governors 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 they 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 Governors 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 Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- we ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations and that they remained alert to instances of non-compliance throughout the audit;
- we identified the legal and regulatory requirements applicable to the School, including the review of the latest Ofsted reports, and obtained an understanding of how the School complies with these requirements through discussions with management and those charged with governance;
- we assessed the susceptibility of the financial statements to material misstatement, including obtaining an understanding of how fraud might occur. This was done by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we addressed the risk of fraud through management bias and the over-ride of controls by assessing whether judgements and assumptions made by management were indicative of potential bias and by investigating the rationale behind significant or unusual transactions. In order to address the risk of irregularities we carried out procedures which included agreeing the financial statements to underlying documentation and enquiring of management as to actual and potential litigation and instances of non-compliance;
- we obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate to our audit objectives, but not for the purposes of expressing an opinion on the effectiveness of the School's internal control.

INDEPENDENT AUDITORS' REPORT TO
THE GOVERNORS OF ST. EDWARD'S SCHOOL (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance to enquiry of management and inspection of relevant correspondence. Furthermore, misstatements due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment and collusion.

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 Governors, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations under section 154 of that Act. Our audit work has been undertaken so that we might state to the Governors 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 assume responsibility to anyone other than the charity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Crown Chambers
Bridge Street
Salisbury
SP1 2LZ
28 July 2023

Fletcher & Partners is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

FLETCHER & PARTNERS
Chartered Accountants
and Statutory Auditors.

ST. EDWARD'S SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	<u>Note</u>	<u>General Fund</u>	<u>Designated Funds</u>	<u>Restricted Fund</u>	<u>Year to 31/03/2023</u>	<u>Year to 31/03/2022</u>
INCOME FROM:						
Donations and legacies		500	-	236,546	237,046	4,431
Charitable activities						
Pupils' fees		5,021,171	-	-	5,021,171	4,181,437
Other trading activities						
Lettings and wayleaves		5,973	-	-	5,973	5,218
Investments	2	188,826	-	-	188,826	202,980
Other						
Staff rents		95,682	-	-	95,682	88,702
Other income		15,881	-	-	15,881	9,621
Total		<u>5,328,033</u>	<u>-</u>	<u>236,546</u>	<u>5,564,579</u>	<u>4,492,389</u>
EXPENDITURE ON:						
Costs of generating funds						
Investment management charges		21,403	-	-	21,403	30,113
Charitable activities						
Costs of operation of school	3	<u>4,747,622</u>	<u>138,399</u>	<u>7,424</u>	<u>4,893,445</u>	<u>4,322,043</u>
Total		<u>4,769,025</u>	<u>138,399</u>	<u>7,424</u>	<u>4,914,848</u>	<u>4,352,156</u>
Net income/(expenditure) before gains and losses on investments		559,008	(138,399)	229,122	649,731	140,233
Net gains / (losses) on investments						
Unrealised		(362,469)	-	-	(362,469)	188,204
Realised		(64,150)	-	-	(64,150)	37,314
Net income / (expenditure)		<u>132,389</u>	<u>(138,399)</u>	<u>229,122</u>	<u>223,112</u>	<u>365,751</u>
Transfers between funds	14					
Appropriation of surplus		(500,000)	500,000	-	-	-
Capital expenditure		1,347,662	(1,347,662)	-	-	-
Other fund transfers		(311,540)	311,540	-	-	-
Other gains and losses						
Actuarial gains/(losses)	16	(118,410)	-	-	(118,410)	-
Removal of loan provision	12	323,131	-	-	323,131	-
Net movement in funds		<u>873,232</u>	<u>(674,521)</u>	<u>229,122</u>	<u>427,833</u>	<u>365,751</u>
Total funds brought forward		<u>6,689,759</u>	<u>1,526,530</u>	<u>-</u>	<u>8,216,289</u>	<u>7,850,538</u>
Total funds carried forward		<u>£7,562,991</u>	<u>£852,009</u>	<u>£229,122</u>	<u>£8,644,122</u>	<u>£8,216,289</u>

The notes on pages 12 to 21 form part of these accounts

ST. EDWARD'S SCHOOL
BALANCE SHEET
AS AT 31 MARCH 2023

	<u>Note</u>	<u>2023</u>	<u>2022</u>
FIXED ASSETS			
Tangible assets	6	3,118,377	1,648,166
Investments	8	4,958,859	5,909,817
		<u>8,077,236</u>	<u>7,557,983</u>
CURRENT ASSETS			
Debtors	9	150,210	148,915
Cash at bank and in hand	10	<u>1,147,371</u>	<u>1,447,328</u>
		1,297,581	1,596,243
CREDITORS: Amounts falling due within one year	11	<u>301,942</u>	<u>287,138</u>
NET CURRENT ASSETS		<u>995,639</u>	<u>1,309,105</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		9,072,875	8,867,088
PROVISIONS FOR LIABILITIES AND CHARGES	12	(428,753)	(650,799)
NET ASSETS		<u><u>£8,644,122</u></u>	<u><u>£8,216,289</u></u>
FUNDS (UNRESTRICTED)			
General Fund		7,562,991	6,689,759
Designated Funds	14	852,009	1,526,530
Restricted Funds	15	229,122	-
TOTAL FUNDS		<u><u>£8,644,122</u></u>	<u><u>£8,216,289</u></u>

Signed on behalf of the Board of Governors M H Tennant - Governor

Approved by the Governors: 12 July 2023

The notes on pages 12 to 21 form part of these accounts

ST. EDWARD'S SCHOOL
CASH FLOW STATEMENT
AS AT 31 MARCH 2023

<u>Note</u>	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash provided by (used in) operating activities	a 613,135	68,132
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends and interest from investments	188,826	202,980
Proceeds from the sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	(1,597,731)	(1,600,601)
Proceeds from sale of investments	1,329,081	1,084,888
Purchase of investments	(857,161)	(198,951)
Net cash provided by (used in) investing activities	(936,985)	(511,684)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	b £(323,850)	£(443,552)

NOTES TO THE CASH FLOW STATEMENT

a. Reconciliation of net income/(expenditure) with net cash flow from operating activities

	<u>2023</u>	<u>2022</u>
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	223,112	365,751
Adjustments for:		
Depreciation charges	127,520	75,179
(Gains)/losses on investments	426,619	(225,518)
Dividends and interest from investments	(188,826)	(202,980)
(Profit)/loss on disposal of fixed assets	-	-
(Increase)/decrease in debtors	(1,295)	90,523
Increase/(decrease) in creditors	43,330	21,760
Increase/(decrease) in provisions	(17,325)	(56,583)
Net cash flow from operating activities	£613,135	£68,132

Net cash flow from operating activities includes investment income since this forms part of the Charity's operating income.

b. Analysis of cash and cash equivalents

	<u>At 31.3.23</u>	<u>At 1.4.22</u>
Cash at bank and in hand	1,147,371	1,447,328
Bank overdraft	-	(28,526)
Investment cash deposits	9,258	61,677
	£ 1,156,629	£1,480,479

The notes on pages 12 to 21 form part of these accounts

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

1. ACCOUNTING POLICIES

a. Basis of Accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard (FRS) 102 and the Charities Act 2011.

The School constitutes a public benefit entity as defined by FRS 102.

The governors consider that there are no material uncertainties about the School's ability to continue as a going concern. The most significant areas of future uncertainty that may affect the carrying value of assets held by the School are the level of investment return and the performance of investment markets. In the Governors' opinion there are no significant judgements that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting period.

b. Pupils' Fees

Pupils' fees represent the value of services charged to Local Authorities and are accounted for in the period in which the service is provided.

c. Resources Expended

Expenditure is accounted for on an accruals basis. The school is not registered for VAT and all costs include input VAT where this has been charged.

Charitable activities include all expenditure incurred in meeting the educational and care needs of the pupils. The nature of the school is such that this is considered to be one activity.

Support costs are all attributable to the one charitable activity and consist of administration (including salaries, office costs and staff training), information technology and marketing.

Governance costs comprise the costs of audit, legal advice and compliance with constitutional and statutory requirements. They include a proportion of the salaries of members of staff who are engaged in these activities, apportioned on the basis of the time spent. Governance costs are included within charitable activities.

Amounts payable under operating leases are charged as expenditure on a straight-line basis over the lease terms.

d. Tangible Fixed Assets

Educational equipment used directly in carrying out the charitable purposes of the school is written off on acquisition, on the basis that it has no economic value.

Other fixed assets costing more than £5,000 are capitalised and depreciation is calculated to write off the costs over their expected useful economic lives as follows:

Assets under construction	None until assets are brought into use
Declan Building	2% straight line basis
Improvements to property	10% straight line basis
Telephone and computer network	20% to 33 1/3% straight line basis
Fixtures, fittings and garden equipment	25% straight line basis
Motor vehicles	25% straight line basis

A full year's depreciation is charged for assets purchased during the year. Impairment reviews are carried out when there is an indication that an asset's recoverable amount is less than its net book value.

e. Heritage Assets

Heritage assets are capitalised if the acquired cost or acquisition value is greater than £5,000, otherwise the cost is written off at acquisition.

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2023

1. ACCOUNTING POLICIES (CONTINUED)

f. 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.

g. Debtors

Debtors are measured at the amounts the charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services.

h. Cash at bank and in hand

Cash at bank and in hand includes cash and cash on deposit.

i. Creditors

Creditors are measured at the amounts the charity anticipates it will pay to settle a debt or the amount it has received as an advance payment for goods or services it must provide.

j. Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at their settlement value.

k. Pension Costs

Contributions in respect of the Teachers' Pension Scheme and the multi-employer scheme operated on behalf of other staff are charged as expenditure in the period to which they relate.

l. Provisions

Provisions are recognised when the School has a present obligation as a result of a past event and it is probable that the School will be required to settle the obligation. Provisions are measured at the Governors' best estimate of the amount required to settle the obligation.

m. Fund Accounting

Where the Governors have set aside certain amounts out of the school's general funds for specific purposes, these are referred to as 'designated funds' and accounted for separately. Income arising on designated funds is credited to the general fund and capital gains and losses are credited or charged to the designated fund on which they arose. When donations are received for specific purposes they are credited to separate restricted funds and any income arising is credited to the same funds.

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2023

5. STAFF COSTS (continued)

The number of employees whose emoluments (excluding employer pension contributions) over £60,000 were :

	<u>2023</u>	<u>2022</u>
<u>Gross emoluments</u>		
£60,000 - £70,000	1	-
£70,000 - £80,000	1	1
£80,000 - £90,000	1	1
£90,000 - £100,000	-	-
£100,000 - £110,000	-	1
£110,000 - £120,000	1	-
	<u> </u>	<u> </u>

For these four employees (2022: three), retirement benefits are accruing in the Teachers' Pension Scheme.

The contributions amounted to:	<u>£61,415</u>	<u>£43,300</u>
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The average numbers of employees, analysed by function, were:

	<u>2023</u>	<u>2022</u>
Teaching (including Special School Assistants)	40	36
Care	18	19
Administration, domestic and maintenance	30	27
	<u>88</u>	<u>82</u>

The School considers its key management personnel to be the senior leadership team which comprised the Headmaster, Deputy Head, Head of (Pastoral) Care, Head of Education, Finance Manager, Director of Development and the SENCo. The total employee benefits of the key management personnel were £548,325 (2022: £508,768).

The Governors received no remuneration in either of these years.

6. TANGIBLE FIXED ASSETS

	<u>Improvements to property</u>	<u>Declan Building</u>	<u>Telephone and computer network</u>	<u>Fixtures, Fittings and Garden Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
COST						
At 1 April 2022	981,490	1,567,540	263,063	474,444	87,017	3,373,554
Additions	106,966	1,347,662	62,539	59,688	20,876	1,597,731
Disposals	-	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2023	1,088,456	2,915,202	325,602	534,132	107,893	4,971,285
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION						
At 1 April 2022	967,148	-	250,993	420,230	87,017	1,725,388
Charge for the year	12,395	34,011	28,768	47,127	5,219	127,520
Disposals	-	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2023	979,543	34,011	279,761	467,357	92,236	1,852,908
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE						
At 31 March 2023	<u>£ 108,913</u>	<u>£ 2,881,191</u>	<u>£ 45,841</u>	<u>£66,775</u>	<u>£15,657</u>	<u>£3,118,377</u>
At 31 March 2022	<u>£ 14,342</u>	<u>£ 1,567,540</u>	<u>£ 12,070</u>	<u>£54,214</u>	<u>£0</u>	<u>£1,648,166</u>

Capital Commitments

	<u>2023</u>	<u>2022</u>
Contracted for but not provided for in the accounts	<u>£179,994</u>	<u>£1,361,266</u>
Authorised by Governors but not contracted for	<u>£0</u>	<u>£0</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2023

7. HERITAGE ASSETS

The school has a collection of artefacts from the First World War which are considered to be heritage assets. No items were acquired for an amount of more than £5,000 and consequently in accordance with School's accounting policy no value is attributed to their costs in the Balance Sheet.

