

Charity Number: 1174184
Company Number: CE010732
(England and Wales)

The King Edward VI College Site Foundation

Report of the Trustees and Audited Financial Statements

For the Year Ended 31 December 2021

The King Edward VI College Site Foundation

Year Ended 31 December 2021

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Report of the Trustees

The Trustees have pleasure in presenting their report and the financial statements for the charitable company for the year ended 31 December 2021. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102)(effective 1 January 2019).

Structure, Governance and Management of The King Edward VI College Site Foundation

The King Edward VI College Site Foundation CIO (Charity number 1174184) is controlled by Totnes Community Development Society as detailed within the Foundations constitution, entered into the Registers of Charities on 9th August 2017. The object of the Foundation is concurrent with the objectives of Totnes Community Development Society.

The charitable objectives of the King Edward IV College Site Foundation CIO (locally known as the Mansion) is that the Mansion is “a centre for the provision of facilities for the promotion of further education for the inhabitants of Totnes, and subject thereto for meeting, lectures, classes, physical exercise and other forms of recreation and other leisure time occupation in the interests of social welfare with the object of improving the conditions of life for the said inhabitants.”

Despite the substantial advantages and advances of the Society developing and managing a multiple asset base for the public benefit of Totnes and surrounds through the governance of these two entities within, neither Totnes Community Development Society or The King Edward VI College Site Foundation CIO have made financial guarantees to the other entity. Furthermore, the manner in which the Society controls the Foundation requires the appropriate conduct of both organisations in accordance with the FCA, Charity Commission, HMRC or Companies House rules as they relate to each organisation.

Totnes Community Development Society Ltd was established on 9 July 2012 for the benefit of the community. The Society is a Registered Society and is registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014.

Its business is directed by the Directors.

Totnes Community Development Society established new rules with the Financial Conduct Authority on the 5th June 2017 and 25th January 2019. The changes provide for more appropriate details around the objectives of the Society, and also provided for an enhanced asset lock for the activities of the organisation. These were subsequently accepted by HMRC who confirmed that TCDS should be treated as a charity for tax purposes from 5th June 2017.

In accordance with the Rules of the Society, membership is formed of founding members and additional members invited at the discretion of the Directors. At 31 December 2021 the Society had a membership of 434.

Report of the Trustees (Continued)

Operational Review

The beginning part of 2021 saw The Mansion continue in its locked-down status with all sessional hire halted and just the nursery and library continuing to operate.

In March 2021 the Trustees felt it was appropriate to prepare The Mansion to be re-opened in full and the next objective was to identify which tenants and sessional users could and would want to return. We planned to open the buildings and site by the forthcoming Government forecasted 'unlocking' date, on 17th May 2021. In April 2021 the Trustees, supported significantly by volunteers from the community of Totnes, set about the site maintenance, cleaning, gardening and decoration.

The Trustees worked with existing tenants and implemented a reduction of rents to be in parity with their return to levels of full business income once again. It is to be noted that no tenant or sessional hirer has been expected to make payment of any rent arrears arising since 23rd March 2020 if they have been in financial difficulty. It was realised that reliance on sessional hire as a proportion of the regular income for the charity was no longer possible as the people returning to sessional use was uncertain and offered insufficient stability of income so desperately needed by the charity. New prospective 'anchor' tenants were sought out, tenants that could commit to sustaining rent payments.

At the time of writing, we are pleased to report that the work that has been done to bring the Mansion back to life has attracted a great deal of interest from within our community and we now have tenants renting every viable space as well as some rooms which remain available for sessional hire. We have been able to attract a tenant group that more than satisfies our charitable objectives; creating the opportunity for the people of Totnes to have access to further education, recreation and improved social welfare.

The rooms being promoted for sessional hire include the Arts and Crafts studio, the ceramics studio and some shared office space.

The building condition is still of concern and as custodians it is of great importance to us that we maintain the Mansion's infrastructure so that it can continue to serve its community for many years to come. Our maintenance worksheet is approached methodically, working through a list of priorities. Currently the only room deemed in too bad a condition to use is the old school hall and we are working through a number of ideas about how we approach its refurbishment so that it can once again be the home of the performing arts at the Mansion.

- Refurbishment and Development Project

Beyond maintenance the trustees are keen to re-evaluate the position with regards whole site refurbishment (particularly in terms of energy use) and extension. With a regular and committed income there are now stable financial foundations that are likely to give potential funders confidence in investing.

With the support of the Architectural Heritage Fund, investigation and design works enabled the first stage of redevelopment plans to be completed to reconfigure the heating, lighting and energy provision alongside the development of the new cafe/reception space in the building.

