

Gloucestershire Catholic Educational Trust

England & Wales · Charity number 293360

Details

| | |
|----------------|---|
| Other names | CHARLTON PARK SCHOOL TRUST, ST EDWARD'S SCHOOL CHELTENHAM TRUST |
| Status | Registered |
| Legal form | Charitable company |
| Company number | 01961978 |
| Registered | 1986-01-30 |
| Register | View on the Charity Commission register |

Contact

Address 17 Oakbrook Drive
The Reddings
Cheltenham
Gloucestershire
GL51 6SB

Phone 07403 697251

Email trustees@gcet.uk

Website <http://www.gcet.uk>

Activities

Objects: The object for which the Trust is established is to promote and provide for such charitable works wheresoever and whatsoever as advance the Roman Catholic religion and in particular but without prejudice to the generality of the foregoing to advance Roman Catholic education for the public benefit in or near Cheltenham PROVIDED THAT in the memorandum the expression "Roman Catholic" shall indicate communion with the See of Rome

Activities: Gloucestershire Catholic Educational Trust is the legacy charity for St Edward's School, Cheltenham, formed following the acquisition of St Edward's by an independent schools group. The Trust supports children in Catholic education in Cheltenham and the surrounding area by providing grants, bursaries and awards.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** Education/training
- **Who:** Children/young People, The General Public/mankind

Geography

- **Area of benefit:** CHELTENHAM
- Gloucestershire

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|------------|-------------|------------|-----------|
| 2024-12-31 | £69,766 | £26,218 | - | - |
| 2023-12-31 | £141,024 | £93,618 | - | - |
| 2022-08-31 | £6,919,336 | £7,867,960 | £1,336,554 | 169 |
| 2021-08-31 | £6,921,000 | £7,868,000 | £3,099,000 | 169 |
| 2020-08-31 | £7,768,000 | £7,497,000 | £4,046,000 | 166 |

Trustees

| Name | Role | Appointed |
|----------------------|------|------------|
| Jane Jones | | 2018-03-21 |
| John Patrick Andrews | | 2022-08-30 |
| Robert Edwin Alger | | 2024-09-25 |

Gloucestershire Catholic Educational Trust

England & Wales - Charity number 293360

Accounts

Company registration number: 01961978

Charity registration number: 293360

Gloucestershire Catholic Educational Trust Ltd

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2024

Gloucestershire Catholic Educational Trust Ltd

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Gloucestershire Catholic Educational Trust Ltd

Reference and Administrative Details

| | |
|------------------------------------|---|
| Trustees | Mrs J Jones Reverend J P Andrews Mr R E Alger |
| Charity Registration Number | 293360 |
| Company Registration Number | 01961978 |
| Registered Office | 17 Oakbrook Drive The Reddings Cheltenham Gloucestershire GL51 6SB |
| Independent Examiners | Four Fifty Partnership Four Fifty Partnership 34 Boulevard Weston-super-Mare North Somerset BS23 1NF |
| Bankers | HSBC 109 Bath Road Cheltenham GL54 7RA |
| Solicitors: | Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham Gloucestershire GL50 1YD |

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

The Trustees of Gloucestershire Catholic Educational Trust present their report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and confirm they comply with the requirements of the Charities Act 2011, the trust deed and the Charities SORP (FRS 102).

Constitution and objects

The Charity changed its name from St Edwards School Cheltenham Trust to Gloucestershire Catholic Educational Trust Ltd in February 2022. It is a company limited by guarantee (number 01961978); a charity registered with the Charity Commission (number 293360) and is regulated by its Memorandum and Articles of Association, most recently updated 4 February 2025.

The Trust's Objects and principal activities, as set out in the Memorandum of Association (as amended by Special Resolution on 4 February 2025), are to promote and provide for such charitable works wheresoever and whatsoever as to advance the Roman Catholic religion, and, in particular but without prejudice to the generality of the foregoing to advance Roman Catholic education for the public benefit in or near Cheltenham PROVIDED THAT in the memorandum the expression "Roman Catholic" shall indicate communion with the "See of Rome".

In furtherance to these Objects for the public benefit the Trust, which operated two schools until 16 February 2022 (one Senior and one Preparatory) known collectively as St Edward's Cheltenham, has established and administers bursaries, grants, awards and other benefactions, and acts as the Trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's public benefit guidance.

Aims

The Trust's aims for the public benefit were:

- to support the providers of Roman Catholic education by providing bursaries and grants to students of all denominations and creeds or none, who were willing to support the Christian ethos of the Schools;
- to provide grants to schools in both the state and independent sectors in the Gloucestershire area to further offer pupils a range of opportunities so that they could achieve to the best of their ability within a framework of shared values and standards;

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

- to value and nurture pupils as individuals, giving them a sense of their own self-worth and of the value of service to others, thus preparing them for life beyond school; and
- to establish the Schools as a community in which there were strong and active partnerships between parents and the Schools and between the local community and the Schools.

The Board is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011.

Primary objectives

The primary aim of the Trust going forward is to promote and provide for such charitable works to advance the Roman Catholic religion and in particular to advance Roman Catholic education for the public benefit in or near Cheltenham. This is predominately to be in the form of financial assistance with school fees, such as means tested bursaries and scholarships or other school related materials or other assistance to children in Catholic education, for example, funding school projects that will benefit multiple pupils.

Structure, governance and management

The Trust is the legacy charity, for St Edwards school, Cheltenham, following the acquisition of St Edwards by an independent schools group. Details of the current members of the Board of Trustees, together with principal advisers, are given on page one.

The Trustees who served during the year are as follows:

Dr S Honeywill (resigned 20 May 2025)

Mr P Potts (resigned 4 June 2024)

Mrs J Jones

Rev J Andrews

Mr R Alger (appointed 10 October 2024)

The day to day running of the charity is carried out by the Trustees. The Trustees meet periodically to determine the broad strategy and areas of activity for the charity, including consideration of grant making, investment, reserves and risk management policies and performance.

Recruitment and appointment of Trustees

New Trustees are elected on the basis of nominations from the Trustees based on the candidates' professional qualities, experience, personal competence and local availability.

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

Induction and training of Trustees

The Trustees attend periodic training courses to ensure that they stay up to date on current Governance and compliance issues. A budget is set aside every year to support the continued professional development of the Trustees.

Employment policy

The Charity currently has no employees.

Key management personnel

Trustees give their time freely and do not receive any remuneration. Details of trustee expenses are disclosed in note 10 to the accounts. Trustees are required to disclose all relevant interests and register them with the Charity and in accordance with the Charity's policy withdraw from decisions where a conflict of interest arises.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of Gloucestershire Catholic Educational Trust Ltd for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

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

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

Strategic report

Achievements and performance

During the current financial year the Trust moved from a 'forming' phase, dealing with handover of accounts and agreeing due balances with the purchaser of the schools, and became able to commit some funds to support catholic education in Gloucestershire. In the past year the Roman Catholic Diocese of Clifton (which overlaps the trust's target area of Gloucestershire) established a MAT, titled the Little Way Catholic Education Trust, who had identified a range of projects needing additional funding to bring to fruition. These included for example new bibles for use in the schools, Lectionaries, Chapel furniture, and prayer gardens. These projects estimated to Total some £25,000 will be completed and paid for by GCET in 2025, and are anticipated to be typical of the work that will become business as usual for GCET. GCET is also targeting to fund at least £3,000 at St Edwards Secondary School in 2025, which will be drawn from two restricted funds of £2,000 PTA fundraising, and £1,000 Chess grant, currently held in our accounts.

Fundraising

After the sale of St Edwards, the Trustees sought professional advice regarding the investment of the bulk of the remaining capital for income and engaged LGT Vestra to manage the investment monies.

The Trust did not use any professional fundraising partners in the year as all fundraising activities were small scale focusing on raising funds for other charities from the schools' communities. Neither the Trust nor anyone acting on behalf of the Trust has voluntarily subscribed to fundraising standards. No complaints were received in the year about any of the Trust's fundraising activities. The Trust ensures that vulnerable people and other members of the public are protected from behaviour which is unreasonably intrusive, persistent and pressured. The Trust does not consider this type of behaviour a high-risk area but will continue to monitor fundraising activities.

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

Public benefit

Gloucestershire Catholic Educational Trust Ltd remains committed to the aim of providing public benefit in accordance with its founding principles. The Trustees continue to consider the Charity Commission's general guidance on public benefit and confirm that they have complied with their duty in Section 17 of the Charities Act 2011.

The Trust fulfils its obligations under this Act through the availability of bursaries to individual students and grants to schools, youth groups, etc. to support their work in catholic education.

During the period ended 31 December 2023, the Trust made a grant of £15,000 to support a Performing Arts educational project at St Edward's Senior School.

During the period ending 31 December 2024, the Trust committed itself to expenditure on several projects for the Little Way Catholic Education Trust (a Catholic MAT established in 2024) of about £25,000. This expenditure will fall due in the next financial year, as will a commitment of £30,000 to support two chaplaincy apprenticeships.

Facilities and community links

The Charity achieved a surplus for the year of £105,364 (2023: £801,267).

Going forward the Trust will continue to keep close links with the local community through the availability of its facilities to local families.

Financial review

The Charity achieved a surplus for the year of £105,364 (2023: £801,267).

Investment policy

The charity has a beneficial interest in an investment portfolio held by LGT Wealth Management to the value of £1,105k (2023: £1,049k). The overarching aim in its management of these investments is to re-invest a growth of 6% pa in capital value, and to use any investment income to support its grants and bursaries.

Reserves level and policy

The Trust's activities are now those of holding investments. The Trust's unrestricted funds stood at £2,240k (£2,135k in 2023) which are also the free reserves of the Trust. Total reserves stood at £2,243k (2023: £2,138k).

The Trustees will continue to review the reserves position annually.

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

Going concern

The Trust continues to operate as Gloucestershire Catholic Educational Trust (GCET). GCET will continue to support Catholic education by providing bursary assistance to children who would not otherwise be able to afford independent school fees and grants and awards to schools in the state sector.

The Trust now has a significantly reduced overhead rate with minimum overhead expenditure forecast going forwards. The Trust will work within its working capital requirements to grant bursaries in future periods.

The Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

Risk management

The Trustees have given consideration to the major risks to which the Trust is exposed. The Trustee Body has ultimate responsibility for managing any risks faced by the Trust.

The risk management process and the resulting Report identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks. The generic controls used by the Trust to minimise risk include:

- detailed terms of reference together with formal agendas for Committee and Board activity;
- comprehensive budgeting and management accounting;
- established organisational structures and lines of reporting;
- formal written policies including clear authorisation and approval levels;
- vetting procedures as required by law for the protection of the vulnerable.

Principal risks and uncertainties

The Trustees considered risks in the following categories:

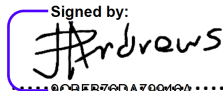
- Governance;
The maintenance of an effective Board of Governors.
- Operational;
Compliance with regulatory requirements of Health & Safety legislation, employment law and its regulators the Charity Commission.

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

- Financial;
Compliance with objects and maintaining liquidity.