8. INVESTMENTS

Listed investments, at market value, and cash managed by Brewin Dolphin Securities Ltd. were invested as follows :-

	General Fund 2023	General Fund 2022
Market value at 1 April 2022	5,909,817	6,715,593
Acquisitions at cost	857,161	198,951
Disposals at opening market value	(1,393,232)	(1,047,573)
Increase/(decrease) in cash balances	(52,418)	(145,358)
Net unrealised gains / (losses)	(362,469)	188,204
Market value at 31 March 2023	<u>£4,958,859</u>	<u>£5,909,817</u>
Investments at market value comprised:		
UK Bonds	838,230	784,623
UK Equities	964,096	1,181,490
Overseas Bonds	370,282	455,359
Overseas Equities	1,506,883	2,123,907
Other Investments	1,270,110	1,302,760
Cash Deposits	9,258	61,677
	<u>£4,958,859</u>	<u>£5,909,816</u>
Historical cost	<u>£4,537,148</u>	<u>£4,876,625</u>

At 31 March 2023 there were no (2022: one) individual investments where the market value was greater than 5% of the total market value of the portfolio.

9. DEBTORS

	2023	2022
Local Authority fees	84,856	62,595
Investment income receivable	17,139	8,937
Other debtors	5,432	1,580
Prepayments	42,783	75,803
	<u>£150,210</u>	<u>£148,915</u>

10. CASH AT BANK AND IN HAND

	2023	2022
Bank current and deposit accounts	1,146,638	1,446,989
Cash in hand	729	339
	<u>£1,147,367</u>	<u>£1,447,328</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2023

11. CREDITORS: Amounts falling due within one year

	<u>2023</u>	<u>2022</u>
Bank overdraft	-	28,526
Trade creditors	67,713	72,792
Other creditors	41,782	33,312
Pension contributions	51,502	49,005
Accruals	70,115	42,184
Tax & social security	70,830	61,319
	<u>£301,942</u>	<u>£287,138</u>

12. PROVISIONS FOR LIABILITIES AND CHARGES

	<u>Deferred loan</u>	<u>Pension liability</u>	<u>Holiday pay accrued</u>	<u>Total provisions</u>
Brought forward provisions at 1 April 2022	323,131	268,068	59,600	650,799
Additions	-	-	-	-
Reduction	(323,131)	134,174	(33,089)	(222,046)
Carried forward provisions at 31 March 2023	<u>£0</u>	<u>£402,242</u>	<u>£26,511</u>	<u>£428,753</u>

Deferred loan

During the year ended 31 March 2023 it was confirmed that the lender has no recourse to the School's assets for the repayment of the deferred loan.

Pension liability

This is set out in more detail in Note 15.

Holiday pay accrual

A provision has been made for the value of any holiday which staff have accrued at each year end but not yet taken. The movement in the provision is charged to staff costs.

13.1 ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2023

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Total Funds</u>
Tangible fixed assets	3,118,377	-	3,118,377
Investments	4,958,859	-	4,958,859
Net current assets	143,630	852,009	995,639
Long term liabilities	(428,753)	-	(428,753)
	<u>£7,792,113</u>	<u>£852,009</u>	<u>£8,644,122</u>

13.2 ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2022

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Total Funds</u>
Tangible fixed assets	1,648,166	-	1,648,166
Investments	5,909,817	-	5,909,817
Net current assets	(217,425)	1,526,530	1,309,105
Long term liabilities	(650,799)	-	(650,799)
	<u>£6,689,759</u>	<u>£1,526,530</u>	<u>£8,216,289</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2023

14.1 DESIGNATED FUNDS - 2023

	<u>At 1.4.22</u>	<u>Expended</u> <u>(revenue)</u>	<u>Expended</u> <u>(capital)</u>	<u>Transfers</u>	<u>At 31.3.23</u>
Major Building Repairs Fund	856,122	(138,399)		-	717,723
Declan Building (formerly West Wing) Fund	658,817		(1,347,662)	623,131	(65,714)
Staff Accommodation Fund	11,591			(11,591)	-
Development Fund	-			200,000	200,000
	<u>£1,526,530</u>	<u>£(138,399)</u>	<u>£(1,347,662)</u>	<u>£811,540</u>	<u>£852,009</u>

The funds have been designated by the Governors for specific school purposes as follows :-

MAJOR BUILDING REPAIRS FUND

The fund was created to provide funds for the repairs, refurbishment and restoration of the Grade II listed buildings at Melchet Court, together with monuments, gardens and walls and other buildings within the curtilage of the estate.

DECLAN BUILDING (FORMERLY WEST WING) FUND

The fund was created to provide funds for the redevelopment of the West Wing.

STAFF ACCOMMODATION FUND

This fund was created to provide funds for the repair of staff accommodation.

DEVELOPMENT FUND

This fund was created to provide funds for small-scale projects of a capital or one-off nature.

14.2 DESIGNATED FUNDS - 2022

	<u>At 1.4.21</u>	<u>Expended</u> <u>(revenue)</u>	<u>Expended</u> <u>(capital)</u>	<u>Transfers</u>	<u>At 31.3.22</u>
Major Building Repairs Fund	924,596	(68,474)	-	-	856,122
West Wing Fund	2,026,357	-	(1,567,540)	200,000	658,817
Staff Accommodation Fund	11,591	-	-	-	11,591
Development Fund	-	-	-	-	-
	<u>£2,962,544</u>	<u>(£68,474)</u>	<u>£(1,567,540)</u>	<u>£200,000</u>	<u>£1,526,530</u>

15 RESTRICTED FUND

	<u>At 1.4.22</u>	<u>Incoming</u> <u>Resources</u>	<u>Expended</u> <u>(revenue)</u>	<u>Transfers</u>	<u>At 31.3.23</u>
The Bridge Fund	-	236,546	(7,424)	-	229,122

The Bridge Fund was created for the refurbishment and restoration of buildings for the provision of therapeutic services.

16.1 PENSION COSTS - 2023

Teaching staff belong to the Teachers' Pension Scheme. This is an unfunded defined benefit scheme operated by the Government with contributions calculated on an actuarial basis, but set in relation to the current service period only. In accordance with FRS 102 the contributions have been accounted for as if this were defined contribution scheme. The employer's contribution is 23.68% of contributory salary with effect from 1 September 2019. During the year to 31 March 2023, the employer's contributions were £176,147 (2022: £151,971). £22,321 was owed to the scheme at the year end and included in creditors (2022: £18,710).

Certain other staff belong to the Hampshire County Council scheme. This is a funded defined benefit multiple employer scheme, in which the individual assets and liabilities of the member employers are identified separately and the actuarial assumptions used for the valuations were tailored to the individual employers rather than averaged across the whole scheme.

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2023

16.1 PENSION COSTS (continued)

During the year ended 31 March 2023 the scheme actuary carried out a full revaluation of the scheme as at 31 March 2022. The School's liability at 31 March 2023 is therefore the calculated liability at 31 March 2022 as adjusted by subsequent contributions and increases in earned member benefits, and with both assets and liabilities assumed to increase from the March 2022 figure in accordance with the discount rate used by the actuary for the purposes of the March 2022 revaluation. The basis of calculation was also changed to the attained aged methodology, reflecting the School's participation in the scheme.

The movements in the net liability during the year ended 31 March 2023 are as follows:

	<u>Plan assets</u>	<u>Obligations</u>	<u>Net liability</u>
Liability at 1 April 2022	6,532,316	(6,800,384)	(268,068)
Revaluation of fund assets at 1 April 2022	254,684	-	254,684
Effect of change in actuarial assumptions at 1 April 2022	-	(396,093)	(396,093)
Contributions in year	6,787,000	(7,196,477)	(409,477)
(Increase)/decrease in defined benefit liability	224,370	-	224,370
Interest	-	(201,371)	(201,371)
Liability at 31 March 2023	£7,272,670	(£7,674,912)	(£402,242)

The total employer's contributions during the year were £178,597 (2022: £192,638). A total of £18,839 was outstanding at the year end and included in creditors (2022: £18,578).

The principal actuarial assumptions used in the valuations are

Discount rate	3.85%
Future salary increases	3.30%

In the event that the school were to leave the scheme it would be liable to make a termination payment to the scheme calculated on more conservative actuarial assumptions than the overall scheme deficit. This payment was calculated at £3.398 million as at 31 March 2022 although it is possible that the payment could be mitigated depending on the circumstances.

The school also operates a defined contribution scheme on behalf of other employees. The assets of these schemes are held separately from those of the school in an independently administered funds. During the year to 31 March 2023, the employer's contributions amounted to £61,835 (2022: £56,627). There was £10,342 unpaid to the scheme at the year end (2022: £11,717).

16.2 PENSION COSTS - 2022

The movements in the net liability during the year ended 31 March 2022 are as follows:

	<u>Plan assets</u>	<u>Obligations</u>	<u>Net liability</u>
<i>Liability at 1 April 2021</i>	<i>6,064,435</i>	<i>(6,344,982)</i>	<i>(280,547)</i>
<i>Contributions in year</i>	<i>240,465</i>	<i>-</i>	<i>240,465</i>
<i>(Increase)/decrease in defined benefit liability</i>	<i>-</i>	<i>(217,465)</i>	<i>(217,465)</i>
<i>Interest</i>	<i>227,416</i>	<i>(237,937)</i>	<i>(10,521)</i>
<i>Liability at 31 March 2022</i>	<i>£6,532,316</i>	<i>(£6,800,384)</i>	<i>(£268,068)</i>

17. RELATED PARTY AND CONTROL

The school land and buildings are owned by Clifton Diocese and occupied by the school which maintains them. The school pays the buildings insurance of £25,893 (2022: £20,244) and core services and other services of £257 (2022: £278) to the Clifton Diocese.

The school received £4,705 from the Clifton Diocese in the year in respect to farm tenancy agreements (2022: £4,705).

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2023

18. OPERATING LEASES

At 31 March 2023 the School had future minimum lease payments under non-cancellable operating leases as follows:

	Equipment		Motor Vehicles	
	2023	2022	2023	2022
Amounts due within one year	3,394	2,439	4,032	7,344
Amounts due between two and five years	12,162	-	-	3,696
	<u>£15,556</u>	<u>£2,439</u>	<u>£4,032</u>	<u>£11,040</u>

The total amounts charged as an expense during the year for operating leases were £11,251 (2022: £11,642)

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2023

19. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	<u>Note</u>	<u>General Fund</u>	<u>Designated Funds</u>	<u>Year to 31/03/2022</u>
INCOME FROM:				
Donations and legacies		4,431	-	4,431
Charitable activities				
Pupils' fees		4,181,437	-	4,181,437
Other trading activities				
Lettings and wayleaves		5,218	-	5,218
Investments	2	202,980	-	202,980
Other				
Staff rents		88,702	-	88,702
Other income		9,621	-	9,621
Total		<u>4,492,389</u>	<u>-</u>	<u>4,492,389</u>
EXPENDITURE ON:				
Costs of generating funds				
Investment management charges		30,113	-	30,113
Charitable activities				
Costs of operation of school	3.2	4,253,569	68,474	4,322,043
Total		<u>4,283,682</u>	<u>68,474</u>	<u>4,352,156</u>
Net income/(expenditure) before gains and losses on investments		208,707	(68,474)	140,233
Net gains / (losses) on investments				
Unrealised		188,204	-	188,204
Realised		37,314	-	37,314
Net income / (expenditure)		<u>434,225</u>	<u>(68,474)</u>	<u>365,751</u>
Transfers between funds	14.2			
Appropriation of surplus		(200,000)	200,000	-
Capital expenditure		1,567,540	(1,567,540)	-
Other gains and losses				
Actuarial gains	15.2	-	-	-
Net movement in funds		<u>1,801,765</u>	<u>(1,436,014)</u>	<u>365,751</u>
Total funds brought forward		4,887,994	2,962,544	7,850,538
Total funds carried forward		<u><u>£6,689,759</u></u>	<u><u>£1,526,530</u></u>	<u><u>£8,216,289</u></u>

Accounts

ST. EDWARD'S SCHOOL
STATEMENT OF ACCOUNTS
YEAR ENDED 31 MARCH 2022

Registered Charity No:

1159721

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FLETCHER & PARTNERS

CHARTERED ACCOUNTANTS

SALISBURY

ST. EDWARD'S SCHOOL
GOVERNORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

Property Trustee: Clifton Diocese

Governors: M H Tennant Esq. LLB (Hons.), BA(Hons.), Dip.Mus.(Open) (Chairman)
R D Bruce-Gardner Esq. BA (Hons.) ACIB (resigned 13 April 2021)
Mrs B G H Cherry BSc MRICS
A Dewar Esq. (appointed 23 June 2021)
J Livingstone Esq. (resigned 2 August 2021)
Mrs S Murphy
Mrs S M Peach OBE JP
Rev C Pettet
L Taylor Esq.