A full and detailed Options Appraisal considered the options for the future of the Mansion, including the proposed refurbishment and redevelopment of parts of the Mansion, to achieve financial and social sustainability whilst recognising the importance of the asset.

Report of the Trustees (Continued)

A full heritage appraisal was prepared which has been reviewed by Historic England and South Hams District Council. This appraisal indicated that the proposals will not have any significant detrimental impact on the heritage of the Mansion.

- Looking ahead

The future for The Mansion is bright. In creating the role of Mansion Champion we are delighted to have the warmth, dedication and energy that both of our team members bring, alongside the many volunteers that support them. As well as manning the office Monday to Friday, they are the eyes and ears of the building - reacting to maintenance issues, tenant queries and flagging up potential problems. However, more importantly they are local people who wholly believe in the value that The Mansion brings to this community and as directors we are incredibly grateful to be able to work alongside them, as custodians of this wonderful piece of our shared history.

The current financial year is delivering a very sound financial performance which will ensure that the Trustees are in the best possible position to take the site developments forwards in the coming years to enhance the site and safeguard it for the community for many years to come.

Financial Review

The Mansion is operated through income derived from the hire of the various room and spaces available on the site, along with donations, grants and philanthropic giving, as set out in the notes to the accounts.

At the date of this report the KEVICSF has minimal reserves. However, the Trustees acknowledge that as the organisation develops projects, capital assets and direct beneficiaries, such as staff, there will need to be a consistent and regular review of this reserves policy to account for more complex risks and liabilities.

The outturn for the year was a deficit of £17,863 (2020: surplus of £13,799). As noted above from the point of taking responsibility for the Mansion the Trustees have been undertaking the work detailed above in respect of risk management, running costs, increasing income and managing the cash flow and financial operations. Expenditure on emergency building maintenance remains higher than previously projected.

With COVID-19 impacting the first quarter of the year, the slow reopening of the Mansion during the course of 2021 has seen some fantastic new relationships established with long-term hirers which lays a foundation for the financial stability of the site. However, the Trustees recognise that the continued viability of The Mansion is dependent on the investment and redevelopment planned, as the building will not generate its full economic value in the long term in its current physical condition.

The strategy remains to achieve the necessary investment in the Mansion to enable the generating of operating surpluses to build reserves, and the Trustees are confident this strategy can be delivered with the financial year 2022 forecast to deliver a surplus.

Year Ended 31 December 2021

Report of the Trustees (Continued)

Objectives and Aims

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Reference and Administrative Information

Name of Charity	The King Edward VI College Site Foundation
Charity registration number	1174184
Company Registration number	CE010732
Principal address	The Mansion 36 Fore Street Totnes Devon TQ9 5RP

Trustees

The trustees and officers serving during the year and since the year end were as follows:

Ann Cadoux-Hudson	<i>Appointed February 2022</i>
David Chapman	<i>Resigned February 2021</i>
Robert Hopkins	
Frances Northrop	
Anna Lodge	<i>Resigned February 2021</i>
Pat Shepherd	<i>Appointed May 2021</i>
David Sprent	<i>Appointed February 2022</i>
Carly Trisk-Grove	<i>Appointed May 2021</i>
Ian Trisk-Grove	<i>Appointed May 2021</i>

Independent Examiner	Sharon Austen FCCA PKF Francis Clark Sigma House Oak View Close Edginswell Park Torquay TQ2 7FF
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Year Ended 31 December 2021

Report of the Trustees (Continued)

Responsibilities of the Trustees

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

The Trustees are required to prepare the financial statements for each financial period which give a true and fair view of the charity and of the incoming resources and application of resources of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that this basis applies.

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

Approved by the Board of Trustees and signed on its behalf by:



.....
Ian Trisk-Grove

26 October 2022

Independent examiner's report to the Trustees of The King Edward VI College Site Foundation

Opinion

I report to the trustees on my examination of the accounts of The King Edward VI College Site Foundation (the Charity) for the year ended 31 December 2021, which are set out on pages 9 to 17.

Responsibilities and basis of report

As the charity trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Sharon Austen FCCA
Independent Examiner

PKF Francis Clark
Sigma House
Oak View Close
Edginswell Park
Torquay. TQ2 7FF

27 October 2022
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The King Edward VI College Site Foundation

Year Ended 31 December 2021

Statement of Financial Activities (including Income and Expenditure Account)

	Notes	Unrestricted funds	Restricted funds	2021	2020
		£	£	£	£
Income and endowments from:					
Donations and grants	2	10	18,490	18,500	56,087
Other trading activities	3	72,841	-	72,841	34,594
Other income	3	1,856	-	1,856	8,200
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total		74,707	18,490	93,197	98,881
 Expenditure on:					
Raising funds	4	(92,570)	(18,490)	(111,060)	(85,082)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total		(92,570)	(18,490)	(111,060)	(85,082)
 Reconciliation of funds					
Total funds brought forward		1,507,361	-	1,507,361	1,493,562
Net income/expenditure		(17,863)	-	(17,863)	13,799
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total funds carried forward		1,489,498	-	1,489,498	1,507,361
		<u> </u>	<u> </u>	<u> </u>	<u> </u>