The annual report was approved by the Trustees of the charity on 28 September 2025 and signed on its behalf by:

Signed by:

9CBFB76DA79946A.....
Reverend J P Andrews
Chair of Trustees

Gloucestershire Catholic Educational Trust Ltd

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of Gloucestershire Catholic Educational Trust Ltd for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

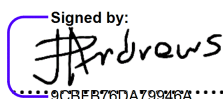
Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Approved by the Trustees of the charity on 28 September 2025 and signed on its behalf by:

Signed by:

.....9CBFB76DA79946A.....
Reverend J P Andrews
Chair of Trustees

Gloucestershire Catholic Educational Trust Ltd

Independent Examiner's Report to the trustees of Gloucestershire Catholic Educational Trust Ltd ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 December 2024.

Responsibilities and basis of report

As the charity's Trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement - matter of concern identified

I have completed my examination.

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

1. accounting records were not kept in respect of Gloucestershire Catholic Educational Trust Ltd as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

Gloucestershire Catholic Educational Trust Ltd

Independent Examiner's Report to the trustees of Gloucestershire Catholic Educational Trust Ltd ('the Company')

.....
Joy R Boswell
Four Fifty Partnership
Institute of Chartered Accountants in England and Wales
34 Boulevard
Weston-super-Mare
North Somerset
BS23 1NF

Date:.....

Gloucestershire Catholic Educational Trust Ltd

**Statement of Financial Activities for the Year Ended 31 December 2024
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2024 £ |
|---|------|----------------------------|--------------------------|-------------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 4 | 20,906 | - | 20,906 |
| Investment income | 5 | 11,399 | - | 11,399 |
| Other income | 6 | 37,461 | - | 37,461 |
| Total income | | <u>69,766</u> | <u>-</u> | <u>69,766</u> |
| Expenditure on: | | | | |
| Raising funds | | (14,792) | - | (14,792) |
| Charitable activities | 7 | (11,426) | - | (11,426) |
| Total expenditure | | <u>(26,218)</u> | <u>-</u> | <u>(26,218)</u> |
| Net income | | 43,548 | - | 43,548 |
| Other recognised gains and losses | | | | |
| Gains/losses on revaluation of fixed assets | | 61,816 | - | 61,816 |
| Net movement in funds | | 105,364 | - | 105,364 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>2,134,820</u> | <u>3,000</u> | <u>2,137,820</u> |
| Total funds carried forward | | <u><u>2,240,184</u></u> | <u><u>3,000</u></u> | <u><u>2,243,184</u></u> |

The notes on pages 16 to 25 form an integral part of these financial statements.

Gloucestershire Catholic Educational Trust Ltd

**Statement of Financial Activities for the Year Ended 31 December 2024
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2023 £ |
|---|------|----------------------------|--------------------------|--------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 4 | 85,035 | - | 85,035 |
| Investment income | 5 | 12,441 | - | 12,441 |
| Other income | 6 | 43,548 | - | 43,548 |
| Total income | | <u>141,024</u> | <u>-</u> | <u>141,024</u> |
| Expenditure on: | | | | |
| Raising funds | | (5,957) | - | (5,957) |
| Charitable activities | 7 | (87,661) | - | (87,661) |
| Total expenditure | | <u>(93,618)</u> | <u>-</u> | <u>(93,618)</u> |
| Net income | | 47,406 | - | 47,406 |
| Other recognised gains and losses | | | | |
| Gains/losses on revaluation of fixed assets | | 753,861 | - | 753,861 |
| Net movement in funds | | 801,267 | - | 801,267 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>1,333,553</u> | <u>3,000</u> | <u>1,336,553</u> |
| Total funds carried forward | | <u>2,134,820</u> | <u>3,000</u> | <u>2,137,820</u> |

The funds breakdown for 2023 is shown in note 14.

The notes on pages 16 to 25 form an integral part of these financial statements.

Gloucestershire Catholic Educational Trust Ltd

(Registration number: 01961978)
Balance Sheet as at 31 December 2024

| | Note | 2024 £ | 2023 £ |
|---|-------------|-------------------------|-------------------------|
| Fixed assets | | | |
| Investments | 10 | 2,080,386 | 2,024,073 |
| Current assets | | | |
| Debtors | 11 | 3,323 | 3,090 |
| Cash at bank and in hand | 12 | <u>191,566</u> | <u>265,808</u> |
| | | 194,889 | 268,898 |
| Creditors: Amounts falling due within one year | 13 | <u>(32,091)</u> | <u>(155,151)</u> |
| Net current assets | | <u>162,798</u> | <u>113,747</u> |
| Net assets | | <u>2,243,184</u> | <u>2,137,820</u> |
| Funds of the charity: | | | |
| Restricted income funds | | | |
| Restricted funds | | 3,000 | 3,000 |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>2,240,184</u> | <u>2,134,820</u> |
| Total funds | | <u>2,243,184</u> | <u>2,137,820</u> |

For the financial year ending 31 December 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

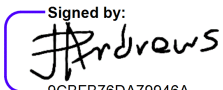
- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The notes on pages 16 to 25 form an integral part of these financial statements.

Gloucestershire Catholic Educational Trust Ltd

(Registration number: 01961978)
Balance Sheet as at 31 December 2024

The financial statements on pages 12 to 25 were approved by the Trustees, and authorised for issue on 28 September 2025 and signed on their behalf by:

Signed by:

9CBFB76DA79946A.....

Reverend J P Andrews
Chair of Trustees

The notes on pages 16 to 25 form an integral part of these financial statements.

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2024

1 Accounting policies

Company information

Gloucestershire Catholic Educational Trust Ltd is a registered charity with the Charities Commission England and Wales (charity number: 293360) and is incorporated as a private company limited by guarantee (company number: 01961978). The address of its registered office is 17 Oakbrook Drive, The Reddings, Cheltenham, Gloucestershire, GL51 6SB.

Accounting convention

The financial statements have been prepared 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Gloucestershire Catholic Educational Trust Ltd meets the definition of a public benefit entity under FRS 102.

Going concern

The Trust continues to operate as Gloucestershire Catholic Educational Trust (GCET). GCET will continue to support Catholic education by providing bursary assistance to children who would not otherwise be able to afford independent school fees and grants and awards to schools in the state sector.

The Trust now has a significantly reduced overhead rate with minimum overhead expenditure forecast going forwards. The Trust will work within its working capital requirements to grant bursaries in future periods.

The Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2024

Incoming resources

All other income is included in the Statement of Financial Activities when the Trust has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations

Donations and any associated income tax reclaimable from HM Revenue and Customs are recognised on a receivable basis. Donations received for the general purpose of the Charity are credited to unrestricted funds. Donations subject to specific wishes are carried to relevant restricted funds.

Resources expended

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

The irrecoverable VAT element is included with the item of expense to which it relates.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Tax status

The Trust is a registered charity, and as such is entitled to certain tax exemptions on surpluses on any trading activities carried on in furtherance of the charity's primary objectives.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including the independent examination.

Investment properties

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2024

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Listed investments

Investments are shown in the balance sheet at market value at the balance sheet date.

Realised and unrealised gains and losses on investment assets are included in the Statement of Financial Activities in the year in which they arise. Investment income is credited to income on an accruals basis.

Trade debtors

Short term debtors are initially measured at transaction price, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions.

Trade creditors

Short term creditors are initially measured at the transaction price.

Liabilities

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

Financial instruments

Classification

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

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2024

Finance and operating leases

Where the Trust has entered into finance leases or hire purchase contracts, the obligations to the lessor are shown within creditors and the rights in the corresponding assets are treated in the same way as owned fixed rights. Leases are regarded as finance leases where their terms transfer to the lessee substantially all the benefits and burdens of ownership other than the right to legal title.

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred.

Charitable funds

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Funds donated for purposes restricted by the wishes of the donor are taken to restricted funds, where these wishes are legally binding on the Trustees.

2 Critical accounting estimates and judgements

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

Critical accounting estimates and assumptions:

Impairment of debtors

The Trust makes an estimate of the recoverable value of fee and other debtors. When assessing impairment of fee and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of the debtors and associated impairment provision.

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2024

3 Contingent assets

Per the agreement with Alpha Schools Group, a sum of £2,700,000 was to be invested into the capital of the School over a period of 3 years from the 16 February 2022, with at least 50% of this sum (£1,350,000) being invested in the first 18 months.

These improvements are to focus on improving the education provided across the School.

As of the most recent update provided on 4 February 2025, Alpha Schools Group had spent approximately £800,000.

There is also an overage payment due if Alpha Schools Group disposes, in part or as a whole, any parts of the property that was transferred on disposal.

If any property is disposed within 5 years of 16 February 2022, 50% of the proceeds shall be payable to the Trust. This percentage reduces by 5% each year following this first 5 years.

4 Donations

| | Unrestricted funds £ | Total 31 December 2024 £ | Total 1 September 2022 to 31 December 2023 £ |
|-----------|-------------------------------------|---|---|
| Donations | 20,906 | 20,906 | 85,035 |
| | <u>20,906</u> | <u>20,906</u> | <u>85,035</u> |

5 Investment income

| | Unrestricted funds £ | 2024 £ | 2023 £ |
|---|-------------------------------------|-------------------|-------------------|
| Interest receivable and similar income; | | | |
| Interest receivable on bank deposits | 2,424 | 2,424 | 5,023 |
| Other income from fixed asset investments | 8,975 | 8,975 | 7,418 |
| | <u>11,399</u> | <u>11,399</u> | <u>12,441</u> |

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2024

6 Other income

| | Unrestricted funds £ | Total 2024 £ | Total 2023 £ |
|---------------|----------------------------|--------------------|--------------------|
| Rental income | <u>37,461</u> | <u>37,461</u> | <u>43,548</u> |

7 Expenditure on charitable activities

| | Teaching £ | Premises £ | Support £ | Total 2024 £ | Total 2023 £ |
|--|---------------|---------------|---------------|-----------------|-----------------|
| Other costs | - | 11,294 | 11,924 | 23,218 | 57,096 |
| Governance | <u>-</u> | <u>-</u> | <u>3,000</u> | <u>3,000</u> | <u>32,800</u> |
| | <u>-</u> | <u>11,294</u> | <u>14,924</u> | <u>26,218</u> | <u>89,896</u> |
| For the period ended 31 December 2024 | | | | | |
| Unrestricted funds | <u>-</u> | <u>11,294</u> | <u>11,924</u> | <u>26,218</u> | <u>-</u> |
| For the year ended 31 August 2023 | | | | | |
| Unrestricted funds | <u>8,182</u> | <u>7,985</u> | <u>73,729</u> | <u>-</u> | <u>89,896</u> |

8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

9 Trustees remuneration and expenses

No Trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

During the period ended 31 December 2024, expenses totalling £38 (2023 - £nil) were reimbursed or paid directly to one Trustee.

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2024

10 Fixed asset investments

| | 2024 | 2023 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Investment properties | 975,000 | 975,000 |
| Other investments | 1,105,386 | 1,049,073 |
| | <u>2,080,386</u> | <u>2,024,073</u> |

Investment properties

| | Investment properties £ |
|--------------------------|--|
| Cost or Valuation | |
| At 1 January 2024 | <u>975,000</u> |
| Provision | |
| At 31 December 2024 | <u>-</u> |
| Net book value | |
| At 31 December 2024 | <u>975,000</u> |
| At 31 December 2023 | <u>975,000</u> |

The investment property was last valued in June 2024 by an independent valuer. The trustees are of the opinion that this value is unchanged at the year end.