Officers

Headmaster: G Maher Esq. MA

Finance Manager: Mrs K Donlon FMAAT

Address: Melchet Court
Sherfield English
Romsey
Hants SO51 6ZR

Advisers

Auditors: Fletcher & Partners, Crown Chambers, Bridge Street, Salisbury SP1 2LZ

Bankers: Royal Bank of Scotland, 14 Minster Street, Salisbury SP1 1TP
CCLA, 80 Cheapside, London EC2V 6DZ

Solicitors: Paris Smith LLP, Number 1 London Road
Southampton, SO15 2AE

Stockbrokers: Brewin Dolphin Securities Ltd., 9 Colmore Row,
Birmingham B3 2BJ

Registered Number

Charity No: 1159721

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 MARCH 2022

The Governing Body present their annual report and the audited accounts of St. Edward's School for the year ended 31 March 2022. These have been prepared to comply with the Charities Act 2011, the charity's constitution and the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS102)".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The School was originally constituted under the control of the Diocese of Clifton (DoC) by a Trust Deed dated 24 October 1962. This was modified by a Supplemental Trust Deed 1 June 1978, in accordance with Statutory Instrument 1978 No. 629.

The School developed independently, largely free from the control of the DoC, notwithstanding the continued importance of the close relationship with it. The purpose of the Trust Deeds has not been applicable for some time, although the School and the DoC have operated in accordance with the terms of them, and with DoC protocols, as far as possible.

The School is now constituted as a Charitable Incorporated Organisation (CIO) which was registered on 23 December 2014 and to which the School's activities were transferred on 1 September 2015. Within the CIO, the Governors are trustees. The School and DoC have agreed to reconstitute the legal framework of the School by a new trust deed. Pursuant to this, Clifton Diocese (a company limited by guarantee) registered in England and Wales under number 10462076 Registered Charity No. 1170168 as the freeholder of Melchet Court, will grant to the CIO, presently a licensee, and subject to the approval of the Secretary of State, a lease of 125 years at a peppercorn rent and on other terms to be negotiated.

Appointment and induction of Governors

The school is managed by a very active Board of Governors, whose experience spans many professional disciplines. Governors are appointed at a Meeting of the Board on the basis of nominations generated by existing Governors having regard to eligibility, personal competence, specialist skills and local availability. New Governors are provided with an induction programme relating to the charity and their responsibilities.

Organisational structure

Overall responsibility for the management of the Charity rests with the Governors, who meet monthly. The Governors have established subcommittees for finance and property, whose function is to examine issues in detail and make recommendations to the main Board. An ad hoc committee may be constituted to deal with applications for readmission following exclusion. Day to day management and administration is delegated to the Headmaster.

Key management

The Governors consider that the Headmaster, Deputy Head, the Head of (Pastoral) Care, Head of Education, Finance Manager, Director of Development and the SENCo comprise the key management personnel of the School in charge of directing and controlling, running and operating the School on a day to day basis. The remuneration of the key management is set by reference to comparative posts in the maintained and independent school sectors and is reviewed annually.

Related parties

Transactions with the Diocese are shown in Note 16 to the accounts.

Public Benefit

The Governors confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

OBJECTIVES AND ACTIVITIES

St Edward's is an independent school for boys who experience social, emotional and mental health difficulties (SEMH).

The school provides day and weekly boarding facilities over thirty-eight weeks of the year. The geographical spread of user local authorities stretches across southern England, London and the eastern Home Counties. In 2021-22 an average of 50 pupils were placed in the school by local authorities. Pupils' placements are subject to the National Contract (or equivalent). Local authorities draw on Ofsted and other reports of the school's performance and are at liberty to conduct additional monitoring visits to confirm the efficient allocation of public resources.

Operating within the Roman Catholic Diocese of Clifton, its purpose is to meet the special educational and care needs of boys aged between 9 and 18 years who, because of the challenges they face, have been unable to cope in mainstream schools and other special educational establishments. The school strives to educate pupils to the maximum of their potential, and to address pupils' difficulties in the terms in which these are described in pupils' Educational, Health and Care Plans.

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

Pupils who attend St Edward's have been assessed by their Local Authority as needing the type of provision which the school provides. The fees charged by the school are therefore borne by the Local Authority and, as a consequence, pupils attend the school irrespective of their, or their families', financial means.

It is the Governors' belief that, by helping its pupils to realise their potential, the school benefits not only its pupils and their families but the whole of society.

Aims and objectives for the year

- Educate pupils who have either: previously proved resistant to learning and presented sometimes serious behavioural difficulties in other settings, including other behavioural settings; or: for whom St Edward's is the natural transition from Primary provisions.
- Support and guide pupils' social, emotional, spiritual, moral and cultural development.
- Maintain a safe level of pupil occupancy.
- Maintain and develop the school's facilities to best meet pupil need.
- Meet the budgetary and financial criteria set in order to achieve these objectives.

Strategies

The school maintains a set of common principles and practices in the planning, delivery and evaluation of the National Curriculum; strong emphasis is placed upon the provision of useful and relevant learning experiences within a structured environment. The school's planning for the curriculum is linked to a detailed financial plan. Priorities for funding the school's initiatives are evidenced in the School's Self Evaluation Form. There is consultation at all levels - staff team, management and the Board of Governors - in determining priorities for improvement.

The National Curriculum is offered to the end of Key Stage 3. GCSE, Functional Skills, ELCs, AQA, ASDAN and BTEC courses are offered in Key Stage 4. An impressive range of vocational and recreational pursuits is offered to pupils. The aim is to encourage and instruct pupils experiencing SEMH difficulties in the productive use of work, leisure and recreational time. Post-16 students can pursue courses in school and/or at local colleges, with a bespoke programme at school including work experience, independent living skills, social skills and further therapeutic support.

The school maintains strong links with professional associations, external organisations and charities. It makes its facilities available for use by local sporting, cultural and recreational clubs and local historical and other groups.

The school continues to maintain extensive communication with parents, carers and local authorities, producing regular informative news publications. The school's new website is now live www.melchetcourt.com

ACHIEVEMENTS AND PERFORMANCE

Charitable activities during the year

The School continued to provide education to pupils aged 9 years to 16 from a wide range of social backgrounds from Hampshire and surrounding counties. The achievements listed below, coupled with a host of other successes in the year, are testimony to the Charity's ongoing commitment to nurture the spiritual, artistic, intellectual and sporting life of pupils with Social, Emotional and Mental Health (SEMH) needs.

- Co-ordinators appointed; Literacy, Data and Assessment, Outdoor Education and Careers
- New timetable, including increased Maths and English and introduction of sensory circuits and enrichment sessions
- New timings of the school day
- Increased options for Key Stage 4 pupils
- Re-designed subject handbooks
- Improved Wider Horizons programme to further develop Cultural Capital
- Introduction of Pupil Passports as a tool for disseminating assessed pupil need
- Introduction of curriculum maps
- Governor Education (and Care) Committee formed
- Introduction of ASDAN as an alternative curriculum
- New assessment model introduced (Prisum)

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Investments

The Governors' investment policy is to invest in a mixed portfolio of fixed interest and equity investments, subject to a medium degree of risk, with the objective of generating income and capital growth that will maintain real value to finance the charity's expenditure on its charitable objectives. The investments are in keeping with, and have regard for, the views of the Catholic Church and its teachings. During the year the portfolio achieved an overall rate of return (from income and capital) of 6.3%. This compares with a return of 5.9% on the WMA Private Investors Income Index (Total Return), which the school uses as its benchmark.

FINANCIAL REVIEW

Review of financial transactions

Pupils' fees in 2021/22 amounted to £4,181,437, compared with £4,056,534 in the previous year. Investment and other income was £310,952 resulting in total General Fund income of £4,492,389. General Fund expenditure was £4,283,682 resulting in surplus of £208,707 before investment gains. The school spent £68,474 from its designated funds resulting in net income before investment gains amounting of £140,233. During the year £1,567,540 was also spent on the construction of the new West Wing teaching block.

Review of financial position

After adjusting for the realised and unrealised gains and losses on the school's investments, the net assets at the end of the year were £8,216,289 (2021: £7,850,538) and the Governors expect that with the income from pupils' fees these will be sufficient to fund the school's activities for the foreseeable future.

Principal risks and uncertainties

Through the risk management processes established for the School, the Governors are satisfied that the major risks to which the School is exposed have been reviewed and systems or procedures have been established to mitigate those risks. It is recognised that systems can provide reasonable but not absolute assurance major risks have been eliminated.

The most significant risks identified by the Governors are: cutbacks in local authority funding for SEND pupil placements; a serious and unforeseen safeguarding issue; and failure of key IT systems. These risks are managed by detailed strategies including (1) ensuring that the quality of the setting is of the highest level while keeping fees to the minimum; (2) having comprehensive and robust safeguarding policies and procedures and (3) ensuring that there is an effective IT disaster recovery plan.

Reserves policy

The Governors' reserves policy is to maintain the General Fund at a sufficient level to cover the School's working capital requirements, to provide a contingency against an unexpected drop in pupil numbers and to provide funds in the event of the School's needing to be wound up. These translate to a target of between £4m and £5m.

The Major Building Repair Fund is maintained at a sufficient level to enable the School to undertake the anticipated major repair projects.

The West Wing Fund was established by the Governors in 2012 with the aim of creating a fund for the redevelopment of the school's West Wing. This is now being used to fund the project.

The Staff Accommodation Fund was created to provide funds for the repair of staff accommodation.

The policy is reviewed annually to ensure that it is still appropriate.

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

PLANS FOR FUTURE PERIODS

The school's objectives for the future are:

- To maintain preferred provider status within local authority strategic planning.
- To return a costs met result with surplus sufficient to justify expansion programmes.
- To maintain an efficient and effective staffing quota, subject to continuing efficiency reviews. and the challenges inherent in local authority spending restrictions.
- To develop staff competencies so as best meet the needs and challenges presented by young people attending the school.
- To further improve the quality of the School's provision.
- To maintain and develop the school's ability to provide alternative curriculum opportunities for pupils who experience a greater degree of vulnerability.
- To continue to generate sufficient funds for the proper maintenance and care of the school's wider premises and to facilitate improvement and development.
- To render the school's educational building stock better fit for purpose through an improvement programme.
- To consider new and alternative streams of income which support the mission of the school.
- To exercise diligence in succession management planning, so as to safeguard the future prosperity of St Edward's.

It is intended that these will be met by following the strategies set out above. The provision continues to be considered by the agencies we work with to be of very high quality.

ACCOUNTING AND REPORTING RESPONSIBILITIES

Charity law requires the Governors to prepare financial statements, for each financial year, in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP) which give a true and fair view of the financial activities of the charity during the year and of its financial position at the end of the year. In preparing those statements, the Governors are required to:

- 1) Select suitable accounting policies and then apply them consistently;
- 2) Make judgements and estimates that are reasonable and prudent;
- 3) State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- 4) Prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the provisions of the Charities Act 2011. 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.

Signed on behalf of the Governors: M H Tennant - Chairman of Governors

Approved by the Governors: 13 July 2022

**INDEPENDENT AUDITORS' REPORT TO
THE GOVERNORS OF ST. EDWARD'S SCHOOL**

Opinion

We have audited the financial statements of St Edward's School for the year ended 31 March 2022, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes, including the summary of significant accounting policies, set out on pages 9 to 21. 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: -

- i) give a true and fair view of the state of the charity's affairs as at 31 March 2022, and of its incoming resources and application of resources for the year then ended;
- ii) have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- iii) 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 Governors' use of the going concern basis of accounting in the preparation of the accounts 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 School'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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

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 Governors' Annual Report.

INDEPENDENT AUDITORS' REPORT TO
THE GOVERNORS OF ST. EDWARD'S SCHOOL (CONTINUED)

We have nothing to report in respect of the following matter where the Charities Act 2011 requires us to report to you if, in our opinion:

- i) the information given in the Governors' Annual Report is inconsistent in any material respect with the financial statements;
- ii) sufficient accounting records have not been kept;
- iii) the financial statements are not in agreement with the accounting records and returns; or
- iv) we have not received all the information and explanations we require for our audit.