The King Edward VI College Site Foundation

Year Ended 31 December 2021

Statement of Financial Position

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	5	<u>1,500,000</u>	<u>1,500,000</u>
		<u>1,500,000</u>	<u>1,500,000</u>
Current assets			
Debtors	6	4,209	19,510
Cash at bank and in hand		<u>13,198</u>	<u>15,053</u>
		<u>17,407</u>	<u>34,563</u>
Creditors: amount falling due within one year	7	<u>(27,909)</u>	<u>(27,202)</u>
Net current (liabilities)/assets		<u>(10,502)</u>	<u>7,361</u>
Total assets less current liabilities		<u>1,489,498</u>	<u>1,507,361</u>
Net assets		<u>1,489,498</u>	<u>1,507,361</u>
The funds of the charitable company			
Unrestricted income funds	9	<u>1,489,498</u>	<u>1,507,361</u>
Total Funds		<u>1,489,498</u>	<u>1,507,361</u>

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



Ian Trisk-Grove
Trustee

26 October 2022

Notes to the Financial Statements

1. Accounting Policies

Basis of accounting

The organisation is a Charitable Incorporated Organisation (CIO) registered in England and Wales.

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets and in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.

The King Edward VI College Site Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Reporting Period

The accounts cover the year to 31 December 2021.

The CIO was registered on 9 August 2017 and commenced activity on 1 January 2018.

Going Concern

At the time of the approval of the accounts the Trustees continue to focus on establishing financial stability for the Mansion before proceeding forwards with any refurbishment or redevelopment of the site. Significant focus has been placed on ensuring the site is operating at capacity with regards the tenancy arrangements, and at the time of writing this has now been completely achieved. The main focus of surplus spend is on a rolling programme of building maintenance to safeguard the property and ensure it is fit for its thriving community.

In recent years there has been a significant level of uncertainty about the ability of the Foundation to fund ongoing and unplanned maintenance costs, however the performance achieved through the latter part of 2021 and now into 2022 is delivering a significant strengthening to the financial foundations. This improvement results in the Trustees being very confident that there will be sufficient finance in place to meet any ongoing needs and hence they are not at any risk of being forced to close the Mansion and consider that the Foundation is a going concern for the foreseeable future.

Fund

The charity received both restricted and unrestricted funds in the year.

The unrestricted funds were received in relation to long term room rental and sessional room hire at The Mansion.

The restricted funds in the year were received from the Architectural Heritage Fund in relation to surveys, reports and valuations of the property known as The Mansion. All of the funds were expended during the year.

Year Ended 31 December 2021

Notes to the Financial Statements (Continued)**Grants**

Grants are accounted for in accordance with the performance model.

Rental Income

Rental income included in the Statement of Financial Activities represents amounts receivable in respect of rooms let on both formal lease terms and on an add-hoc basis.

Tangible fixed assets

Tangible fixed assets comprise the freehold property of The Mansion, which was transferred to the incorporated body from the unincorporated charity on 1 January 2018. No depreciation is provided in the accounts for the freehold property.

Irrecoverable VAT

Irrecoverable VAT is included in the Statement of Financial Activities, and is reported as part of the expenditure to which it relates.

2. Income from donations and grants

	2021	2020
	£	£
Restricted funds		
Grants received	18,490	36,076
Unrestricted funds		
Donations	10	11
Grants received (Covid)	-	20,000
	18,500	56,087

3. Income earned from other activities

	2021	2020
	£	£
Unrestricted funds		
Mansion Room Rental and Hire	72,841	34,594
Recharge of expenditure	967	8,200
Other income	889	-

The charity charged tenants service charge contributions amounting to £967 (2020: £nil). Other income arises from ancillary events organised by the Trustees and volunteers at the Mansion.

Notes to the Financial Statements (Continued)

4. Expenditure on other trading activities

	Unrestricted funds	Restricted funds	2021	2020
	£	£	£	£
Mansion Room Rental and Hire	92,570	18,490	111,060	85,082

The above figure of expenditure of £111,060 is analysed as follows:

Direct building management	£49,257
Audit fees	£2,241
Business rates	£828
Other expenditure	£58,734

All expenditure in the year is detailed in the appendix (page 18) and includes insurance, cleaning and professional fees on long term plans for The Mansion. No amounts represent expenses charged by the Trustees.