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2024

Other investments

| | Listed investments £ | Total £ |
|--------------------------|-------------------------------------|--------------------|
| Cost or Valuation | | |
| At 1 January 2024 | 1,049,073 | 1,049,073 |
| Revaluation | 58,275 | 58,275 |
| Additions | 83,522 | 83,522 |
| Disposals | <u>(85,484)</u> | <u>(85,484)</u> |
| At 31 December 2024 | <u>1,105,386</u> | <u>1,105,386</u> |
| Net book value | | |
| At 31 December 2024 | <u>1,105,386</u> | <u>1,105,386</u> |
| At 31 December 2023 | <u>1,049,073</u> | <u>1,049,073</u> |

11 Debtors

| | 2024 £ | 2023 £ |
|-------------------------|-------------------|-------------------|
| Trade debtors | 131,578 | 133,054 |
| Provision for bad debts | (130,242) | (131,658) |
| Prepayments | <u>1,987</u> | <u>1,694</u> |
| | <u>3,323</u> | <u>3,090</u> |

12 Cash and cash equivalents

| | 2024 £ | 2023 £ |
|--------------|-------------------|-------------------|
| Cash at bank | <u>191,566</u> | <u>265,808</u> |

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2024

13 Creditors: amounts falling due within one year

| | 2024 | 2023 |
|-----------------|---------------|----------------|
| | £ | £ |
| Other creditors | 19,852 | 101,751 |
| Accruals | 12,239 | 53,400 |
| | <u>32,091</u> | <u>155,151</u> |

14 Funds

| | Balance at 1 January 2024 | Incoming resources | Resources expended | Other recognised gains/(losses) | Balance at 31 December 2024 |
|-------------------------------|--|-------------------------------|-------------------------------|--|--|
| | £ | £ | £ | £ | £ |
| Unrestricted funds | | | | | |
| <i>Unrestricted funds</i> | | | | | |
| Unrestricted funds | 2,134,820 | 69,766 | (26,218) | 61,816 | 2,240,184 |
| Restricted funds | | | | | |
| Chess donation | 1,000 | - | - | - | 1,000 |
| PTA donation | 2,000 | - | - | - | 2,000 |
| Total restricted funds | <u>3,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>3,000</u> |
| Total funds | <u>2,137,820</u> | <u>69,766</u> | <u>(26,218)</u> | <u>61,816</u> | <u>2,243,184</u> |

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Year Ended 31 December 2024

| | Balance at 1 September 2022 £ | Incoming resources £ | Resources expended £ | Other recognised gains/(losses) £ | Balance at 31 December 2023 £ |
|-------------------------------|---|----------------------------|----------------------------|--|---|
| Unrestricted funds | | | | | |
| <i>Unrestricted funds</i> | | | | | |
| Unrestricted funds | 1,333,553 | 141,024 | (93,618) | 753,861 | 2,134,820 |
| Restricted | | | | | |
| Chess donation | 1,000 | - | - | - | 1,000 |
| PTA donation | <u>2,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,000</u> |
| Total restricted funds | <u>3,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>3,000</u> |
| Total funds | <u><u>1,336,553</u></u> | <u><u>141,024</u></u> | <u><u>(93,618)</u></u> | <u><u>753,861</u></u> | <u><u>2,137,820</u></u> |

15 Analysis of net assets between funds

| | Unrestricted funds £ | Restricted funds £ | Total funds 2024 £ |
|-------------------------|----------------------------|--------------------------|---------------------------------|
| Fixed asset investments | 1,105,386 | - | 1,105,386 |
| Current assets | 191,889 | 3,000 | 194,889 |
| Current liabilities | <u>(32,091)</u> | <u>-</u> | <u>(32,091)</u> |
| Total net assets | <u><u>1,265,184</u></u> | <u><u>3,000</u></u> | <u><u>1,268,184</u></u> |
| | Unrestricted funds £ | Restricted funds £ | Total funds 2023 £ |
| Fixed asset investments | 1,049,073 | - | 1,049,073 |
| Current assets | 265,898 | 3,000 | 268,898 |
| Current liabilities | <u>(155,151)</u> | <u>-</u> | <u>(155,151)</u> |
| Total net assets | <u><u>1,159,820</u></u> | <u><u>3,000</u></u> | <u><u>1,162,820</u></u> |

Gloucestershire Catholic Educational Trust

England & Wales - Charity number 293360

Accounts

Company registration number: 01961978

Charity registration number: 293360

Gloucestershire Catholic Educational Trust Ltd

(A company limited by guarantee)

Annual Report and Financial Statements

for the period from 1 September 2022 to 31 December 2023

Gloucestershire Catholic Educational Trust Ltd

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Gloucestershire Catholic Educational Trust Ltd

Reference and Administrative Details

| | |
|------------------------------------|--|
| Trustees | Dr S Honeywill, Chair of Trustees Mrs J Jones Mr J P Andrews |
| Charity Registration Number | 293360 |
| Company Registration Number | 01961978 |
| Registered Office | The Hearne 12 Hearne Road Charlton Kings Cheltenham Gloucestershire GL53 8RD |
| Independent Examiners | Four Fifty Partnership Four Fifty Partnership 34 Boulevard Weston-super-Mare Somerset BS23 1NF |
| Bankers | HSBC 109 Bath Road Cheltenham GL54 7RA |
| Solicitors: | Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham Gloucestershire GL50 1YD |

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

The Trustees of Gloucestershire Catholic Educational Trust ("The Trust") present their report and financial statements for the 16 month period ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and confirm they comply with the requirements of the Charities Act 2011, the trust deed and the Charities SORP (FRS 102).

Constitution and objects

The Charity changed its name from St Edwards School Cheltenham Trust to Gloucestershire Catholic Educational Trust Ltd in February 2022. It is a company limited by guarantee (number 01961978); a charity registered with the Charity Commission (number 293360) and is regulated by its Memorandum and Articles of Association, most recently updated 11 October 2022.

The Trust's Objects and principal activities, as set out in the Memorandum of Association (as amended by Special Resolution on 21 February 2022), are to promote and provide for such charitable works wheresoever and whatsoever as to advance the Roman Catholic religion, and, in particular but without prejudice to the generality of the foregoing to advance Roman Catholic independent education for the public benefit in or near Cheltenham PROVIDED THAT in the memorandum the expression "Roman Catholic" shall indicate communion with the "See of Rome".

In furtherance to these Objects for the public benefit the Trust, which operated two schools until 16 February 2022 (one Senior and one Preparatory) known collectively as St Edward's Cheltenham, has established and administers bursaries, grants, awards and other benefactions, and acts as the Trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects.

Aims and objectives

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's public benefit guidance.

Aims

The Trust's aims for the public benefit to 16 February 2022 were:

- to provide a first class independent education within a Christian ethos. St Edward's was a Roman Catholic foundation and warmly welcomed students of other denominations and creeds or none, who were willing to support the Christian ethos of the Schools;
- to offer pupils a range of opportunities so that they could achieve to the best of their ability within a framework of shared values and standards;

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

- to value and nurture pupils as individuals, giving them a sense of their own self-worth and of the value of service to others, thus preparing them for life beyond school; and
- to establish the Schools as a community in which there were strong and active partnerships between parents and the Schools and between the local community and the Schools.

The Board is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011.

Primary objectives

The primary objectives of the Trust to fulfil these aims were:

- to maintain the aspiration of high standards in academic performance and extra-curricular activities whilst preserving a healthy balance between the two;
- to widen access to the education provided by the Trust through the provision of financial support for children whose parents were unable to afford the full fees and also through a range of projects and activities in the local community;
- to provide appropriate teaching resources throughout the Schools;
- to provide an effective management structure and the administrative and logistic framework necessary to meet the needs of staff and pupils alike;
- to provide an environment which promoted and developed independent learning and supported pupils in the achievement of their individual potential.

The primary objectives were reviewed regularly and their success measured through regular reporting to Trustees by the Senior Management Team.

The primary aim of the Trust going forward is to promote and provide for such charitable works to advance the Roman Catholic religion and in particular to advance Roman Catholic independent education for the public benefit in or near Cheltenham. This is predominately to be in the form of financial assistance with school fees, such as means tested bursaries and scholarships or other school related materials or other assistance to children in Catholic education, for example, funding school projects that will benefit multiple pupils.

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

Structure, governance and management

There was one Board of Trustees for the two Schools through to 16 February 2022. Details of the current members of the Board of Trustees, together with principal advisers, are given on page one.

There were seven members of the Board of Trustees until the sale of the schools. This had reduced to four members at the period end. The numbers in brackets refer to the sub-committees which each Trustee was a member of as explained below.

Dr S Honeywill (1,2,3,4)

Mr A Newland (1,3, Chair of Health and Safety & Finance and General Purposes committees)
(Resigned 11 February 2022)

Mr P Potts (2, Chair of Land and Premises committee) (Resigned 4 June 2024)

Mrs C Findlay (1) (Resigned 11 February 2022)

Mrs J Jones (3, Chair of Education and Ethos committee)

Mrs J Penny (1) (Resigned 11 February 2022)

Dr R Cooper (resigned 10 February 2022)

Fr P O'Keeffe O Carm. Ex-Officio

Mr John Andrews (Appointed 30 August 2022)

The following Trustees' sub-committees were in existence prior to 16 February 2022:

1. Finance and General Purposes committee
2. Land and Premises committee
3. Health and Safety committee
4. Education and Ethos committee

The Trustees were legally responsible for the overall management and control of both Schools up to 16 February 2022. They met at least four times a year. The work of implementing the policies was delegated to the following committees, which have since been dissolved;

- The Finance and General Purposes Committee (F&GPC) scrutinised the management accounts and forecasts throughout the year and made recommendations to the Board about any capital expenditure. They recommended the audited financial statements and annual report for approval by the Trustees. They also oversaw other matters such as the review of school fees, insurance, pay, marketing and staffing. The Finance Committee was chaired by Mr Andrew Newland.

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

- The Health and Safety Committee oversaw all matters relating to Health and Safety and Safeguarding. These included safeguarding policies, staff code of conduct, pupil behaviour, e-safety, information technology, data protection, cybersecurity and review of and implementation of recommendations from Health and Safety and Fire Safety audits. It was chaired by Mr Andrew Newland.
- The Education and Ethos Committee oversaw all matters relating to the pastoral and academic issues across both schools, including provision for individual learning needs, able, gifted and talented students, those with English as an additional language and overseas students. The Committee also ensured that the Catholic Foundation of the Trust was reflected in the curriculum. The Education and Ethos Committee was chaired by Mrs Jane Jones.
- The Land and Premises committee provided oversight of the programme of maintenance work for the schools premises, accessibility arrangements for pupils and visitors and made recommendations for capital expenditure on larger projects. The committee was chaired by Mr Paul Potts.

The day to day running of the Schools was delegated to the Heads and Bursar, supported by their Senior Management Teams and a Joint Management Committee. The Heads and Bursar attended board and committee meetings of the Trustees. The day to day running of the Trust from 16 February 2022 is carried out by the remaining Trustees.

Recruitment and appointment of Trustees

New Trustees are elected on the basis of nominations from the Trustees based on the candidates' professional qualities, experience, personal competence and local availability.

Induction and training of Trustees

The Trustees attend periodic training course to ensure that they stay up to date on current Governance and compliance issues. A budget is set aside every year to support the continued professional development of the Trustees.