Responsibilities of the Governors

As explained more fully in the Governors' Responsibilities Statement, set out on page 5, the Governors 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 they 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 Governors 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 Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- we ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations and that they remained alert to instances of non-compliance throughout the audit;
- we identified the legal and regulatory requirements applicable to the School, including the review of the latest Ofsted reports, and obtained an understanding of how the School complies with these requirements through discussions with management and those charged with governance;
- we assessed the susceptibility of the financial statements to material misstatement, including obtaining an understanding of how fraud might occur. This was done by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we addressed the risk of fraud through management bias and the over-ride of controls by assessing whether judgements and assumptions made by management were indicative of potential bias and by investigating the rationale behind significant or unusual transactions. In order to address the risk of irregularities we carried out procedures which included agreeing the financial statements to underlying documentation and enquiring of management as to actual and potential litigation and instances of non-compliance;
- we obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate to our audit objectives, but not for the purposes of expressing an opinion on the effectiveness of the School's internal control.

INDEPENDENT AUDITORS' REPORT TO
THE GOVERNORS OF ST. EDWARD'S SCHOOL (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance to enquiry of management and inspection of relevant correspondence. Furthermore, misstatements due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment and collusion.

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 Governors, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations under section 154 of that Act. Our audit work has been undertaken so that we might state to the Governors 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 assume responsibility to anyone other than the charity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Crown Chambers
Bridge Street
Salisbury
SP1 2LZ
28 July 2022

FLETCHER & PARTNERS
Chartered Accountants
and Statutory Auditors.

Fletcher & Partners is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

ST. EDWARD'S SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022

	<u>Note</u>	<u>General Fund</u>	<u>Designated Funds</u>	<u>Year to 31/03/2022</u>	<u>Year to 31/03/2021</u>
INCOME FROM:					
Donations and legacies		4,431	-	4,431	-
Charitable activities					
Pupils' fees		4,181,437	-	4,181,437	4,056,534
Other trading activities					
Lettings and wayleaves		5,218	-	5,218	6,655
Investments	2	202,980	-	202,980	209,613
Other					
Staff rents		88,702	-	88,702	83,614
Other income		9,621	-	9,621	20,410
Total		<u>4,492,389</u>	<u>-</u>	<u>4,492,389</u>	<u>4,376,826</u>
EXPENDITURE ON:					
Costs of generating funds					
Investment management charges		30,113	-	30,113	28,690
Charitable activities					
Costs of operation of school	3	<u>4,253,569</u>	<u>68,474</u>	<u>4,322,043</u>	<u>3,838,397</u>
Total		<u>4,283,682</u>	<u>68,474</u>	<u>4,352,156</u>	<u>3,867,087</u>
Net income/(expenditure) before gains and losses on investments		208,707	(68,474)	140,233	509,739
Net gains / (losses) on investments					
Unrealised		188,204	-	188,204	913,552
Realised		<u>37,314</u>	<u>-</u>	<u>37,314</u>	<u>102,634</u>
Net income / (expenditure)		<u>434,225</u>	<u>(68,474)</u>	<u>365,751</u>	<u>1,525,925</u>
Transfers between funds	14			-	-
Appropriation of surplus		(200,000)	200,000		
Capital expenditure		<u>1,567,540</u>	<u>(1,567,540)</u>		
Other gains and losses					
Actuarial gains	15	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>1,801,765</u>	<u>(1,436,014)</u>	<u>365,751</u>	<u>1,525,925</u>
Total funds brought forward		<u>4,887,994</u>	<u>2,962,544</u>	<u>7,850,538</u>	<u>6,324,613</u>
Total funds carried forward		<u><u>£6,689,759</u></u>	<u><u>£1,526,530</u></u>	<u><u>£8,216,289</u></u>	<u><u>£7,850,538</u></u>

The notes on pages 12 to 21 form part of these accounts

ST. EDWARD'S SCHOOL
BALANCE SHEET
AS AT 31 MARCH 2022

	<u>Note</u>	<u>2022</u>	<u>2021</u>
FIXED ASSETS			
Tangible assets	6	1,648,166	122,744
Investments	8	5,909,817	6,715,593
		<u>7,557,983</u>	<u>6,838,337</u>
CURRENT ASSETS			
Debtors	9	148,915	239,438
Cash at bank and in hand	10	<u>1,447,328</u>	<u>1,730,114</u>
		1,596,243	1,969,552
CREDITORS: Amounts falling due within one year	11	<u>287,138</u>	<u>249,969</u>
NET CURRENT ASSETS		<u>1,309,105</u>	<u>1,719,583</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		8,867,088	8,557,920
PROVISIONS FOR LIABILITIES AND CHARGES	12	(650,799)	(707,382)
NET ASSETS		<u>£8,216,289</u>	<u>£7,850,538</u>
FUNDS (UNRESTRICTED)			
General Fund		6,689,759	4,887,994
Designated Funds	14	1,526,530	2,962,544
TOTAL FUNDS		<u>£8,216,289</u>	<u>£7,850,538</u>

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Signed on behalf of the Board of Governors M H Tennant - Chairman of Governors

Approved by the Governors: 13 July 2022

The notes on pages 12 to 21 form part of these accounts

ST. EDWARD'S SCHOOL
CASH FLOW STATEMENT
AS AT 31 MARCH 2022

<u>Note</u>	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash provided by (used in) operating activities	a 68,132	312,251
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends and interest from investments	202,980	209,613
Proceeds from the sale of property, plant and equipment	-	2,900
Purchase of property, plant and equipment	(1,600,601)	(123,174)
Proceeds from sale of investments	1,084,888	1,343,417
Purchase of investments	(198,951)	(1,154,087)
Net cash provided by (used in) investing activities	(511,684)	278,669
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	b £(443,552)	£590,920

NOTES TO THE CASH FLOW STATEMENT

a. Reconciliation of net income/(expenditure) with net cash flow from operating activities

	<u>2022</u>	<u>2021</u>
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	365,751	1,525,925
Adjustments for:		
Depreciation charges	75,179	91,509
(Gains)/losses on investments	(225,518)	(1,016,186)
Dividends and interest from investments	(202,980)	(209,613)
(Profit)/loss on disposal of fixed assets	-	(2,900)
(Increase)/decrease in debtors	90,523	(100,246)
Increase/(decrease) in creditors	21,760	18,509
Increase/(decrease) in provisions	(56,583)	5,253
Net cash flow from operating activities	£68,132	£312,251

Net cash flow from operating activities includes investment income since this forms part of the Charity's operating income.

b. Analysis of cash and cash equivalents

	<u>At 31.3.22</u>	<u>At 1.4.21</u>
Cash at bank and in hand	1,447,328	1,730,114
Bank overdraft	(28,526)	(13,117)
Investment cash deposits	61,677	207,034
	£ 1,480,479	£1,924,031

The notes on pages 12 to 21 form part of these accounts

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2022

1. ACCOUNTING POLICIES

a. Basis of Accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard (FRS) 102 and the Charities Act 2011.

The School constitutes a public benefit entity as defined by FRS 102.

The governors consider that there are no material uncertainties about the School's ability to continue as a going concern. The most significant areas of future uncertainty that may affect the carrying value of assets held by the School are the level of investment return and the performance of investment markets. In the Governors' opinion there are no significant judgements that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting period.

b. Pupils' Fees

Pupils' fees represent the value of services charged to Local Authorities and are accounted for in the period in which the service is provided.

c. Resources Expended

Expenditure is accounted for on an accruals basis. The school is not registered for VAT and all costs include input VAT where this has been charged.

Charitable activities include all expenditure incurred in meeting the educational and care needs of the pupils. The nature of the school is such that this is considered to be one activity.

Support costs are all attributable to the one charitable activity and consist of administration (including salaries, office costs and staff training), information technology and marketing.

Governance costs comprise the costs of audit, legal advice and compliance with constitutional and statutory requirements. They include a proportion of the salaries of members of staff who are engaged in these activities, apportioned on the basis of the time spent. Governance costs are included within charitable activities.

Amounts payable under operating leases are charged as expenditure on a straight-line basis over the lease terms.

d. Tangible Fixed Assets

Educational equipment used directly in carrying out the charitable purposes of the school is written off on acquisition, on the basis that it has no economic value.

Other fixed assets costing more than £5,000 are capitalised and depreciation is calculated to write off the costs over their expected useful economic lives as follows:

Assets under construction	None until assets are brought into use
Improvements to property	10% straight line basis
Telephone and computer network	20% to 33 1/3% straight line basis
Fixtures, fittings and garden equipment	25% straight line basis
Motor vehicles	25% straight line basis

A full year's depreciation is charged for assets purchased during the year. Impairment reviews are carried out when there is an indication that an asset's recoverable amount is less than its net book value.

e. Heritage Assets

Heritage assets are capitalised if the acquired cost or acquisition value is greater than £5,000, otherwise the cost is written off at acquisition.

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2022

1. ACCOUNTING POLICIES (CONTINUED)

f. 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.

g. Debtors

Debtors are measured at the amounts the charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services.

h. Cash at bank and in hand

Cash at bank and in hand includes cash and cash on deposit.

i. Creditors

Creditors are measured at the amounts the charity anticipates it will pay to settle a debt or the amount it has received as an advance payment for goods or services it must provide.

j. Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at their settlement value.

k. Pension Costs

Contributions in respect of the Teachers' Pension Scheme and the multi-employer scheme operated on behalf of other staff are charged as expenditure in the period to which they relate.

l. Provisions

Provisions are recognised when the School has a present obligation as a result of a past event and it is probable that the School will be required to settle the obligation. Provisions are measured at the Governors' best estimate of the amount required to settle the obligation.

m. Fund Accounting

Where the Governors have set aside certain amounts out of the school's general funds for specific purposes, these are referred to as 'designated funds' and accounted for separately. Income arising on designated funds is credited to the general fund and capital gains and losses are credited or charged to the designated fund on which they arose.

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2022

5. STAFF COSTS (continued)

The number of employees whose emoluments (excluding employer pension contributions) over £60,000 were :

	<u>2022</u>	<u>2021</u>
<u>Gross emoluments</u>		
£60,000 - £70,000	-	-
£70,000 - £80,000	1	2
£80,000 - £90,000	1	-
£90,000 - £100,000	-	1
£100,000 - £110,000	1	-
	<u> </u>	<u> </u>

For these three employees (2021: three), retirement benefits are accruing in the Teachers' Pension Scheme. The contributions amounted to:

<u>£43,300</u>	<u>£42,150</u>
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The average numbers of employees, analysed by function, were:

	<u>2022</u>	<u>2021</u>
Teaching (including Special School Assistants)	36	32
Care	19	19
Administration, domestic and maintenance	27	22
	<u>82</u>	<u>73</u>

The School considers its key management personnel to be the senior management team which comprised the Headmaster, Deputy Head, Head of (Pastoral) Care, Head of Education, Finance Manager, Director of Development and the SENCo. The total employee benefits of the key management personnel were £508,768 (2021: £418,046).

The Governors received no remuneration in either of these years.

6. TANGIBLE FIXED ASSETS

	<u>Improvements to property</u>	<u>West Wing Development *</u>	<u>Telephone and computer network</u>	<u>Fixtures, Fittings and Garden Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
COST						
At 1 April 2021	973,901	-	250,628	461,407	87,017	1,772,953
Additions	7,589	1,567,540	12,435	13,037	-	1,600,601
Disposals	-	-	-	-	-	-
	<u>981,490</u>	<u>1,567,540</u>	<u>263,063</u>	<u>474,444</u>	<u>87,017</u>	<u>3,373,554</u>
DEPRECIATION						
At 1 April 2021	958,574	-	229,601	375,017	87,017	1,650,209
Charge for the year	8,574	-	21,392	45,213	-	75,179
Disposals	-	-	-	-	-	-
	<u>967,148</u>	<u>-</u>	<u>250,993</u>	<u>420,230</u>	<u>87,017</u>	<u>1,725,388</u>
NET BOOK VALUE						
At 31 March 2022	<u>£ 14,342</u>	<u>£ 1,567,540</u>	<u>£ 12,070</u>	<u>£54,214</u>	<u>£0</u>	<u>£1,648,166</u>
At 31 March 2021	<u>£ 15,327</u>	<u>£ -</u>	<u>£ 21,027</u>	<u>£86,390</u>	<u>£0</u>	<u>£122,744</u>

* Asset under construction

Capital Commitments

	<u>2022</u>	<u>2021</u>
Contracted for but not provided for in the accounts	<u>£1,361,266</u>	<u>£76,092</u>
Authorised by Governors but not contracted for	<u>£0</u>	<u>£0</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2022

7. HERITAGE ASSETS

The school has a collection of artefacts from the First World War which are considered to be heritage assets. No items were acquired for an amount of more than £5,000 and consequently in accordance with School's accounting policy no value is attributed to their costs in the Balance Sheet.