5. Tangible fixed assets

	Land and buildings
Cost of valuation	£
At 1 January 2021	1,500,000
At 31 December 2021	1,500,000
Net book values	
At 1 January 2021	1,500,000
At 31 December 2021	1,500,000

6. Debtors

	2021	2020
	£	£
Amounts due within on year:		
Trade debtors	2,153	7,046
Due from parent undertaking	-	676
Prepayments and accrued income	2,056	11,788
	4,209	19,510

Year Ended 31 December 2021

Notes to the Financial Statements (Continued)**7. Creditors: amounts falling due within one year**

	2021	2020
	£	£
Trade creditors	7,455	2,566
Amounts due to parent undertaking	8,172	-
Accruals and deferred income	12,282	24,636
	27,909	27,202

8. Obligations under operating leases

The total of future minimum lease payments receivable is as follows:

	2021	2020
	£	£
Not later than one year	41,669	22,000
Later than one year and not later than five years	78,296	-
	119,965	22,000

9. Movement in Funds**Unrestricted Funds**

Current year	Balance at 01.Jan.21	Incoming resources	Outgoing resources	Balance at 31.Dec.21
	£	£	£	£
General fund	1,507,361	74,707	(92,570)	1,489,498
Previous year	Balance at 01.Jan.20	Incoming resources	Outgoing resources	Balance at 31.Dec.20
	£	£	£	£
General fund	1,493,562	62,805	(49,006)	1,507,361

Year Ended 31 December 2021

Notes to the Financial Statements (Continued)

Purpose of unrestricted funds

General fund

The provision of facilities for the promotion of further education for the inhabitants of Totnes, and subject thereto for meeting, lectures, classes, physical exercise and other forms of recreation and other leisure time occupation in the interests of social welfare with the object of improving the conditions of life for the inhabitants.

Restricted funds

Current year	Balance at 01.Jan.21	Incoming resources	Outgoing resources	Balance at 31.Dec.21
	£	£	£	£
Architectural Heritage Fund	-	18,490	(18,490)	-
Previous year	Balance at 01.Jan.20	Incoming resources	Outgoing resources	Balance at 31.Dec.20
	£	£	£	£
Architectural Heritage Fund	-	36,076	(36,076)	-

Purpose of restricted funds

Architectural Heritage Fund - Grant provided to undertake architectural assessments of The Mansion

10. Analysis of net assets between funds

Current year	Tangible fixed assets	Net current assets/ (liabilities)	Net Assets
	£	£	£
Unrestricted funds			
General	1,500,000	(10,502)	1,489,498
Previous year	Tangible fixed assets	Net current assets /liabilities	Net Assets
	£	£	£
Unrestricted funds			
General	1,500,000	7,361	1,507,361

Notes to the Financial Statements (Continued)

11. Parent undertaking and related party transactions

The parent entity of the charity is Totnes Community Development Society a co-operative and community benefit society registered in the United Kingdom with registered number IP031671. Details of the society's objects and activities are set out in the trustees report. The society prepares consolidated accounts which may be obtained from the Financial Conduct Authority.

During the year the charity received £2,400 of room hire income (2020 - £8,200 of recharged grant income) from its parent and was charged service charges and recharged expenses totalling £17,502 (2020 - £14,875). As at 31 December 2021 £8,172 was payable to (2020 - £676 due from) the charity's parent.

The King Edward VI College Site Foundation

Year Ended 31 December 2021

Detailed Statement of Financial Activities

	2021	2020
	£	£
INCOME		
Donations	10	11
Grants receivable	18,490	56,076
Other trading income - Mansion Room Rental and Hire	72,841	34,594
Other income	1,856	8,200
Total incoming resources	93,197	98,881
 Expenditure		
Mansion Room Rental and Hire	(111,060)	(85,082)
 Net (Deficit) / Surplus	(17,863)	13,799

Year Ended 31 December 2021

Appendix - Expenditure Analysis

Expenditure	2021	2020
	£	£
Accountancy fees	(451)	1,980
Advertising and marketing	-	-
Bad debts	-	307
Building servicing and preventative maintenance	27,557	16,763
Caretaker/Facilities Management	-	-
Cleaning	11,117	583
Consulting	26,574	34,473
Electricity	3,147	5,132
Gas	499	876
General expenses	1,094	270
Independent examination/audit fee	2,241	3,705
Insurance	9,502	9,515
IT & Computer costs	1,844	1,691
Office costs	381	-
Rates	828	1,141
Professional Fees (charged under SLA)	8,000	-
Security systems	-	1,381
Staff costs	11,235	504
Telephone	537	621
Waste disposal and recycling	3,717	2,150
Water	3,238	3,990
Total expenditure	111,060	85,082