Employment policy

The Trust endeavoured to recruit the most suitable staff for any post to ensure the highest standards were maintained throughout the Schools, within both teaching and support staff. Whilst reflecting its role as a Catholic school it also pursued policies as an equal opportunities employer. Full and fair consideration was given to job applications from disabled persons and due consideration was given to their training and employment needs. Since the transfer of the Schools on 16 February 2022, the Trust has no employees.

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

Key management personnel

The Trustees considered that the Joint Management Committee (JMC) of The Trust comprised the Key Management Personnel up to 16 February 2022 when the Schools joined the Alpha Schools Group. The JMC comprised of the Head Teacher of the Senior School, the Head Teacher of the Preparatory School, the Deputy Head Teachers of the Senior School, the Deputy Head and Assistant Head of the Preparatory School, the Bursar and the Director of Marketing & Admissions.

Trustees give their time freely and do not receive any remuneration. The pay and remuneration of the JMC was determined by the Finance and General Purposes Committee and was reviewed annually. A number of criteria were used in determining pay:

- The financial performance of the Trust against sector benchmarks;
- The nature of the role and responsibilities;
- The individual's performance;
- Competitor salaries;
- The sector average for comparable positions;
- Inflation and the cost of living.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of Gloucestershire Catholic Educational Trust Ltd for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the Trustees to prepare financial statements for each financial period. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Strategic report

Achievements and performance

The Trust's vision was to:

- Provide excellent teaching, learning and pastoral care;
- Provide a wealth of opportunities both curricular and extra-curricular;
- Build a caring community based on Christian values;
- Encourage pupils to be the best they can be so that we help them to develop their untapped potential.

Going forward the Trust's vision is to broaden opportunities to families who would otherwise not be able to afford independent Catholic education in the Cheltenham area.

During the period under review the charity has made one grant to further its aims and objectives.

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

Fundraising

After 16 Feb 2022, the Trustees sought professional advice regarding the investment of the bulk of the remaining capital for income and engaged LGT Vestra to manage the investment monies.

The Trust did not use any professional fundraising partners in the year as all fundraising activities were small scale focusing on raising funds for other charities from the schools' communities. Neither the Trust nor anyone acting on behalf of the Trust has voluntarily subscribed to fundraising standards. No complaints were received in the year about any of the Trust's fundraising activities. The Trust ensures that vulnerable people and other members of the public are protected from behaviour which is unreasonably intrusive, persistent and pressured. The Trust does not consider this type of behaviour a high-risk area but will continue to monitor fundraising activities.

Public benefit

Gloucestershire Catholic Educational Trust Ltd remains committed to the aim of providing public benefit in accordance with its founding principles. The Trustees continue to consider the Charity Commission's general guidance on public benefit and confirm that they have complied with their duty in Section 17 of the Charities Act 2011.

The Trust fulfils its obligations under this Act through the availability of bursaries and scholarships.

During the period ended 31 December 2023, the Trust made a grant of £15,000 to support a Performing Arts educational project at St Edward's Senior School.

Facilities and community links

During the period prior to the transfer of the school, the Trust made its facilities available to local community groups including sport (cricket, swimming, rugby, football, tennis and hockey), drama and music groups. The Trust valued its links with the local community.

Going forward the Trust will continue to keep close links with the local community through the availability of fee assistance to local families.

Financial review

As the first period in which the charity did not operate as a school the financial position has changed significantly. During the 16 month period the charity has received £55,989 of income from its investments, as well as donations of £85,035. After expenditure there was an operating profit of £47,406 and including fair value adjustments on the investments net funds increased by £801,267.

As a result the net assets of the charity have increased from £1,336,554 to £2,137,820.

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

Reserves level and policy

Following the transfer of the schools, the Trust's activities are now those of holding investments. The Trust's unrestricted funds stood at £2,135k (£1,334k in 2023) which are also free reserves of the Trust.

Total reserves stood at £2,138k (2022: £1,337k).

The Trust's reserves policy is currently being reviewed following the sale of the Schools but, remains in place to assist Catholic education in the local area.

The Trustees will continue to review the reserves position annually.

Going concern

St Edward's School joined the Alpha Schools Group on 16th February 2022.

The Trust will continue to operate under a different name as Gloucestershire Catholic Educational Trust (GCET). GCET will continue to support Catholic education by providing bursary assistance to children who would not otherwise be able to afford independent school fees. The trust will also support by direct grant activities and projects which benefit groups of children in the context of catholic education in Gloucestershire.

The Trust now has a significantly reduced overhead rate with minimum overhead expenditure forecast going forwards. The Trust will work within its working capital requirements to grant bursaries in future periods.

The Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

Risk management

The Trustees have given consideration to the major risks to which the Trust is exposed. The Trustee Body has ultimate responsibility for managing any risks faced by the Trust.

The risk management process and the resulting Report identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks. The generic controls used by the Trust to minimise risk include:

- detailed terms of reference together with formal agendas for Committee and Board activity;

Gloucestershire Catholic Educational Trust Ltd

Trustees Report

- comprehensive budgeting and management accounting;
- established organisational structures and lines of reporting;
- formal written policies including clear authorisation and approval levels;
- vetting procedures as required by law for the protection of the vulnerable.

Principal risks and uncertainties

The Trustees considered risks in the following categories:

- Governance;
The maintenance of an effective Board of Governors and Senior leadership team
- Operational;
Compliance with regulatory requirements of Health & Safety legislation, employment law and its regulators including the Independent Schools Inspectorate and Charity Commission.
- Financial;
Compliance with borrowing covenants and maintaining liquidity.
- Public relations/reputation;
Compliance with all regulatory requirements and maintaining an effective marketing strategy.

Plans for future periods

We use historical data and trends (along with other information gathering and research) as the basis for forecasting pupil numbers. The number of pupils at the school dictates the allocation of resources and so our long term strategic plan and forecasts may change depending on factors such as uncertainty in the wider economy or Government imposed statutory or regulatory changes.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the Trustees of the charity on 25/07/2024 and signed on its behalf by:


.....
Dr S Honeywill
Chair of Trustees

Gloucestershire Catholic Educational Trust Ltd

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of Gloucestershire Catholic Educational Trust Ltd for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the Trustees to prepare financial statements for each financial period. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Approved by the Trustees of the charity on 25/09/2024 and signed on its behalf by:


.....
Dr S Honeywill
Chair of Trustees

Gloucestershire Catholic Educational Trust Ltd

Independent Examiner's Report to the trustees of Gloucestershire Catholic Educational Trust Ltd ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 December 2023.

Responsibilities and basis of report

As the charity's Trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement - matter of concern identified

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination for the period ended 31 December 2023. However, the financial statements for the year ended 31 August 2022 were subject to audit and the audit report thereon was qualified. I have reproduced an extract of that audit opinion to assist the users of these financial statements.

"As set out in the Trustees report the schools controlled by the Trust were sold on 16 February 2022. As part of the sale many of the financial records of the trust including details of fees, and payroll records were transferred to the purchaser. The purchaser has not made these available to the Trust for the purpose of this audit and as a result we have been unable to substantiate the fee income of £3,318,528 or the payroll costs of £2,548,299. There were no alternative audit procedures we were able to undertake to substantiate these amounts. As a consequence, we were unable to determine whether an adjustment to these amounts were necessary."

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

1. accounting records were not kept in respect of Gloucestershire Catholic Educational Trust Ltd as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or

Gloucestershire Catholic Educational Trust Ltd

Independent Examiner's Report to the trustees of Gloucestershire Catholic Educational Trust Ltd ('the Company')

4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

Four Fifty Partnership Ltd

.....
Joy R Boswell
Four Fifty Partnership
Institute of Chartered Accountants in England and Wales
34 Boulevard
Weston-super-Mare
Somerset
BS23 1NF

Date: *27 September 2024* ,

Gloucestershire Catholic Educational Trust Ltd

Statement of Financial Activities for the Period from 1 September 2022 to 31 December 2023
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2023 £ |
|---|------|----------------------------|--------------------------|--------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 5 | 85,035 | - | 85,035 |
| Investment income | 8 | 12,441 | - | 12,441 |
| Other income | 9 | 43,548 | - | 43,548 |
| Total income | | <u>141,024</u> | <u>-</u> | <u>141,024</u> |
| Expenditure on: | | | | |
| Raising funds | | (6,645) | - | (6,645) |
| Charitable activities | 10 | (87,661) | - | (87,661) |
| Other expenditure | | 688 | - | 688 |
| Total expenditure | | <u>(93,618)</u> | <u>-</u> | <u>(93,618)</u> |
| Net income | | 47,406 | - | 47,406 |
| Other recognised gains and losses | | | | |
| Gains/losses on revaluation of fixed assets | | 753,861 | - | 753,861 |
| Net movement in funds | | 801,267 | - | 801,267 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>1,333,553</u> | <u>3,000</u> | <u>1,336,553</u> |
| Total funds carried forward | | <u>2,134,820</u> | <u>3,000</u> | <u>2,137,820</u> |

All of the charity's activities derive from discontinued operations following the disposal of the trade dated the 16 February 2022 with Alpha Schools. All activities were transferred as of 16 February 2022.

The notes on pages 18 to 34 form an integral part of these financial statements.

Gloucestershire Catholic Educational Trust Ltd

Statement of Financial Activities for the Period from 1 September 2022 to 31 December 2023

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2022 £ |
|------------------------------------|------|----------------------------|--------------------------|---------------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 5 | (769) | - | (769) |
| Charitable activities | 6 | 3,318,528 | - | 3,318,528 |
| Other trading activities | 7 | 161,729 | - | 161,729 |
| Investment income | 8 | 684 | - | 684 |
| Other income | 9 | <u>45,108</u> | - | <u>45,108</u> |
| Total income | | <u>3,525,280</u> | - | <u>3,525,280</u> |
| Expenditure on: | | | | |
| Charitable activities | 10 | (4,181,569) | - | (4,181,569) |
| Other expenditure | | <u>(1,108,022)</u> | - | <u>(1,108,022)</u> |
| Total expenditure | | <u>(5,289,591)</u> | - | <u>(5,289,591)</u> |
| Net expenditure | | <u>(1,764,311)</u> | - | <u>(1,764,311)</u> |
| Net movement in funds | | (1,764,311) | - | (1,764,311) |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>3,097,865</u> | <u>3,000</u> | <u>3,100,865</u> |
| Total funds carried forward | | <u>1,333,554</u> | <u>3,000</u> | <u>1,336,554</u> |

The funds breakdown for 2022 is shown in note 19.

The notes on pages 18 to 34 form an integral part of these financial statements.

Gloucestershire Catholic Educational Trust Ltd

**(Registration number: 01961978)
Balance Sheet as at 31 December 2023**

| | Note | 2023 £ | 2022 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Investments | 15 | 2,024,073 | 263,938 |
| Current assets | | | |
| Debtors | 16 | 3,090 | 8,178 |
| Cash at bank and in hand | 17 | 265,808 | 1,599,877 |
| | | <u>268,898</u> | <u>1,608,055</u> |
| Creditors: Amounts falling due within one year | 18 | <u>(155,151)</u> | <u>(535,439)</u> |
| Net current assets | | <u>113,747</u> | <u>1,072,616</u> |
| Net assets | | <u>2,137,820</u> | <u>1,336,554</u> |
| Funds of the charity: | | | |
| Restricted income funds | | | |
| Restricted funds | | 3,000 | 3,000 |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>2,134,820</u> | <u>1,333,554</u> |
| Total funds | | <u>2,137,820</u> | <u>1,336,554</u> |

For the financial period ending 31 December 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 18 to 34 form an integral part of these financial statements.