8. INVESTMENTS

Listed investments, at market value, and cash managed by Brewin Dolphin Securities Ltd. were invested as follows :-

	General Fund 2022	General Fund 2021
Market value at 1 April 2021	6,715,593	5,727,915
Acquisitions at cost	198,951	1,154,086
Disposals at opening market value	(1,047,573)	(1,240,783)
Increase/(decrease) in cash balances	(145,358)	160,823
Net unrealised gains / (losses)	188,204	913,552
Market value at 31 March 2022	<u>£5,909,817</u>	<u>£6,715,593</u>
Investments at market value comprised:		
UK Bonds	784,623	1,057,596
UK Equities	1,181,490	1,394,959
Overseas Bonds	455,359	459,600
Overseas Equities	2,123,907	2,276,331
Other Investments	1,302,760	1,320,073
Cash Deposits	61,677	207,034
	<u>£5,909,816</u>	<u>£6,715,593</u>
Historical cost	<u>£4,876,625</u>	<u>£5,676,900</u>

At 31 March 2022 there was one (2021: one) individual investment where the market value was greater than 5% of the total market value of the portfolio, as follows:

Vanguard US Equity Index Fund	£606,590	10.4%
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9. DEBTORS

	2022	2021
Local Authority fees	62,595	173,558
Investment income receivable	8,937	16,193
Other debtors	1,580	2,709
Prepayments	75,803	46,978
	<u>£148,915</u>	<u>£239,438</u>

10. CASH AT BANK AND IN HAND

	2022	2021
Bank current and deposit accounts	1,446,989	1,729,529
Cash in hand	339	585
	<u>£1,447,328</u>	<u>£1,730,114</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2022

11. CREDITORS: Amounts falling due within one year

	<u>2022</u>	<u>2021</u>
Bank overdraft	28,526	13,117
Trade creditors	72,792	60,486
Other creditors	33,312	43,190
Pension contributions	49,005	45,839
Accruals	42,184	24,165
Tax & social security	61,319	63,172
	<u>£287,138</u>	<u>£249,969</u>

12. PROVISIONS FOR LIABILITIES AND CHARGES

	<u>Deferred loan</u>	<u>Pension liability</u>	<u>Holiday pay accrued</u>	<u>Total provisions</u>
Brought forward provisions at 1 April 2021	323,131	280,547	103,704	707,382
Additions	-	-	-	-
Reduction	-	(12,479)	(44,104)	(56,583)
Carried forward provisions at 31 March 2022	<u>£323,131</u>	<u>£268,068</u>	<u>£59,600</u>	<u>£650,799</u>

Deferred loan

While it is possible that under the terms of SI 1978 No. 629, the loan might be repayable, the Governors take the view that the Secretary of State will agree that repayment may be postponed as part of the reconstitution of the School.

Pension liability

This is set out in more detail in Note 15.

Holiday pay accrual

A provision has been made for the value of any holiday which staff have accrued at each year end but not yet taken. The movement in the provision is charged to staff costs.

13.1 ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2022

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Total Funds</u>
Tangible fixed assets	1,648,166	-	1,648,166
Investments	5,909,817	-	5,909,817
Net current assets	(217,425)	1,526,530	1,309,105
Long term liabilities	(650,799)	-	(650,799)
	<u>£6,689,759</u>	<u>£1,526,530</u>	<u>£8,216,289</u>

13.2 ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2021

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Total Funds</u>
<i>Tangible fixed assets</i>	122,744	-	122,744
<i>Investments</i>	6,715,593	-	6,715,593
<i>Net current assets</i>	(1,242,961)	2,962,544	1,719,583
<i>Long term liabilities</i>	(707,382)	-	(707,382)
	<u>£4,887,994</u>	<u>£2,962,544</u>	<u>£7,850,538</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2022

14.1 DESIGNATED FUNDS - 2022

	<u>At 1.4.21</u>	<u>Expended</u> <u>(revenue)</u>	<u>Expended</u> <u>(capital)</u>	<u>Transfers</u>	<u>At 31.3.22</u>
Major Building Repairs Fund	924,596	(68,474)		-	856,122
West Wing Fund	2,026,357		(1,567,540)	200,000	658,817
Staff Accommodation Fund	11,591	-			11,591
Development Fund	-			-	-
	<u>£2,962,544</u>	<u>£(68,474)</u>	<u>£(1,567,540)</u>	<u>£200,000</u>	<u>£1,526,530</u>

The funds have been designated by the Governors for specific school purposes as follows :-

MAJOR BUILDING REPAIRS FUND

The fund was created to provide funds for the repairs, refurbishment and restoration of the Grade II listed buildings at Melchet Court, together with monuments, gardens and walls and other buildings within the curtilage of the estate.

WEST WING FUND

The fund was created to provide funds for the redevelopment of the West Wing.

STAFF ACCOMMODATION FUND

This fund was created to provide funds for the repair of staff accommodation.

DEVELOPMENT FUND

This fund was created to provide funds for small-scale projects of a capital or one-off nature.

14.2 DESIGNATED FUNDS - 2021

	<u>At 1.4.20</u>	<u>Expended</u>	<u>Transfers</u>	<u>At 31.3.21</u>
Major Building Repairs Fund	1,029,696	(105,100)	-	924,596
West Wing Fund	1,426,357	-	600,000	2,026,357
Staff Accommodation Fund	-	-	11,591	11,591
Development Fund	50,000	(50,000)	-	-
	<u>£2,506,053</u>	<u>£(155,100)</u>	<u>£611,591</u>	<u>£2,962,544</u>

15.1 PENSION COSTS - 2022

Teaching staff belong to the Teachers' Pension Scheme. This is an unfunded defined benefit scheme operated by the Government with contributions calculated on an actuarial basis, but set in relation to the current service period only. In accordance with FRS 102 the contributions have been accounted for as if this were defined contribution scheme. The employer's contribution was 16.48% of contributory salary but increased with effect from 1 September 2019 to 23.68%. During the year to 31 March 2022, the employer's contributions were £151,971 (2021: £129,693). £18,710 was owed to the scheme at the year end and included in creditors (2021: £17,228).

Certain other staff belong to the Hampshire County Council scheme. This is a funded defined benefit multiple employer scheme, in which the individual assets and liabilities of the member employers are identified separately and the actuarial assumptions used for the valuations were tailored to the individual employers rather than averaged across the whole scheme.

During the year ended 31 March 2020 the scheme actuary carried out a full revaluation of the scheme as at 31 March 2019. The School's liability at 31 March 2022 is therefore the calculated liability at 31 March 2019 as adjusted by subsequent contributions and increases in earned member benefits, and with both assets and liabilities assumed to increase from the March 2019 figure in accordance with the discount rate used by the actuary for the purposes of the March 2019 revaluation.

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2022

15.1 PENSION COSTS (continued)

The movements in the net liability during the year ended 31 March 2022 are as follows:

	<u>Plan assets</u>	<u>Obligations</u>	<u>Net liability</u>
Liability at 31 March 2021	6,064,435	(6,344,982)	(280,547)
Contributions in year	240,465	-	240,465
(Increase)/decrease in defined benefit liability	-	(217,465)	(217,465)
Interest	227,416	(237,937)	(10,521)
Liability at 31 March 2022	<u>£6,532,316</u>	<u>(£6,800,384)</u>	<u>(£268,068)</u>

The total employer's contributions during the year were £192,638 (2021: £199,387). A total of £18,578 was outstanding at the year end and included in creditors (2021: £20,466).

The principal actuarial assumptions used in the valuations are

Discount rate	3.75%
Future salary increases	3.10%

In the event that the school were to leave the scheme it would be liable to make a termination payment to the scheme calculated on more conservative actuarial assumptions than the overall scheme deficit. This payment was calculated at £3.267 million as at 31 March 2019 although it is possible that the payment could be mitigated depending on the circumstances.

The school also operates a defined contribution scheme on behalf of other employees. The assets of these schemes are held separately from those of the school in an independently administered funds. During the year to 31 March 2021, the employer's contributions amounted to £56,627 (2021: £42,158). There was £11,717 unpaid to the scheme at the year end (2021: £8,145).

15.2 PENSION COSTS - 2021

The movements in the net liability during the year ended 31 March 2021 are as follows:

	<u>Plan assets</u>	<u>Obligations</u>	<u>Net liability</u>
Liability at 1 April 2020	5,606,363	(5,897,975)	(291,612)
Contributions in year	247,833	-	247,833
(Increase)/decrease in defined benefit liability	-	(225,833)	(225,833)
Interest	210,239	(221,174)	(10,935)
Liability at 31 March 2021	<u>£6,064,435</u>	<u>(£6,344,982)</u>	<u>(£280,547)</u>

16. RELATED PARTY AND CONTROL

The school land and buildings are owned by Clifton Diocese and occupied by the school which maintains them. The school pays the buildings insurance of £20,244 (2021: £19,573) and core services and other services of £278 (2021: £233) to the Clifton Diocese.

The school received £4,705 from the Clifton Diocese in the year in respect to farm tenancy agreements (2021: £5,565).

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2022

17. OPERATING LEASES

At 31 March 2022 the School had future minimum lease payments under non-cancellable operating leases as follows:

	Equipment		Motor Vehicles	
	2022	2021	2022	2021
Amounts due within one year	2,439	4,415	7,344	7,344
Amounts due between two and five years	-	2,439	3,696	11,040
	<u>£2,439</u>	<u>£6,854</u>	<u>£11,040</u>	<u>£18,384</u>

The total amounts charged as an expense during the year for operating leases were £11,642 (2021: £11,806)

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2022

19. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	<u>Note</u>	<u>General Fund</u>	<u>Designated Funds</u>	<u>Year to 31/03/2021</u>
INCOME FROM:				
Donations and legacies		-	-	-
Charitable activities				
Pupils' fees		4,056,534	-	4,056,534
Other trading activities				
Lettings and wayleaves		6,655	-	6,655
Investments	2	209,613	-	209,613
Other				
Staff rents		83,614	-	83,614
Other income		20,410	-	20,410
Total		<u>4,376,826</u>	<u>-</u>	<u>4,376,826</u>
EXPENDITURE ON:				
Costs of generating funds				
Investment management charges		28,690	-	28,690
Charitable activities				
Costs of operation of school	3.2	3,683,297	155,100	3,838,397
Total		<u>3,711,987</u>	<u>155,100</u>	<u>3,867,087</u>
Net income/(expenditure) before gains and losses on investments		664,839	(155,100)	509,739
Net gains / (losses) on investments				
Unrealised		913,552	-	913,552
Realised		102,634	-	102,634
Net income / (expenditure)		<u>1,681,025</u>	<u>(155,100)</u>	<u>1,525,925</u>
Transfers between funds	14.2	(611,591)	611,591	-
Other gains and losses				
Actuarial gains	15.2	-	-	-
Net movement in funds		<u>1,069,434</u>	<u>456,491</u>	<u>1,525,925</u>
Total funds brought forward		<u>3,818,560</u>	<u>2,506,053</u>	<u>6,324,613</u>
Total funds carried forward		<u><u>£4,887,994</u></u>	<u><u>£2,962,544</u></u>	<u><u>£7,850,538</u></u>

Accounts

ST. EDWARD'S SCHOOL
STATEMENT OF ACCOUNTS
YEAR ENDED 31 MARCH 2021

Registered Charity No:

1159721

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FLETCHER & PARTNERS

CHARTERED ACCOUNTANTS

SALISBURY

ST. EDWARD'S SCHOOL
GOVERNORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

Property Trustee: Clifton Diocese

Governors: M H Tennant Esq. LLB (Hons.), BA(Hons.), Dip.Mus.(Open) (Chairman)
R D Bruce-Gardner Esq. BA (Hons.) ACIB (resigned 13 April 2021)
Mrs B G H Cherry BSc MRICS
J Livingstone Esq.
Mrs S Murphy
Mrs S M Peach OBE JP
Rev C Pettet
L Taylor Esq.

Officers

Headmaster: G Maher Esq. MA

Senior Manager: A Hillon Esq BA PGCE

Finance Manager: Mrs K Donlon FMAAT

Address: Melchet Court
Sherfield English
Romsey
Hants SO51 6ZR

Advisers

Auditors: Fletcher & Partners, Crown Chambers, Bridge Street, Salisbury SP1 2LZ

Bankers: Royal Bank of Scotland, 14 Minster Street, Salisbury SP1 1TP
CCLA, 80 Cheapside, London EC2V 6DZ

Solicitors: Paris Smith LLP, Number 1 London Road
Southampton, SO15 2AE

Stockbrokers: Brewin Dolphin Securities Ltd., 9 Colmore Row,
Birmingham B3 2BJ

Registered Number

Charity No: 1159721

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 MARCH 2021

The Governing Body present their annual report and the audited accounts of St. Edward's School for the year ended 31 March 2021. These have been prepared to comply with the Charities Act 2011, the charity's constitution and the Statement of Recommended Practice "Accounting and Reporting by Charities (FRS102)".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The School was originally constituted under the control of the Diocese of Clifton (DoC) by a Trust Deed dated 24 October 1962. This was modified by a Supplemental Trust Deed 1 June 1978, in accordance with Statutory Instrument 1978 No. 629.

The School developed independently, largely free from the control of the DoC, notwithstanding the continued importance of the close relationship with it. The purpose of the Trust Deeds has not been applicable for some time, although the School and the DoC have operated in accordance with the terms of them, and with DoC protocols, as far as possible.

The School is now constituted as a Charitable Incorporated Organisation (CIO) which was registered on 23 December 2014 and to which the School's activities were transferred on 1 September 2015. Within the CIO, the Governors are trustees. The School and DoC have agreed to reconstitute the legal framework of the School by a new trust deed. Pursuant to this, Clifton Diocese (a company limited by guarantee) registered in England and Wales under number 10462076 Registered Charity No. 1170168 as the freeholder of Melchet Court, will grant to the CIO, presently a licensee, and subject to the approval of the Secretary of State, a lease of 125 years at a peppercorn rent and on other terms to be negotiated.

Appointment and induction of Governors

The school is managed by a very active Board of Governors, whose experience spans many professional disciplines. Governors are appointed at a Meeting of the Board on the basis of nominations generated by existing Governors having regard to eligibility, personal competence, specialist skills and local availability. New Governors are provided with an induction programme relating to the charity and their responsibilities.

Organisational structure

Overall responsibility for the management of the Charity rests with the Governors, who meet monthly. The Governors have established subcommittees for finance and property, whose function is to examine issues in detail and make recommendations to the main Board. An ad hoc committee may be constituted to deal with applications for readmission following exclusion. Day to day management and administration is delegated to the Headmaster.

Key management

The Governors consider that the Headmaster, Deputy Head, the Head of Care, Head of Education and the Director of Development comprise the key management personnel of the School in charge of directing and controlling, running and operating the School on a day to day basis. The remuneration of the key management is set by reference to comparative posts in the maintained and independent school sectors and is reviewed annually.

Related parties

Transactions with the Diocese are shown in Note 16 to the accounts.

Public Benefit

The Governors confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

OBJECTIVES AND ACTIVITIES

St Edward's is an independent school for boys who experience social, emotional and mental health difficulties (SEMH).

The school provides day and weekly boarding facilities over thirty-eight weeks of the year. The geographical spread of user local authorities stretches across southern England, London and the eastern Home Counties. In 2020-21 an average of 47 pupils were placed in the school by local authorities. Pupils' placements are subject to the National Contract (or equivalent). Local authorities draw on Ofsted and other reports of the school's performance and are at liberty to conduct additional monitoring visits to confirm the efficient allocation of public resources.

Operating within the Roman Catholic Diocese of Clifton, its purpose is to meet the special educational and care needs of boys aged between 9 and 18 years who, because of the challenges they face, have been unable to cope in mainstream schools and other special educational establishments. The school strives to educate pupils to the maximum of their potential, and to address pupils' difficulties in the terms in which these are described in pupils' Educational, Health and Care Plans.

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

Pupils who attend St Edward's have been assessed by their Local Authority as needing the type of provision which the school provides. The fees charged by the school are therefore borne by the Local Authority and, as a consequence, pupils attend the school irrespective of their, or their families', financial means.

It is the Governors' belief that, by helping its pupils to realise their potential, the school benefits not only its pupils and their families but the whole of society.

Aims and objectives for the year

- Educate pupils who have either; previously proved resistant to learning and presented sometimes serious behavioural difficulties in other settings, including other behavioural settings; or; for whom St Edward's is the natural transition from Primary provisions.
- Support and guide pupils' social, emotional, spiritual, moral and cultural development.
- Maintain a safe level of pupil occupancy.
- Maintain and develop the school's facilities to best meet pupil need.
- Meet the budgetary and financial criteria set in order to achieve these objectives.

Strategies

The school maintains a set of common principles and practices in the planning, delivery and evaluation of the National Curriculum; strong emphasis is placed upon the provision of useful and relevant learning experiences within a structured environment. The school's planning for the curriculum is linked to a detailed financial plan. Priorities for funding the school's initiatives are evidenced in the School's Self Evaluation Form. There is consultation at all levels - staff team, management and the Board of Governors - in determining priorities for improvement.

The National Curriculum is offered to the end of Key Stage 3. GCSE, Functional Skills, ELCs, AQA units and BTEC courses are offered in Key Stage 4. An impressive range of vocational and recreational pursuits is offered to pupils. The aim is to encourage and instruct pupils experiencing SEMH difficulties in the productive use of work, leisure and recreational time. Post-16 students can pursue courses in school and/or at local colleges, with a bespoke programme at school including work experience, independent living skills, social skills and further therapeutic support.

The school maintains strong links with professional associations, external organisations and charities. It makes its facilities available for use by local sporting, cultural and recreational clubs and local historical and other groups.

The school continues to maintain extensive communication with parents, carers and local authorities, producing regular informative news publications. The school's website is under construction www.melchetcourt.com

ACHIEVEMENTS AND PERFORMANCE

Charitable activities during the year

The School continued to provide education to pupils aged 9 years to 16 from a wide range of social backgrounds from Hampshire and surrounding counties. The achievements listed below, coupled with a host of other successes in the year, are testimony to the Charity's ongoing commitment to nurture the spiritual, artistic, intellectual and sporting life of pupils with Social, Emotional and Mental Health (SEMH) needs.

- Introduction and implementation of new policies: pay, careers, outdoor education, assessment, teaching and learning, curriculum, literacy, appraisal
- CPD and Inset: provision of training to upskill members of all departments, robust induction programme for staff and pupils
- Introduction of a new appraisal programme
- Curriculum development: ensured the curriculum is challenging and broad and meets the needs of our pupils, curriculum mapping, subject handbooks to include schemes of work, additional option subjects to be introduced, forest school, land management, wider horizons, integrated timetable to include more therapy and pastoral care, structured break times
- Expansion of the Garden Rooms to meet demand for additional places: 2 new classrooms and 2 additional teachers
- Branding: new website, logo, fonts, signage, uniform

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Charitable activities during the year (continued)

- Reviewed staff structure to meet the changing needs of the school; HR/Compliance Officer. Mission and Ethos Lead, Additional grounds staff, Deputy Head Pastoral Care
- Appointed Middle Managers – Garden Rooms, Literacy, Careers, Outdoor Education, Assessment
- Reviewed leadership structure: appointed additional members of SLT
- Maintain the integrity of the premises: ongoing refurbishment and maintenance of all buildings, reduction of carbon footprint, provision of multi surface pitch for tennis and football, new floor in the gymnasium, mountain bike track, climbing equipment for playgrounds, stewardship group to lead work parties, upgrade of school chapel, stewardship group to continue to spearhead woodland management
- Provision of an integrated therapeutic service, creation of 'The Bridge', expansion of the therapy team, SALT, OT and Clinical Psychologist, intervention programme and induction process introduced, supervision model for staff and pupils, outdoor therapy
- Charity programme continues to support local and global causes
- Fund raising programme established to support environmental and building projects
- Ensured that technology supports the efficient running of the school and aids teaching and learning, upgrade of computers and Microsoft Office 365 introduced, virtual servers put in place, upgrade of the school's Wifi
- Safeguarding compliant: training for school community, staff ID badges, key pads on doors
- Data management systems introduced: Arbor
- Identified the need for a building that meets the needs of our pupils: appointed the Darwin Group to design and build a new facility for teaching and learning

Investments

The Governors' investment policy is to invest in a mixed portfolio of fixed interest and equity investments, subject to a medium degree of risk, with the objective of generating income and capital growth that will maintain real value to finance the charity's expenditure on its charitable objectives. The investments are in keeping with, and have regard for, the views of the Catholic Church and its teachings. During the year the portfolio achieved an overall rate of return (from income and capital) of 21.4%. This compares with a return of 19.68% on the WMA Private Investors Income Index (Total Return), which the school uses as its benchmark.

FINANCIAL REVIEW

Review of financial transactions

Pupils' fees in 2020/21 amounted to £4,056,534, compared with £3,471,541 in the previous year. Investment and other income was £320,292 resulting in total General Fund income of £4,376,826. General Fund expenditure was £3,711,987 resulting in surplus of £664,839 before investment gains and transfers from the General Fund. The school also spent £155,100 from its designated funds resulting in net income before investment gains amounting of £509,739.

Review of financial position

After adjusting for the realised and unrealised gains and losses on the school's investments, the net assets at the end of the year were £7,850,538 (2020: £6,324,613) and the Governors expect that with the income from pupils' fees these will be sufficient to fund the school's activities for the foreseeable future.

Principal risks and uncertainties

Through the risk management processes established for the School, the Governors are satisfied that the major risks to which the School is exposed have been reviewed and systems or procedures have been established to mitigate those risks. It is recognised that systems can provide reasonable but not absolute assurance major risks have been eliminated.

The most significant risks identified by the Governors are: cutbacks in local authority funding for SEND pupil placements; a serious and unforeseen safeguarding issue; and failure of key IT systems. These risks are managed by detailed strategies including (1) ensuring that the quality of the setting is of the highest level while keeping fees to the minimum; (2) having comprehensive and robust safeguarding policies and procedures and (3) ensuring that there is an effective IT disaster recovery plan.

Reserves policy

The Governors' reserves policy is to maintain the General Fund at a sufficient level to cover the School's working capital requirements, to provide a contingency against an unexpected drop in pupil numbers and to provide funds in the event of the School's needing to be wound up. These translate to a target of between £3m and £4m.

ST. EDWARD'S SCHOOL
REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Reserves policy (continued)

The Major Building Repair Fund is maintained at a sufficient level to enable the School to undertake the anticipated major repair projects.

The West Wing Fund was established by the Governors in 2012 with the aim of creating a fund for the redevelopment of the school's West Wing.

The Staff Accommodation Fund was created to provide funds for the repair of staff accommodation.

The policy is reviewed annually to ensure that it is still appropriate.

PLANS FOR FUTURE PERIODS

The school's objectives for the future are:

- To maintain preferred provider status within local authority strategic planning.
- To return a costs met result with surplus sufficient to justify expansion programmes.
- To maintain an efficient and effective staffing quota, subject to continuing efficiency reviews. and the challenges inherent in local authority spending restrictions.
- To develop staff competencies so as best meet the needs and challenges presented by young people attending the school.
- To further improve the quality of the School's provision.
- To maintain and develop the school's ability to provide alternative curriculum opportunities for pupils who experience a greater degree of vulnerability.
- To continue to generate sufficient funds for the proper maintenance and care of the school's wider premises and to facilitate improvement and development.
- To render the school's educational building stock better fit for purpose through an improvement programme.
- To consider new and alternative streams of income which support the mission of the school.
- To exercise diligence in succession management planning, so as to safeguard the future prosperity of St Edward's.

It is intended that these will be met by following the strategies set out above. The provision continues to be considered by the agencies we work with to be of very high quality.

ACCOUNTING AND REPORTING RESPONSIBILITIES

Charity law requires the Governors to prepare financial statements, for each financial year, in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP) which give a true and fair view of the financial activities of the charity during the year and of its financial position at the end of the year. In preparing those statements, the Governors are required to:

- 1) Select suitable accounting policies and then apply them consistently;
- 2) Make judgements and estimates that are reasonable and prudent;
- 3) State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- 4) Prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the provisions of the Charities Act 2011. 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.