Gloucestershire Catholic Educational Trust Ltd

**(Registration number: 01961978)
Balance Sheet as at 31 December 2023**

The financial statements on pages 14 to 34 were approved by the Trustees, and authorised for issue on ~~.....~~ ^{25/09/2024} and signed on their behalf by:

..........

Dr S Honeywill
Chair of Trustees

The notes on pages 18 to 34 form an integral part of these financial statements.

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

1 Accounting policies

Company Information

Gloucestershire Catholic Educational Trust Ltd is a registered charity with the Charities Commission England and Wales (charity number: 293360) and is incorporated as a private company limited by guarantee (company number: 01961978). The address of its registered office is Cirencester Road, Charlton Kings, Cheltenham, GL53 8EY.

Accounting convention

The financial statements have been prepared 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Gloucestershire Catholic Educational Trust Ltd meets the definition of a public benefit entity under FRS 102.

Going concern

St Edward's School joined the Alpha Schools Group on 16 February 2022. Alpha Schools Group have taken over the ownership and management of the Schools from this date and will provide a substantial investment in the Schools' facilities over the next three years.

The Trust continues to operate as Gloucestershire Catholic Educational Trust (GCET). GCET will continue to support Catholic education by providing bursary assistance to children who would not otherwise be able to afford independent school fees.

The Trust now has a significantly reduced overhead rate with minimum overhead expenditure forecast going forwards. The Trust will work within its working capital requirements to grant bursaries in future periods.

The Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

Incoming resources

Fees receivable are accounted for in the period in which the services are provided and are stated after deducting allowances, scholarships and other remissions granted by the School.

All other income is included in the Statement of Financial Activities when the School has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government grants, whether 'capital' grants or 'revenue' grants, is recognised when the School has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Where entitlements occur before income is received the income is accrued. Where income is received in advance of the School having entitlement to the funds the income is deferred.

Resources expended

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Expenditure is allocated to expense headings on a direct cost basis, with staff costs being allocated according to the estimated time spent by staff working in relevant departments. Charitable activities include all costs related to the running of the School.

The irrecoverable VAT element is included with the item of expense to which it relates.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Tax status

The Trust is a registered charity, and as such is entitled to certain tax exemptions on surpluses on any trading activities carried on in furtherance of the charity's primary objectives.

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

Tangible fixed assets

In common with other educational establishments the Trust has historically written off all expenditure on tangible assets during the year of purchase (prior to 1997).

The original School buildings were predominantly listed properties and were carried at the amount of the original merger cost, as the Trustees considered it was not appropriate to apply a current valuation to such properties. The Trust was responsible for keeping these properties in a fit and useful condition and these costs are written off as incurred, and hence no depreciation is charged on these properties.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| Asset class | Depreciation method and rate |
|----------------------------------|--|
| Plant and equipment | 10% - 33% straight line |
| Motor vehicles | 20% straight line |
| Furniture, fixtures and fittings | 10% - 20% straight line |
| Freehold buildings | 0% - 2% straight line or the expected remaining life of the building |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The freehold land and buildings of the School were revalued in 1980. The governors are of the opinion that the current open market value on an existing use basis is in excess of book value.

The School has taken advantage of the transitional arrangements of FRS 102 - Section 17 Property, Plant and Equipment not to update its valuation of land and buildings.

Investment properties

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the period, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the period and are credited or charged to the Statement of Financial Activities based on the market value at the period end.

Trade debtors

Short term debtors are initially measured at transaction price, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions.

Trade creditors

Short term creditors are initially measured at the transaction price.

Liabilities

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

Financial Instruments

Classification

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

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

Finance and operating leases

Where the Trust has entered into finance leases or hire purchase contracts, the obligations to the lessor are shown within creditors and the rights in the corresponding assets are treated in the same way as owned fixed rights. Leases are regarded as finance leases where their terms transfer to the lessee substantially all the benefits and burdens of ownership other than the right to legal title.

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred.

Redundancy costs

Redundancy and termination costs are accounted for on an accruals basis when commitment to terminate a post on the grounds of redundancy has been made.

Pensions

The Trust contributed to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary as advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme, and it is not possible to identify the assets and liabilities of the scheme, which are attributable to the Trust. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme. The Trust also contributes to personal pension schemes for non-teaching staff and these contributions are accrued accordingly. Pension costs are allocated to the unrestricted fund due to this being the fund in which staff costs are paid from.

Charitable funds

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Funds donated for purposes restricted by the wishes of the donor are taken to restricted funds, where these wishes are legally binding on the Trustees.

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

Deposits

The Trustees have reviewed the contract terms under which pupil fee deposits are held by the Trust. Although under normal circumstances these will be repaid in future years when the pupils complete their education at the School, pupils can leave at earlier dates. The Trust does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of deposits held have been included within current liabilities.

All fee deposits held were transferred to Alpha Schools Group on 16 February 2022.

2 Critical accounting estimates and judgements

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

Critical accounting estimates and assumptions:

Useful economic lives of tangible assets

The annual depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation, and the physical condition of the assets. See note 15 for the carrying amount of the tangible assets and note 2.6 for the useful lives for each class of asset.

Impairment of debtors

The Trust makes an estimate of the recoverable value of fee and other debtors. When assessing impairment of fee and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of the debtors and associated impairment provision.

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

3 Discontinued operations

On 16 February 2022, the Trust disposed of the Schools trade to Alpha Schools Group for consideration of £2,500,000. Committed capital works are to be expended on the St Edwards Schools over a period of 3 years of £2,700,000.

4 Contingent assets

Per the agreement with Alpha Schools Group, a sum of £2,700,000 was to be invested into the capital of the School over a period of 3 years from the 16 February 2022, with at least 50% of this sum (£1,350,000) being invested in the first 18 months.

These improvements are to focus on improving the education provided across the School.

As of the most recent update provided on 8 February 2024, Alpha Schools Group had spent £760,304.

There is also an overage payment due if Alpha Schools Group disposes, in part or as a whole, any parts of the property that was transferred on disposal.

If any property is disposed within 5 years of 16 February 2022, 50% of the proceeds shall be payable to the Trust. This percentage reduces by 5% each year following this first 5 years.

5 Donations and legacies

| | Unrestricted funds | Total 31 December 2023 | Total Year ended 31 August 2022 |
|-----------|--------------------|------------------------|---------------------------------|
| | £ | £ | £ |
| Donations | 85,035 | 85,035 | (769) |
| | <u>85,035</u> | <u>85,035</u> | <u>(769)</u> |

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

6 Income from charitable activities

| | 2023 | 2022 |
|------------|-------------|------------------|
| | £ | £ |
| Fee income | - | <u>3,318,528</u> |

| | 2023 | 2022 |
|--|-------------|------------------|
| | £ | £ |
| Gross fees | - | 3,902,576 |
| Less: total scholarships, bursaries and fee assistance | - | <u>(584,048)</u> |
| | <u>-</u> | <u>3,318,528</u> |

7 Charitable activities - Extras income

| | 2023 | 2022 |
|--------------------|-------------|----------------|
| | £ | £ |
| School trips | - | 53,184 |
| Application fees | - | 8,553 |
| Special needs fees | - | 71,604 |
| Examination fees | - | (4,607) |
| Bus income | - | 10,120 |
| Afterschool clubs | - | <u>22,875</u> |
| | <u>-</u> | <u>161,729</u> |

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

8 Investment income

| | Unrestricted funds £ | 2023 £ | 2022 £ |
|---|-------------------------------------|-------------------|-------------------|
| Interest receivable and similar income; | | | |
| Interest receivable on bank deposits | 5,023 | 5,023 | 348 |
| Other income from fixed asset investments | 7,418 | 7,418 | - |
| Other investment income | - | - | 336 |
| | <u>12,441</u> | <u>12,441</u> | <u>684</u> |

9 Other income

| | Unrestricted funds £ | Total 2023 £ | Total 2022 £ |
|---------------|-------------------------------------|-----------------------------|-----------------------------|
| Rental income | 43,548 | 43,548 | 19,786 |
| Other income | - | - | 25,322 |
| | <u>43,548</u> | <u>43,548</u> | <u>45,108</u> |

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

10 Expenditure on charitable activities

| | Teaching £ | Welfare £ | Premises £ | Support £ | Total 2023 £ | Total 2022 £ |
|--|------------------|----------------|----------------|----------------|-----------------|------------------|
| Staff costs | - | - | - | - | - | 2,548,299 |
| Depreciation and impairment | - | - | - | - | - | 118,620 |
| Other costs | 8,182 | - | 7,985 | 40,929 | 57,096 | 1,502,650 |
| Governance | - | - | - | 32,800 | 32,800 | 12,000 |
| | <u>8,182</u> | <u>-</u> | <u>7,985</u> | <u>73,729</u> | <u>89,896</u> | <u>4,181,569</u> |
| For the period ended 31 December 2023 | | | | | | |
| Unrestricted funds | <u>8,182</u> | <u>-</u> | <u>7,985</u> | <u>73,729</u> | <u>89,896</u> | <u>-</u> |
| For the year ended 31 August 2022 | | | | | | |
| Unrestricted funds | <u>2,187,388</u> | <u>334,312</u> | <u>897,206</u> | <u>762,663</u> | <u>-</u> | <u>4,181,569</u> |

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

12 Governance costs (Included within support costs)

| | Note | Unrestricted funds £ | Total funds £ |
|--|------|----------------------------|---------------------|
| Audit fees | | | |
| Audit of the financial statements | | <u>32,800</u> | <u>32,800</u> |
| Total for period ended 31 December 2023 | | <u>32,800</u> | <u>32,800</u> |

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

13 Staff costs

The monthly average number of persons (including senior management / leadership team) employed by the charity during the period was as follows:

| | 2023 | 2022 |
|----------------|-------------|-------------|
| | No | No |
| Scholastic | - | 58 |
| Administration | - | 29 |
| | <u>-</u> | <u>87</u> |

The aggregate payroll costs were as follows:

| | 2022 |
|--|------------------|
| | £ |
| Staff costs during the period were: | |
| Wages and salaries | 2,050,969 |
| Social security costs | 182,565 |
| Pension costs | 314,765 |
| | <u>2,548,299</u> |

All staff were transferred to Alpha Schools Group on 16 February 2022.

14 Trustees remuneration and expenses

No Trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

During the period ended 31 December 2023, expenses totalling £Nil (2022 - £1,493) were reimbursed or paid directly to one Trustee.

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

15 Fixed asset investments

| | 2023 | 2022 |
|-----------------------|-------------------------|-----------------------|
| | £ | £ |
| Investment properties | 975,000 | 263,938 |
| Other investments | <u>1,049,073</u> | <u>-</u> |
| | <u>2,024,073</u> | <u>263,938</u> |

Investment properties

| | Investment properties |
|--------------------------|------------------------------|
| | £ |
| Cost or Valuation | |
| At 1 September 2022 | 263,938 |
| Revaluation | <u>711,062</u> |
| At 31 December 2023 | 975,000 |
| Provision | |
| At 31 December 2023 | <u>-</u> |
| Net book value | |
| At 31 December 2023 | <u>975,000</u> |
| At 31 August 2022 | <u>263,938</u> |

There has been no valuation of investment property by an independent valuer.