Signed on behalf of the Governors: M H Tennant - Chairman of Governors

Approved by the Governors: 14 July 2021

**INDEPENDENT AUDITORS' REPORT TO
THE GOVERNORS OF ST. EDWARD'S SCHOOL**

Opinion

We have audited the financial statements of St Edward's School for the year ended 31 March 2021, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes, including the summary of significant accounting policies, set out on pages 9 to 21. 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: -

- i) give a true and fair view of the state of the charity's affairs as at 31 March 2021, and of its incoming resources and application of resources for the year then ended;
- ii) have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- iii) 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 Governors' use of the going concern basis of accounting in the preparation of the accounts 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 School'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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

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 Governors' Annual Report.

INDEPENDENT AUDITORS' REPORT TO
THE GOVERNORS OF ST. EDWARD'S SCHOOL (CONTINUED)

We have nothing to report in respect of the following matter where the Charities Act 2011 requires us to report to you if, in our opinion:

- i) the information given in the Governors' Annual Report is inconsistent in any material respect with the financial statements;
- ii) sufficient accounting records have not been kept;
- iii) the financial statements are not in agreement with the accounting records and returns; or
- iv) we have not received all the information and explanations we require for our audit.

Responsibilities of the Governors

As explained more fully in the Governors' Responsibilities Statement, set out on page 5, the Governors 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 they 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 Governors 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 Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- we ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations and that they remained alert to instances of non-compliance throughout the audit;
- we identified the legal and regulatory requirements applicable to the School, including the review of the latest Ofsted reports, and obtained an understanding of how the School complies with these requirements through discussions with management and those charged with governance;
- we assessed the susceptibility of the financial statements to material misstatement, including obtaining an understanding of how fraud might occur. This was done by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we addressed the risk of fraud through management bias and the over-ride of controls by assessing whether judgements and assumptions made by management were indicative of potential bias and by investigating the rationale behind significant or unusual transactions. In order to address the risk of irregularities we carried out procedures which included agreeing the financial statements to underlying documentation and enquiring of management as to actual and potential litigation and instances of non-compliance;
- we obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate to our audit objectives, but not for the purposes of expressing an opinion on the effectiveness of the School's internal control.

INDEPENDENT AUDITORS' REPORT TO
THE GOVERNORS OF ST. EDWARD'S SCHOOL (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance to enquiry of management and inspection of relevant correspondence. Furthermore, misstatements due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment and collusion.

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 Governors, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations under section 154 of that Act. Our audit work has been undertaken so that we might state to the Governors 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 assume responsibility to anyone other than the charity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Crown Chambers
Bridge Street
Salisbury
SP1 2LZ
14 October 2021

Fletcher & Partners is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

FLETCHER & PARTNERS
Chartered Accountants
and Statutory Auditors.

ST. EDWARD'S SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	<u>Note</u>	<u>General Fund</u>	<u>Designated Funds</u>	<u>Year to 31/03/2021</u>	<u>Year to 31/03/2020</u>
INCOME FROM:					
Donations and legacies		-	-	-	500
Charitable activities					
Pupils' fees		4,056,534	-	4,056,534	3,471,541
Other trading activities					
Lettings and wayleaves		6,655	-	6,655	6,004
Investments	2	209,613	-	209,613	239,042
Other					
Staff rents		83,614	-	83,614	78,507
Other income		20,410	-	20,410	10,552
Total		<u>4,376,826</u>	<u>-</u>	<u>4,376,826</u>	<u>3,806,146</u>
EXPENDITURE ON:					
Costs of generating funds					
Investment management charges		28,690	-	28,690	29,614
Charitable activities					
Costs of operation of school	3	<u>3,683,297</u>	<u>155,100</u>	<u>3,838,397</u>	<u>3,421,240</u>
Total		<u>3,711,987</u>	<u>155,100</u>	<u>3,867,087</u>	<u>3,450,854</u>
Net income/(expenditure) before gains and losses on investments		664,839	(155,100)	509,739	355,292
Net gains / (losses) on investments					
Unrealised		913,552	-	913,552	(743,247)
Realised		<u>102,634</u>	<u>-</u>	<u>102,634</u>	<u>32,065</u>
Net income / (expenditure)		<u>1,681,025</u>	<u>(155,100)</u>	<u>1,525,925</u>	<u>(355,890)</u>
Transfers between funds	14	(611,591)	611,591	-	-
Other gains and losses					
Actuarial gains	15	-	-	-	582,714
Net movement in funds		<u>1,069,434</u>	<u>456,491</u>	<u>1,525,925</u>	<u>226,824</u>
Total funds brought forward		<u>3,818,560</u>	<u>2,506,053</u>	<u>6,324,613</u>	<u>6,097,789</u>
Total funds carried forward		<u><u>£4,887,994</u></u>	<u><u>£2,962,544</u></u>	<u><u>£7,850,538</u></u>	<u><u>£6,324,613</u></u>

The notes on pages 12 to 21 form part of these accounts

ST. EDWARD'S SCHOOL
BALANCE SHEET
AS AT 31 MARCH 2021

	<u>Note</u>	<u>2021</u>	<u>2020</u>
FIXED ASSETS			
Tangible assets	6	122,744	91,079
Investments	8	6,715,593	5,727,915
		<u>6,838,337</u>	<u>5,818,994</u>
CURRENT ASSETS			
Debtors	9	239,438	139,192
Cash at bank and in hand	10	<u>1,730,114</u>	<u>1,286,899</u>
		1,969,552	1,426,091
CREDITORS: Amounts falling due within one year	11	<u>249,969</u>	<u>218,343</u>
NET CURRENT ASSETS		<u>1,719,583</u>	<u>1,207,748</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		8,557,920	7,026,742
PROVISIONS FOR LIABILITIES AND CHARGES	12	(707,382)	(702,129)
NET ASSETS		<u>£7,850,538</u>	<u>£6,324,613</u>
FUNDS (UNRESTRICTED)			
General Fund		4,887,994	3,818,560
Designated Funds	14	2,962,544	2,506,053
TOTAL FUNDS		<u>£7,850,538</u>	<u>£6,324,613</u>

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Signed on behalf of the Board of Governors M H Tennant - Governor

Approved by the Governors: 14 July 2021

The notes on pages 12 to 21 form part of these accounts

ST. EDWARD'S SCHOOL
CASH FLOW STATEMENT
AS AT 31 MARCH 2021

<u>Note</u>	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash provided by (used in) operating activities	a 312,251	165,795
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends and interest from investments	209,613	239,042
Proceeds from the sale of property, plant and equipment	2,900	-
Purchase of property, plant and equipment	(123,174)	(79,247)
Proceeds from sale of investments	1,343,417	1,333,739
Purchase of investments	(1,154,087)	(2,211,490)
Net cash provided by (used in) investing activities	278,669	(717,956)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	b £590,920	£(552,161)

NOTES TO THE CASH FLOW STATEMENT

a. Reconciliation of net income/(expenditure) with net cash flow from operating activities

	<u>2021</u>	<u>2020</u>
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	1,525,925	(355,890)
Adjustments for:		
Depreciation charges	91,509	68,683
(Gains)/losses on investments	(1,016,186)	711,182
Dividends and interest from investments	(209,613)	(239,042)
(Profit)/loss on disposal of fixed assets	(2,900)	-
(Increase)/decrease in debtors	(100,246)	24,519
Increase/(decrease) in creditors	18,509	(645)
Increase/(decrease) in provisions	5,253	(43,012)
Net cash flow from operating activities	£312,251	£165,795

Net cash flow from operating activities includes investment income since this forms part of the Charity's operating income.

b. Analysis of cash and cash equivalents

	<u>At 31.3.21</u>	<u>At 1.4.20</u>
Cash at bank and in hand	1,730,114	1,286,899
Bank overdraft	(13,117)	-
Investment cash deposits	207,034	46,212
	£ 1,924,031	£1,333,111

The notes on pages 12 to 21 form part of these accounts

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2021

1. ACCOUNTING POLICIES

a. Basis of Accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard (FRS) 102 and the Charities Act 2011.

The School constitutes a public benefit entity as defined by FRS 102.

The governors consider that there are no material uncertainties about the School's ability to continue as a going concern, note 18 provides further information. The most significant areas of future uncertainty that may affect the carrying value of assets held by the School are the level of investment return and the performance of investment markets. In the Governors' opinion there are no significant judgements that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting period.

b. Pupils' Fees

Pupils' fees represent the value of services charged to Local Authorities and are accounted for in the period in which the service is provided.

c. Resources Expended

Expenditure is accounted for on an accruals basis. The school is not registered for VAT and all costs include input VAT where this has been charged.

Charitable activities include all expenditure incurred in meeting the educational and care needs of the pupils. The nature of the school is such that this is considered to be one activity.

Support costs are all attributable to the one charitable activity and consist of administration (including salaries, office costs and staff training), information technology and marketing.

Governance costs comprise the costs of audit, legal advice and compliance with constitutional and statutory requirements. They include a proportion of the salaries of members of staff who are engaged in these activities, apportioned on the basis of the time spent. Governance costs are included within charitable activities.

Amounts payable under operating leases are charged as expenditure on a straight-line basis over the lease terms.

d. Tangible Fixed Assets

Educational equipment used directly in carrying out the charitable purposes of the school is written off on acquisition, on the basis that it has no economic value.

Other fixed assets costing more than £5,000 are capitalised and depreciation is calculated to write off the costs over their expected useful economic lives as follows:

Improvements to property	10% straight line basis
Telephone and computer network	20% to 33 1/3% straight line basis
Fixtures, fittings and garden equipment	25% straight line basis
Motor vehicles	25% straight line basis

A full year's depreciation is charged for assets purchased during the year. Impairment reviews are carried out when there is an indication that an asset's recoverable amount is less than its net book value.

e. Heritage Assets

Heritage assets are capitalised if the acquired cost or acquisition value is greater than £5,000, otherwise the cost is written off at acquisition.

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS
AS AT 31 MARCH 2021

1. ACCOUNTING POLICIES (CONTINUED)

f. 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.

g. Debtors

Debtors are measured at the amounts the charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services.

h. Cash at bank and in hand

Cash at bank and in hand includes cash and cash on deposit.

i. Creditors

Creditors are measured at the amounts the charity anticipates it will pay to settle a debt or the amount it has received as an advance payment for goods or services it must provide.

j. Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at their settlement value.

k. Pension Costs

Contributions in respect of the Teachers' Pension Scheme and the multi-employer scheme operated on behalf of other staff are charged as expenditure in the period to which they relate.

l. Provisions

Provisions are recognised when the School has a present obligation as a result of a past event and it is probable that the School will be required to settle the obligation. Provisions are measured at the Governors' best estimate of the amount required to settle the obligation.

m. Fund Accounting

Where the Governors have set aside certain amounts out of the school's general funds for specific purposes, these are referred to as 'designated funds' and accounted for separately. Income arising on designated funds is credited to the general fund and capital gains and losses are credited or charged to the designated fund on which they arose.

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2021

5. STAFF COSTS (continued)

The number of employees whose emoluments (excluding employer pension contributions) over £60,000 were :

	<u>2021</u>	<u>2020</u>
<u>Gross emoluments</u>		
£60,000 - £70,000	-	-
£70,000 - £80,000	2	-
£80,000 - £90,000	-	1
£90,000 - £100,000	1	1
	<u> </u>	<u> </u>

For these three employees (2020: two), retirement benefits are accruing in the Teachers' Pension Scheme.

The contributions amounted to:	<u>£42,150</u>	<u>£18,584</u>
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The average numbers of employees, analysed by function, were:

	<u>2021</u>	<u>2020</u>
Teaching (including Special School Assistants)	32	32
Care	19	18
Administration, domestic and maintenance	22	20
	<u> </u>	<u> </u>
	73	70

The School considers its key management personnel to be the senior management team which comprised the Headmaster, Deputy Head, Head of (Pastoral) Care, Head of Education, Finance Manager and Director of Development. The total employee benefits of the key management personnel were £418,046 (2020: £272,613).

The Governors received no remuneration in either of these years.

6. TANGIBLE FIXED ASSETS

	<u>Improvements to property</u>	<u>Telephone and computer network</u>	<u>Fixtures, Fittings and Garden Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
COST					
At 1 April 2020	970,236	239,294	411,616	100,882	1,722,028
Additions	9,393	11,334	102,447	-	123,174
Disposals	(5,728)	-	(52,656)	(13,865)	(72,249)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2021	973,901	250,628	461,407	87,017	1,772,953
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION					
At 1 April 2020	955,704	212,355	362,008	100,882	1,630,949
Charge for the year	8,598	17,246	65,665	-	91,509
Disposals	(5,728)	-	(52,656)	(13,865)	(72,249)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2021	958,574	229,601	375,017	87,017	1,650,209
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE					
At 31 March 2021	<u>£ 15,327</u>	<u>£ 21,027</u>	<u>£86,390</u>	<u>£0</u>	<u>£122,744</u>
At 31 March 2020	<u>£ 14,532</u>	<u>£ 26,939</u>	<u>£49,608</u>	<u>£0</u>	<u>£91,079</u>

Capital Commitments

	<u>2021</u>	<u>2020</u>
Contracted for but not provided for in the accounts	<u>£76,092</u>	<u>£18,939</u>
Authorised by Governors but not contracted for	<u>£0</u>	<u>£0</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2021

7. HERITAGE ASSETS

The school has a collection of artefacts from the First World War which are considered to be heritage assets. No items were acquired for an amount of more than £5,000 and consequently in accordance with School's accounting policy no value is attributed to their costs in the Balance Sheet.

8. INVESTMENTS

Listed investments, at market value, and cash managed by Brewin Dolphin Securities Ltd. were invested as follows :-

	General Fund 2021	General Fund 2020
Market value at 1 April 2020	5,727,915	5,560,821
Acquisitions at cost	1,154,086	2,211,490
Disposals at opening market value	(1,240,783)	(1,301,674)
Increase/(decrease) in cash balances	160,823	525
Net unrealised gains / (losses)	913,552	(743,247)
Market value at 31 March 2021	<u>£6,715,593</u>	<u>£5,727,915</u>
Investments at market value comprised:		
UK Bonds	1,057,596	1,507,237
UK Equities	1,394,959	1,298,788
Overseas Bonds	459,600	
Overseas Equities	2,276,331	1,500,699
Other Investments	1,320,073	1,374,979
Cash Deposits	207,034	46,212
	<u>£6,715,593</u>	<u>£5,727,915</u>
Historical cost	<u>£5,676,900</u>	<u>£5,745,700</u>

At 31 March 2021 there were no individual investments constituting more than 5% of the total market value of the portfolio.

9. DEBTORS

	2021	2020
Local Authority fees	173,558	85,423
Investment income receivable	16,193	18,885
Other debtors	2,709	916
Prepayments	46,978	33,968
	<u>£239,438</u>	<u>£139,192</u>

10. CASH AT BANK AND IN HAND

	2021	2020
Bank current and deposit accounts	1,729,529	1,286,224
Cash in hand	585	675
	<u>£1,730,114</u>	<u>£1,286,899</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2020

11. CREDITORS: Amounts falling due within one year

	<u>2021</u>	<u>2020</u>
Bank overdraft	13,117	-
Trade creditors	60,486	26,512
Other creditors	43,190	27,787
Pension contributions	45,839	40,206
Accruals	24,165	78,735
Tax & social security	63,172	45,103
	<u>£249,969</u>	<u>£218,343</u>

12. PROVISIONS FOR LIABILITIES AND CHARGES

	<u>Deferred loan</u>	<u>Pension liability</u>	<u>Holiday pay accrued</u>	<u>Total provisions</u>
Brought forward provisions at 1 April 2020	323,131	291,612	87,386	702,129
Additions	-	-	16,318	16,318
Reduction	-	(11,065)	-	(11,065)
Carried forward provisions at 31 March 2021	<u>£323,131</u>	<u>£280,547</u>	<u>£103,704</u>	<u>£707,382</u>

Deferred loan

While it is possible that under the terms of SI 1978 No. 629, the loan might be repayable, the Governors take the view that the Secretary of State will agree that repayment may be postponed as part of the reconstitution of the School

Pension liability

This is set out in more detail in Note 15.

Holiday pay accrual

A provision has been made for the value of any holiday which staff have accrued at each year end but not yet taken. The movement in the provision is charged to staff costs.

13.1 ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2021

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Total Funds</u>
Tangible fixed assets	122,744	-	122,744
Investments	6,715,593	-	6,715,593
Net current assets	(1,242,961)	2,962,544	1,719,583
Long term liabilities	(707,382)	-	(707,382)
	<u>£4,887,994</u>	<u>£2,962,544</u>	<u>£7,850,538</u>

13.2 ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2020

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Total Funds</u>
<i>Tangible fixed assets</i>	91,079	-	91,079
<i>Investments</i>	5,727,915	-	5,727,915
<i>Net current assets</i>	(1,298,305)	2,506,053	1,207,748
<i>Long term liabilities</i>	(702,129)	-	(702,129)
	<u>£3,818,560</u>	<u>£2,506,053</u>	<u>£6,324,613</u>

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2021

14.1 DESIGNATED FUNDS - 2021

	<u>At 1.4.20</u>	<u>Expended</u>	<u>Transfers</u>	<u>At 31.3.21</u>
Major Building Repairs Fund	1,029,696	(105,100)	-	924,596
West Wing Fund	1,426,357	-	600,000	2,026,357
Staff Accommodation Fund	-	-	11,591	11,591
Development Fund	50,000	(50,000)	-	-
	<u>£2,506,053</u>	<u>£(155,100)</u>	<u>£611,591</u>	<u>£2,962,544</u>

The funds have been designated by the Governors for specific school purposes as follows :-

MAJOR BUILDING REPAIRS FUND

The fund was created to provide funds for the repairs, refurbishment and restoration of the Grade II listed buildings at Melchet Court, together with monuments, gardens and walls and other buildings within the curtilage of the estate.

WEST WING FUND

The fund was created to provide funds for the redevelopment of the West Wing.

STAFF ACCOMMODATION FUND

This fund was created to provide funds for the repair of staff accommodation.

DEVELOPMENT FUND

This fund was created to provide funds for small-scale projects of a capital or one-off nature.

14.2 DESIGNATED FUNDS - 2020

	<u>At 1.4.19</u>	<u>Expended</u>	<u>Transfers</u>	<u>At 31.3.20</u>
<i>Major Building Repairs Fund</i>	903,230	(23,534)	150,000	1,029,696
<i>West Wing Fund</i>	1,276,357	-	150,000	1,426,357
<i>Staff Accommodation Fund</i>	6,833	-	(6,833)	-
<i>Development Fund</i>	-	-	50,000	50,000
	<u>£2,186,420</u>	<u>£(23,534)</u>	<u>£343,167</u>	<u>£2,506,053</u>

15.1 PENSION COSTS -2021

Teaching staff belong to the Teachers' Pension Scheme. This is an unfunded defined benefit scheme operated by the Government with contributions calculated on an actuarial basis, but set in relation to the current service period only. In accordance with FRS 102 the contributions have been accounted for as if this were defined contribution scheme. The employer's contribution was 16.48% of contributory salary but increased with effect from 1 September 2019 to 23.68%. During the year to 31 March 2021, the employer's contributions were £129,693 (2020:£89,184). £17,228 was owed to the scheme at the year end and included in creditors (2020: £12,101).

Certain other staff belong to the Hampshire County Council scheme. This is a funded defined benefit multiple employer scheme, in which the individual assets and liabilities of the member employers are identified separately and the actuarial assumptions used for the valuations were tailored to the individual employers rather than averaged across the whole scheme.

During the year ended 31 March 2020 the scheme actuary carried out a full revaluation of the scheme as at 31 March 2019. The School's liability at 31 March 2020 is therefore the calculated liability at 31 March 2019 as adjusted by subsequent contributions and increases in earned member benefits, and with both assets and liabilities assumed to increase from the March 2019 figure in accordance with the discount rate used by the actuary for the purposes of the March 2019 revaluation.

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2021

15.1 PENSION COSTS (continued)

The movements in the net liability during the year ended 31 March 2021 are as follows:

	<u>Plan assets</u>	<u>Obligations</u>	<u>Net liability</u>
Liability at 31 March 2020	5,606,363	(5,897,975)	(291,612)
Contributions in year	247,833	-	247,833
(Increase)/decrease in defined benefit liability	-	(225,833)	(225,833)
Interest	210,239	(221,174)	(10,935)
Liability at 31 March 2021	<u>£6,064,435</u>	<u>(£6,344,982)</u>	<u>(£280,547)</u>

The total employer's contributions during the year were £199,387 (2020: £201,329). A total of £20,466 was outstanding at the year end and included in creditors (2020: £21,014).

The principal actuarial assumptions used in the valuations are

Discount rate	3.75%
Future salary increases	3.10%

In the event that the school were to leave the scheme it would be liable to make a termination payment to the scheme calculated on more conservative actuarial assumptions than the overall scheme deficit. This payment was calculated at £3.267 million as at 31 March 2019 although it is possible that the payment could be mitigated depending on the circumstances.

The school also operates a defined contribution scheme on behalf of other employees. The assets of these schemes are held separately from those of the school in an independently administered funds. During the year to 31 March 2021, the employer's contributions amounted to £42,158 (2020: £41,211). There was £8,145 unpaid to the scheme at the year end (2020: £7,091).

15.2 PENSION COSTS -2020

The movements in the net liability during the year ended 31 March 2020 are as follows:

	<u>Plan assets</u>	<u>Obligations</u>	<u>Net liability</u>
Liability at 1 April 2019 per 2019 accounts	4,846,903	(5,768,617)	(921,714)
Revaluation of fund assets at 1 April 2019	315,097	-	315,097
Effect of change in actuarial assumptions at 1 April 2019	-	267,617	267,617
Adjusted liability at 1 April 2019 following revaluation	<u>5,162,000</u>	<u>(5,501,000)</u>	<u>(339,000)</u>
Contributions in year	250,788	-	250,788
(Increase)/decrease in defined benefit liability	-	(190,688)	(190,688)
Interest	193,575	(206,287)	(12,712)
Liability at 31 March 2020	<u>£5,606,363</u>	<u>(£5,897,975)</u>	<u>(£291,612)</u>

16. RELATED PARTY AND CONTROL

The school land and buildings are owned by Clifton Diocese and occupied by the school which maintains them. The school pays the buildings insurance of £19,573 (2020: £17,288) and core services and other services of £233 (2020: £237) to the Clifton Diocese.

The school received £5,565 from the Clifton Diocese in the year in respect to farm tenancy agreements (2020: £4,688).

ST. EDWARD'S SCHOOL
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AS AT 31 MARCH 2021

17. OPERATING LEASES

At 31 March 2021 the School had future minimum lease payments under non-cancellable operating leases as follows:

	Equipment		Motor Vehicles	
	2021	2020	2021	2020
Amounts due within one year	4,415	5,303	7,344	7,344
Amounts due between two and five years	2,439	6,854	11,040	18,384
	<u>£6,854</u>	<u>£12,157</u>	<u>£18,384</u>	<u>£25,728</u>

The total amounts charged as an expense during the year for operating leases were £11,806 (2020: £12,061)

18. POST BALANCE SHEET EVENTS

The Global COVID-19 pandemic emerged at the end of the previous financial year and continued throughout this financial year. The effects of the pandemic do not result in any adjustment being made to the value of assets and liabilities at the balance sheet date. The School remains open and is continuing to operate observing the emergency measures that have been imposed to control the spread of the virus.

The Governors are confident that the School will continue and will be able to overcome the difficulties affecting its activities and as a consequence these accounts have been prepared on the going concern basis.

ST. EDWARD'S SCHOOL
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31 MARCH 2021

19. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	<u>Note</u>	<u>General Fund</u>	<u>Designated Funds</u>	<u>Year to 31/03/2020</u>
INCOME FROM:				
Donations and legacies		500	-	500
Charitable activities				
Pupils' fees		3,471,541	-	3,471,541
Other trading activities				
Lettings and wayleaves		6,004	-	6,004
Investments	2	239,042	-	239,042
Other				
Staff rents		78,507	-	78,507
Other income		10,552	-	10,552
Total		<u>3,806,146</u>	<u>-</u>	<u>3,806,146</u>
EXPENDITURE ON:				
Costs of generating funds				
Investment management charges		29,614	-	29,614
Charitable activities				
Costs of operation of school	3.2	3,397,706	23,534	3,421,240
Total		<u>3,427,320</u>	<u>23,534</u>	<u>3,450,854</u>
Net income/(expenditure) before gains and losses on investments		378,826	(23,534)	355,292
Net gains / (losses) on investments				
Unrealised		(743,247)	-	(743,247)
Realised		32,065	-	32,065
Net income / (expenditure)		<u>(332,356)</u>	<u>(23,534)</u>	<u>(355,890)</u>
Transfers between funds	14.2	(343,167)	343,167	-
Other gains and losses				
Actuarial gains	15.2	582,714	-	582,714
Net movement in funds		<u>(92,809)</u>	<u>319,633</u>	<u>226,824</u>
Total funds brought forward		3,911,369	2,186,420	6,097,789
Total funds carried forward		<u><u>£3,818,560</u></u>	<u><u>£2,506,053</u></u>	<u><u>£6,324,613</u></u>