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

Other Investments

| | Listed investments £ | Total £ |
|--------------------------|-------------------------------------|--------------------|
| Cost or Valuation | | |
| Revaluation | 43,487 | 43,487 |
| Additions | 1,067,737 | 1,067,737 |
| Disposals | <u>(62,151)</u> | <u>(62,151)</u> |
| At 31 December 2023 | <u>1,049,073</u> | <u>1,049,073</u> |
| Net book value | | |
| At 31 December 2023 | <u>1,049,073</u> | <u>1,049,073</u> |

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

16 Debtors

| | 2023 | 2022 |
|-------------------------|--------------|--------------|
| | £ | £ |
| Trade debtors | 133,054 | 142,454 |
| Provision for bad debts | (131,658) | (138,476) |
| Prepayments | 1,694 | 4,200 |
| | <u>3,090</u> | <u>8,178</u> |

17 Cash and cash equivalents

| | 2023 | 2022 |
|--------------|----------------|------------------|
| | £ | £ |
| Cash at bank | <u>265,808</u> | <u>1,599,877</u> |

18 Creditors: amounts falling due within one year

| | 2023 | 2022 |
|-----------------|----------------|----------------|
| | £ | £ |
| Bank loans | - | 177,348 |
| Other creditors | 101,751 | 333,494 |
| Accruals | 53,400 | 24,597 |
| | <u>155,151</u> | <u>535,439</u> |

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

19 Funds

| | Balance at 1 September 2022 £ | Incoming resources £ | Resources expended £ | Other recognised gains/(losses) £ | Balance at 31 December 2023 £ |
|-------------------------------|--|-------------------------------------|-------------------------------------|--|--|
| Unrestricted funds | | | | | |
| <i>Unrestricted funds</i> | | | | | |
| Unrestricted funds | 1,333,553 | 141,024 | (93,618) | 753,861 | 2,134,820 |
| Restricted funds | | | | | |
| Chess donation | 1,000 | - | - | - | 1,000 |
| PTA donation | 2,000 | - | - | - | 2,000 |
| Total restricted funds | 3,000 | - | - | - | 3,000 |
| Total funds | 1,336,553 | 141,024 | (93,618) | 753,861 | 2,137,820 |

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

| | Balance at 1 September 2021 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 31 August 2022 £ |
|---------------------------------|--|-------------------------------------|-------------------------------------|------------------------|--|
| Unrestricted funds | | | | | |
| <i>Unrestricted funds</i> | | | | | |
| Unrestricted funds | 2,848,865 | 3,525,280 | (5,289,591) | 249,000 | 1,333,554 |
| <i>Designated</i> | | | | | |
| Designated reserve | <u>249,000</u> | <u>-</u> | <u>-</u> | <u>(249,000)</u> | <u>-</u> |
| Total unrestricted funds | <u>3,097,865</u> | <u>3,525,280</u> | <u>(5,289,591)</u> | <u>-</u> | <u>1,333,554</u> |
| Restricted | | | | | |
| Chess donation | 1,000 | - | - | - | 1,000 |
| PTA donation | <u>2,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,000</u> |
| Total restricted funds | <u>3,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>3,000</u> |
| Total funds | <u>3,100,865</u> | <u>3,525,280</u> | <u>(5,289,591)</u> | <u>-</u> | <u>1,336,554</u> |

The designated fund is for the swimming pool and fitness room. A transfer from the designated fund to the general reserve was made on the sale of the Schools.

Gloucestershire Catholic Educational Trust Ltd

Notes to the Financial Statements for the Period from 1 September 2022 to 31 December 2023

20 Analysis of net assets between funds

| | Unrestricted funds £ | Restricted funds £ | Total funds 2023 £ |
|-------------------------|-------------------------------------|-----------------------------------|-----------------------------------|
| Fixed asset investments | 1,049,073 | - | 1,049,073 |
| Current assets | 265,898 | 3,000 | 268,898 |
| Current liabilities | <u>(155,151)</u> | <u>-</u> | <u>(155,151)</u> |
| Total net assets | <u>1,159,820</u> | <u>3,000</u> | <u>1,162,820</u> |
| | Unrestricted funds £ | Restricted funds £ | Total funds 2022 £ |
| Tangible fixed assets | 263,939 | - | 263,939 |
| Current assets | 1,605,055 | 3,000 | 1,608,055 |
| Current liabilities | <u>(535,439)</u> | <u>-</u> | <u>(535,439)</u> |
| Total net assets | <u>1,333,555</u> | <u>3,000</u> | <u>1,336,555</u> |

21 Analysis of changes in net debt

| | At 1 September 2022 £ | Cashflows £ | At 31 December 2023 £ |
|--------------------------|--|---------------------------|--|
| Cash at bank and in hand | 1,599,878 | (1,335,574) | 264,304 |
| Debt due within 1 year | <u>(177,348)</u> | <u>177,348</u> | <u>-</u> |
| Total net assets | <u>1,422,530</u> | <u>(1,158,226)</u> | <u>264,304</u> |

Gloucestershire Catholic Educational Trust

England & Wales - Charity number 293360

Accounts

Registered number: 01961978
Charity number: 293360

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(formerly St. Edwards School Cheltenham Trust)
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

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LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE PERIOD ENDED 31 AUGUST 2021

TRUSTEES

The Trustees who served the charity during the period were as follows:

Dr S Honeywill (Chair of Trustees)
Mr A Newland (Deputy Chair) (resigned 11 February 2022)
Mrs C Findlay (resigned 11 February 2022)
Mr P Potts
Mrs J Jones
Ms J Penny (resigned 11 February 2022)
Dr A Cooper (resigned 10 February 2022)

CLERK TO THE TRUSTEES

Z Drew

OFFICERS

Mr M Burke (Principal of Senior School)
Mr P Fathers (Head of Prep School)
Mr M L Coles (Bursar)

COMPANY NUMBER

01961978

CHARITY NUMBER

293360

REGISTERED AND PRINCIPLE OFFICE

Cirencester Road
Charlton Kings
Cheltenham
GL53 8EY

INDEPENDENT AUDITOR

Crowe U.K. LLP
4th Floor
St James House
St James Square
Cheltenham
GL50 3PR

BANKER

HSBC PLC
109 Bath Road
Cheltenham
GL54 7RA

SOLICITOR

Harrison Clark Rickerbys
Ellenborough House
Wellington Street
Cheltenham
GL50 1YD

TRUSTEES ANNUAL REPORT
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DIRECTORS' REPORT

CONSTITUTION AND OBJECTS

St Edward's School Cheltenham Trust was founded in 1987. The School changed its name to Gloucestershire Catholic Educational Trust Ltd in February 2022. It is a company limited by guarantee (number 01961978); a charity registered with the Charity Commission (number 293360) and is regulated by its Memorandum and Articles of Association dated 5 December 2012 and 3 December 2014, with amendments on 1st April 2016, 10th November 2016.

The Trustees of St Edward's School Cheltenham Trust ("The Trust") present their annual report and audited accounts for the year ended 31 August 2021 and confirm they comply with the requirements of the Charities Act 2011, the trust deed and the Charities SORP (FRS 102).

The Trust's Objects and principal activities, as set out in the Memorandum of Association (as amended by Special Resolution on 21 February 2022), are to promote and provide for such charitable works whosoever and whatsoever as to advance the Roman Catholic religion, and, in particular but without prejudice to the generality of the foregoing to acquire, provide, conduct and develop an independent Roman Catholic School or Schools for the advancement of the education of children of any creed (with preference to children of the Roman Catholic faith) PROVIDED THAT in the memorandum the expression "Roman Catholic" shall indicate communion with the "See of Rome".

In furtherance to these Objects for the public benefit the Trust, which operated two schools until 16 February 2022 (one Senior and one Preparatory) known collectively as St Edward's Cheltenham, has established and administers bursaries, grants, awards and other benefactions, and acts as the Trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects.

AIMS AND OBJECTIVES

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's public benefit guidance.

Aims

The Trust's aims for the public benefit to 16 February 2022 were:

- to provide a first class independent education within a Christian ethos. St Edward's is a Roman Catholic foundation and warmly welcomes students of other denominations and creeds or none, who are willing to support the Christian ethos of the Schools;
- to offer pupils a range of opportunities so that they can achieve to the best of their ability within a framework of shared values and standards;
- to value and nurture pupils as individuals, giving them a sense of their own self-worth and of the value of service to others, thus preparing them for life beyond school; and
- to establish the Schools as a community in which there are strong and active partnerships between parents and the Schools and between the local community and the Schools.

The Board is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011.

Primary Objectives

The primary objectives of the Trust to fulfil these aims were:

1. to maintain the aspiration of high standards in academic performance and extra-curricular activities whilst preserving a healthy balance between the two;

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2. to widen access to the education provided by the Trust through the provision of financial support for children whose parents are unable to afford the full fees and also through a range of projects and activities in the local community;
3. to provide appropriate teaching resources throughout the Schools;
4. to provide an effective management structure and the administrative and logistic framework necessary to meet the needs of staff and pupils alike;
5. to provide an environment which promotes and develops independent learning and supports pupils in the achievement of their individual potential.

The primary objectives were reviewed regularly and their success is measured through regular reporting to Trustees by the Senior Management Team.

The primary aim of the Trust going forward is to promote and provide for such charitable works to advance the Roman Catholic religion and in particular to advance Roman Catholic independent education for the public benefit in or near Cheltenham. This is predominately to be in the form of financial assistance with school fees, such as means tested bursaries and scholarships or other school related materials.

GOVERNANCE AND MANAGEMENT

There was one Board of Trustees for the two Schools through to 16 February 2022. Details of the members of the Board of Trustees, together with officers and principal advisers, are given on page one.

There were seven members of the Board of Trustees at the year-end. The numbers in brackets refer to the sub-committees which each Trustee is a member of as explained below.

Dr S Honeywill (1,2,3,4)

Mr A Newland (1,3, Chair of Health and Safety & Finance and General Purposes committees)

Mr P Potts (2, Chair of Land and Premises committee)

Mrs C Findlay (1)

Mrs J Jones (3, Chair of Education and Ethos committee)

Mrs J Penny (1)

Dr R Cooper

Fr P O'Keeffe O Carm. Ex-Officio

The following Trustees' sub-committees met during the year:

1. Finance and General Purposes committee
2. Land and Premises committee
3. Health and Safety committee
4. Education and Ethos committee

The Trustees were legally responsible for the overall management and control of both Schools up to 16 February 2022. They met at least four times a year. The work of implementing the policies was delegated to the following committees, which have since been dissolved;

- The Finance and General Purposes Committee (F&GPC) scrutinises the management accounts and forecasts throughout the year and makes recommendations to the Board about any capital expenditure. They recommend the audited financial statements and annual report for approval by the Trustees. They also oversaw other matters such as the review of school fees, insurance, pay, marketing and staffing. The Finance Committee is chaired by Mr Andrew Newland.
- The Health and Safety Committee oversees all matters relating to Health and Safety and Safeguarding. These include safeguarding policies, staff code of conduct, pupil behaviour, e-safety, information technology, data protection, cybersecurity and review of and implementation of recommendations from Health and Safety and Fire Safety audits. It is chaired by Mr Andrew Newland.

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- The Education and Ethos Committee oversees all matters relating to the pastoral and academic issues across both schools, including provision for individual learning needs, able, gifted and talented students, those with English as an additional language and overseas students. The Committee also ensures that the Catholic Foundation of the Trust is reflected in the curriculum. The Education and Ethos Committee is chaired by Mrs Jane Jones.
- The Land and Premises committee provided oversight of the programme of maintenance work for the schools premises, accessibility arrangements for pupils and visitors and makes recommendations for capital expenditure on larger projects. The committee is chaired by Mr Paul Potts.

The day to day running of the Schools was delegated to the Heads and Bursar, supported by their Senior Management Teams and a Joint Management Committee. The Heads and Bursar attend board and committee meetings of the Trustees. The day to day running of the Trust from 16 February 2022 will be carried out by the Trustees.

Recruitment and Training of Trustees

New Trustees are elected on the basis of nominations from the Trustees based on the candidates' professional qualities, experience, personal competence and local availability.

The Trustees attended 4 training courses through the course of the year to ensure that they stay up to date on current Governance and compliance issues. A budget is set aside every year to support the continued professional development of the Trustees.

Employment policy

The Trust endeavoured to recruit the most suitable staff for any post to ensure the highest standards were maintained throughout the Schools, within both teaching and support staff. Whilst reflecting its role as a Catholic school it also pursues policies as an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs.

Key Management Personnel

The Trustees consider that the Joint Management Committee (JMC) of The Trust comprised the Key Management Personnel up to 16 February 2022 when the Schools joined the Alpha Schools Group. The JMC comprises of the Head Teacher of the Senior School, the Head Teacher of the Preparatory School, the Deputy Head Teachers of the Senior School, the Deputy Head and Assistant Head of the Preparatory School, the Bursar and the Director of Marketing & Admissions.

Trustees give their time freely and do not receive any remuneration. The pay and remuneration of the JMC was determined by the Finance and General Purposes Committee and is reviewed annually. A number of criteria are used in determining pay:

- The financial performance of the Trust against sector benchmarks
- The nature of the role and responsibilities
- The individual's performance
- Competitor salaries
- The sector average for comparable positions
- Inflation and the cost of living

TRUSTEES ANNUAL REPORT
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STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. 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.

Insofar as each of the Trustees at the date of approval of this report is aware, there is no relevant audit information of which the Trust's auditor is unaware. Each of the Trustees have each taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

STRATEGIC REPORT

VISION STATEMENT

Believe.....Strive.....Achieve

St Edward's was a Catholic School, welcoming all. We were a place of learning and a community based on Christian values. We worked in partnership with parents to develop the talents and interests of all the young people entrusted to us. We aimed to develop each individual pupil's potential, academically, personally and spiritually. We served the wider community by making this education available to all, including those who could not afford our fees, as far as we were able within our resources.

Our Vision.....*what we Believe in*.....

Our vision is to help each pupil to realise they are truly unique and possess God-given gifts and talents which gives them unlimited potential. We wish to create an educational foundation whereby throughout their lives pupils will always be ambitious for self-improvement and so develop beyond their perceived potential. The Trust will do this going forwards by providing bursary assistance to parents who would not otherwise be able to afford independent school fees.

Our Vision.....*what we Strive for*.....

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The Trust's vision was to:

- Provide excellent teaching, learning and pastoral care
- Provide a wealth of opportunities both curricular and extra-curricular
- Build a caring community based on Christian values
- Encourage pupils to be the best they can be so that we help them to develop their untapped potential

Going forward the Trust's vision is to broaden opportunities to families who would otherwise not be able to afford independent Catholic education in the Cheltenham area.

ACHIEVEMENTS AND PERFORMANCE

St Edward's has embarked upon a relationship with High Performance Learning which is helping to embed our aims and objectives both inside and outside the classroom. Centred around 30 core values and attributes it allowed our students to appreciate and understand success both inside and outside the classroom, encompassing all aspects of school life and encouraging them to set high expectations of themselves. On the sporting and creative front we participated in events organised by CISC (Catholic Independent Schools Council) and ISA (Independent Schools Association) achieving success at regional and national level. Our CCF (Combined Cadet Force) continued to flourish with two Cadets being made Lord Lieutenants Cadets for this calendar year. Although examinations have not taken place our students in Year 11 and Upper Sixth have secured excellent results in public qualifications enabling them to successfully move onto the next stage of their studies. Within the Prep school significant numbers continue to transfer to the senior school as well as those who pass 11+ and go on to attend local grammar schools.

The school continued to build on its relationship with the Clifton Diocese with students and children supporting initiatives within the Diocese as well as staff attending and contributing to events. The Head of the Senior School is also now on the National Committee for CISC.

A programme of refurbishment has commenced and although this has been disrupted due to various COVID restrictions it has meant areas in both senior and prep have been redecorated, the Sixth Form centre has been refurbished and the farm in the prep school has also been enhanced.

FUNDRAISING

Due to Covid restrictions, our ability to run charitable fundraising events was again impacted. However, over the course of the year, the Trust still ran around 7 different fundraising events across the two schools which raised a total of £5k for local and national charities. The Trust values the fundraising and awareness work it does for other charities and plans to continue its strong programme of support going forward.

The Trust did not use any professional fundraising partners in the year as all fundraising activities were small scale focusing on raising funds for other charities from the schools' communities. Neither the Trust nor anyone acting on behalf of the Trust has voluntarily subscribed to fundraising standards. No complaints were received in the year about any of the Trust's fundraising activities. The Trust ensures that vulnerable people and other members of the public are protected from behaviour which is unreasonably intrusive, persistent and pressured. The Trust does not consider this type of behaviour a high-risk area but will continue to monitor fundraising activities.

PUBLIC BENEFIT

St Edward's School remains committed to the aim of providing public benefit in accordance with its founding principles. The Trustees continue to consider the Charity Commission's general guidance on public benefit and confirm that they have complied with their duty in Section 17 of the Charities Act 2011.

The Trust fulfils its obligations under this Act through the availability of bursaries and scholarships.

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Bursaries and Scholarships

The value of means tested bursaries totalled £429k (*£423k in 2020*) and the value of scholarships totalled £364k (*£524k in 2020*) representing a combined 10.3% of gross fees (*11.5% in 2020*). A further £401k (*£458k in 2020*) from gross fees was awarded through staff, sibling and fees in advance discounts. A total of 46 children (*55 in 2020*) benefited from the Trust's means tested bursary scheme with 7 of these children in receipt of 100% bursaries as part of the Trust's School Assisted Place Scheme (SAPS) between Year 7 and Year 13. The Trust has expanded its means tested bursary scheme in recent years and remains committed to providing suitable access to the Schools to a wide range of socio-economic groups.

Fee affordability

The fee structure is an area that Trustees continue to review to ensure that it remains an attractive and affordable option for local families whilst continuing to support the bursary schemes and capital development programmes. Regulatory pressures and the increasing cost of utilities, salaries, pension schemes and the upkeep of two listed buildings have caused a rise in fees above inflation in recent years. The Trustees were extremely mindful of fee affordability and planned to keep fee rises to a minimum whilst still investing in the infrastructure of the Schools. The ongoing affordability of fees has also been carefully considered by the Alpha Schools Group who have resolved not to increase fees further into the 2022/23 academic year to assist families with the cost of living.

Facilities and community links

The Trust made its facilities available to local community groups including sport (cricket, swimming, rugby, football, tennis and hockey), drama and music groups. The Trust values its links with the local community and plans to continue to build on these strong relationships. Below is an outline of some of the links the Trust had with local community groups and state-funded schools whilst the Trust operated with two schools:

- Membership and contribution to the Cheltenham Education Partnership. The driving ambition of the Partnership is to expand the horizons of young people in Cheltenham and to help them realise their full potential. Partners include secondary schools (from both the maintained and Independent sectors) and local organisations and charities.
- Subsidised use of the Trust's swimming pool to local state primary schools.
- The district cross country championships, rounders, football, athletics and quadkids tournaments are held at the Preparatory School with the involvement of state schools for no charge.
- Local sports groups including East Glos Hockey and GoCrea8 Hockey use the Senior School's astroturf pitches.
- Pupils from many local state primary schools take part in the many free experience days that the Senior School holds which offers them the opportunity to expand their knowledge and experiences of particular subject areas. Successful music, sports, STEM and drama days were held through the year.
- Use of the Trust's cricket pitches and equipment by Charlton King's Cricket Club for no charge.
- Both school sites are made available through the holiday periods for holiday camps which benefit many local working families.
- The use of the Preparatory School site for a large fundraising event for a local charity, at no charge.
- The Trust's CCF resources are shared with Pate's School, a local state funded school.
- The Highbury Club, a local community group for partially sighted and disabled, use the Schools' facilities once a term free of charge and are entertained by the Schools' pupils.

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Going forward the Trust will continue to keep close links with the local community through the availability of fee assistance to local families.

FINANCIAL REVIEW

Results for the year

The Trustees regularly review the finances, debtors and creditors, budgets and spend against budget together with a half termly financial analysis as part of the effective management of the Trust.

School fee income for the year was £7,781k (2020: £8,252k). The decrease of £471k was due to a downturn in pupil numbers and a discount totalling £48k that was set against the Spring Term fees due to the Schools being closed to all pupils save for the children of key workers from the start of the Spring Term through to 8th March 2021. In addition to this remission, all other remission across the school year totalled £1,193k (£1,405k in 2020), including an increase in means tested bursary awards linked to the financial effects of the pandemic. This led to a net fee income position of £6,540k (£6,848k in 2020).

Other income for the year totalled £381k (£920k in 2020). Income from trips, sale of food, hire of facilities, school care etc. were all heavily impacted by the pandemic.

Staff costs increased by 0.5% to £5,182k (£5,158k in 2020). Pay was controlled through a freeze in pay for all staff. However, increased costs were seen in overtime and cover due to increased staffing for bubbles and covering colleagues whilst absent with Covid.

The yearend results therefore show a deficit after depreciation of £947k (£273k in 2020). The significant deterioration in the financial position is due to the fall in pupil numbers, end of Government financial support, downturn in other income and cost base associated with running two schools on two separate sites.

The balance sheet shows a decrease in debtors from £542k to £311k and this is due largely to a decrease in prepayments and accrued income. In addition, fee debtors reduced by £127k. With the decrease in pupil roll, the Trustees consider this to be a sign that parents who were on the fringe of fee affordability have left the school.

Creditors increased due to fees paid in advance and an increase in borrowing to support the Trust's operating expenditure. Fixed asset purchases of £390k were made through the year (£111k in 2020) to reflect the unpausing of expenditure through lockdown and resumption of capital projects. These changes to operating and investment activities resulted in a decrease in cash by £303k.

Cash levels continued to be monitored closely. Forecasts showed this to be a concern in the short to medium term without an upturn in income or reduction in expenditure, hence the decision by Trustees to sell to the Alpha Schools Group. Moving forward, cash levels will not be of a concern due to the sale.

Reserves level and policy

The Trustees have considered the reserves held by the Trust at 31 August 2021. The Trust's unrestricted funds stood at £3,096k (£4,043k in 2020) and free reserves (i.e. the value of unrestricted reserves after deducting fixed assets) represented a deficit of £970k (surplus of £121k in 2020).

The Trust's policy has been to aim to retain 3-5% of annual operating surpluses to increase free reserves. However, this has been challenging in recent years due to external financial pressures and the challenge of running two large estates.

The Trustees will review the reserves position annually.

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GOING CONCERN

As part of the Trustee's responsibilities of the appropriateness of adopting the going concern basis in preparing the financial statements, a range of scenarios have been considered. The assumptions modelled are based on the estimated potential impact of the ongoing COVID-19 restrictions and regulations, along with our proposed responses.

The School depends on its existing bank facilities to meet its day to day working capital requirements. The Trustees have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

As per the post balance sheet event note, St Edward's School joined the Alpha Schools Group on 16th February 2022. Alpha Schools have taken over the ownership and management of the schools from this date and will provide a substantial investment in the schools' facilities over the next three years.

The Trust will continue to operate under a different name as Gloucestershire Catholic Educational Trust (GCET). GCET will continue to support Catholic education by providing bursary assistance to children who would not otherwise be able to afford independent school fees.

The Trust now has a significantly reduced overhead rate with minimum overhead expenditure forecast going forwards. The Trust will work within its working capital requirements to grant bursaries in future periods.

The Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

RISK MANAGEMENT

The Trustees have given consideration to the major risks to which the Trust is exposed. The Trustee Body has ultimate responsibility for managing any risks faced by the Trust. Detailed consideration of risk is delegated to committees, which report formally to the Trustee Body each autumn. The structure of the committees comprises at least two members of the Trustee Body, assisted by Senior Management.

The risk management process and the resulting Report identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks. The generic controls used by the Trust to minimise risk include:

- detailed terms of reference together with formal agendas for Committee and Board activity;
- comprehensive budgeting and management accounting;
- established organisational structures and lines of reporting;
- formal written policies including clear authorisation and approval levels;
- vetting procedures as required by law for the protection of the vulnerable.

Principal risks and uncertainties

The Trustees considered risks in the following categories:

- Governance
- Operational
- Financial
- Employee

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- Public relations/reputation
- Health and Safety
- Academic standards
- Land and Premises

Of these categories, the Trustees consider the principal risk in the next 12 months to be:

1. The economy and inflation and therefore the ability of parents to continue to afford independent school fees
2. The volatility of the economy and markets and the impact this will have on investments

Measures which the Trust is taking to mitigate against these risks are:

1. The development of a fee assistance programme to ensure that adequate financial support is available for families who could not otherwise afford school fees
2. Ensuring a broad investment portfolio and strategy is in place

AUDITOR

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Crowe U.K. LLP as auditor to the Trust will be put to the Annual General Meeting.

Statement regarding the future of St Edward's School Cheltenham Trust

Running costs have increased markedly in recent years for all schools in the independent sector, due to additional costs of Covid such as additional staffing costs, increase in employer contributions to teacher pensions and national insurance. Costs are also expected to rise further in the wake of Brexit and the Covid pandemic including the costs of fuel, utilities, food and building materials.

While also striving to remain affordable for our parents in the wake of a cost of living crises, the school has found it increasingly difficult to generate adequate surpluses and, under advisement from the Bursar, the Trustees concluded that the best way to secure the financial stability and growth for the school in the medium to long term would be to join an independent schools group.

Accordingly, after many months of consultation with professional advisers and discussions with a wide range of potential investors and school groups, St Edward's School joined the Alpha Schools Group on 16th February 2022. Alpha Schools have taken over the ownership and management of the schools from this date and will provide a substantial investment in the schools' facilities over the next three years.

The Trust will continue to operate under a different name as Gloucestershire Catholic Educational Trust (GCET). GCET will continue to support Catholic education by providing bursary assistance to children who would not otherwise be able to afford independent school fees.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Trustees of Gloucestershire Catholic Educational Trust Ltd on **7 May** 2022 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Dr Susan Honeywill
Chair of the Trustees

Date: 7 May 2022

Independent Auditor's Report to the Trustees of Gloucestershire Catholic Educational Trust

Opinion

We have audited the financial statements of Gloucestershire Catholic Educational Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

Independent Auditor's Report to the Trustees of Gloucestershire Catholic Educational Trust

misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- the parent company has not kept adequate accounting records; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement on page 8 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Independent Auditor's Report to the Trustees of Gloucestershire Catholic Educational Trust

expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with the completeness and accuracy of non-fee income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, the bursar and the Finance & General Purpose Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, designing audit procedures over non-fee income, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

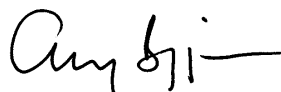
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is available 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Independent Auditor's Report to the Trustees of Gloucestershire Catholic Educational
Trust



Guy Biggin (Senior Statutory Auditor)

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

4th Floor, St James House

St James Square

Cheltenham

GL50 3PR

Date: 24 May 2022

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

| | Unrestricted funds 2021 | Restricted funds 2021 | Total funds 2021 | <i>Total funds 2020</i> | |
|------------------------------------|-------------------------------|-----------------------------|------------------------|---------------------------------|--------------|
| Note | £000 | £000 | £000 | £000 | |
| Income from: | | | | | |
| Grants and donations | 4 | 70 | - | 70 | 564 |
| Charitable activities: | | | | | |
| School fees receivable | 5 | 6,540 | - | 6,540 | 6,848 |
| Ancillary trading income | 6 | 237 | - | 237 | 278 |
| Other trading activities | 7 | 62 | - | 62 | 59 |
| Investments | 8 | - | - | - | 3 |
| Other income | 9 | 12 | - | 12 | 18 |
| Total income | | 6,921 | - | 6,921 | 7,770 |
| Expenditure on: | | | | | |
| Charitable activities | 10 | 7,868 | - | 7,868 | 7,497 |
| Total expenditure | | 7,868 | - | 7,868 | 7,497 |
| Net movement in funds | | (947) | - | (947) | 273 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | 20 | 4,043 | 3 | 4,046 | 3,773 |
| Net movement in funds | | (947) | - | (947) | 273 |
| Total funds carried forward | 20 | 3,096 | 3 | 3,099 | 4,046 |

The notes on pages 18 to 38 form part of these financial statements.

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01961978

BALANCE SHEET
AS AT 31 AUGUST 2021

| | Note | 2021 £000 | 2020 £000 |
|---|------|--------------|--------------|
| Fixed assets | | | |
| Tangible assets | 15 | 4,066 | 3,925 |
| | | 4,066 | 3,925 |
| Current assets | | | |
| Debtors | 16 | 311 | 542 |
| Cash at bank and in hand | 22 | 999 | 1,302 |
| | | 1,310 | 1,844 |
| Creditors: amounts falling due within one year | 17 | (1,648) | (1,521) |
| Net current assets / liabilities | | (338) | 323 |
| Total assets less current liabilities | | 3,728 | 4,248 |
| Creditors: amounts falling due after more than one year | 18 | (629) | (202) |
| Total net assets | | 3,099 | 4,046 |
| Charity funds | | | |
| Restricted funds | 20 | 3 | 3 |
| Unrestricted funds | 20 | 3,096 | 4,043 |
| Total funds | | 3,099 | 4,046 |

The financial statements were approved and authorised for issue by the Trustees on 7 May 2022 and signed on their behalf by:



Dr S Honeywill
Chair of the Trustees

The notes on pages 18 to 38 form part of these financial statements.

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

| | Note | 2021 £000 | 2020 £000 |
|--|------|--------------|--------------|
| Cash flows from operating activities | | | |
| Net cash (used in) operating activities | 22 | (212) | (389) |
| Cash flows used in investing activities | | | |
| Interest received | | - | 3 |
| Purchase of tangible fixed assets | | (390) | (111) |
| Sale of tangible fixed assets | | 4 | - |
| Net cash used in investing activities | | (386) | (108) |
| Cash flows used in financing activities | | | |
| Cash inflows from new borrowing | | 250 | 50 |
| Repayments of borrowing | | (16) | (25) |
| Movement of finance leases | | 87 | (31) |
| Interest paid | | (26) | - |
| Net cash provided by / (used in) financing activities | | 295 | (6) |
| Change in cash and cash equivalents in the year | | (303) | (503) |
| Cash and cash equivalents at the beginning of the year | | 1,302 | 1,805 |
| Cash and cash equivalents at the end of the year | 23 | 999 | 1,302 |

The notes on pages 18 to 38 form part of these financial statements

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

1. General information

Gloucestershire Catholic Educational Trust Ltd is a registered charity with the Charities Commission England and Wales (charity number: 293360) and is incorporated as a private company limited by guarantee (company number: 01961978). The address of its registered office is Cirencester Road, Charlton Kings, Cheltenham, GL53 8EY.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Gloucestershire Catholic Educational Trust Ltd meets the definition of a public benefit entity under FRS 102.

2.2 Going concern

As part of the Trustee's responsibilities of the appropriateness of adopting the going concern basis in preparing the financial statements, a range of scenarios have been considered. The assumptions modelled are based on the estimated potential impact of the ongoing COVID-19 restrictions and regulations, along with our proposed responses.

The School depends on its existing bank facilities to meet its day to day working capital requirements. The Trustees have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

As per the post balance sheet event note, St Edward's School joined the Alpha Schools Group on 16th February 2022. Alpha Schools have taken over the ownership and management of the schools from this date and will provide a substantial investment in the schools' facilities over the next three years.

The Trust will continue to operate under a different name as Gloucestershire Catholic Educational Trust (GCET). GCET will continue to support Catholic education by providing bursary assistance to children who would not otherwise be able to afford independent school fees.

The Trust now has a significantly reduced overhead rate with minimum overhead expenditure forecast going forwards. The Trust will work within its working capital requirements to grant bursaries in future periods.

The Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

2.3 Income

Fees receivable are accounted for in the period in which the services are provided and are stated after deducting allowances, scholarships and other remissions granted by the School.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

All other income is included in the Statement of Financial Activities when the School has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government grants, whether 'capital' grants or 'revenue' grants, is recognised when the School has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Where entitlements occurs before income is received, the income is accrued. Where income is received in advance of the School having entitlement to the funds the income is deferred.

2.4 Expenditure

Expenditure is allocated to expense headings on a direct cost basis, with staff costs being allocated according to the estimated time spent by staff working in relevant departments. Charitable activities include all costs relating to the running of the School.

The irrecoverable VAT element is included with the item of expense to which it relates.

2.5 Taxation

The School is a registered charity, and as such is entitled to certain tax exemptions on surpluses on any trading activities carried on in furtherance of the charity's primary objectives.

2.6 Tangible fixed assets and depreciation

In common with other educational establishments the School has historically written off all expenditure on tangible assets during the year of purchase (prior to 1997).

The original School buildings are predominantly listed properties and are carried at the amount of the original merger cost, as the Trustees consider it is not appropriate to apply a current valuation to such properties. The School is responsible for keeping these properties in a fit and useful condition and these costs are written off as incurred, and hence no depreciation is charged on these properties.

Depreciation is provided on all tangible fixed assets in use, other than listed properties and freehold land, at rates and bases calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|----------------------------------|--|
| Freehold buildings | - 0% - 2% straight line or the expected remaining life of the building |
| Plant and equipment | - 10% - 33% straight line |
| Motor vehicles | - 20% straight line |
| Furniture, fixtures and fittings | - 10% - 20% straight line |

Land is not depreciated.

Assets under construction are not depreciated.

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the statement of financial activities. Individual items costing less than £5,000 are written off as an expense as acquired.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.7 Debtors

Short term debtors are initially measured at transaction price, less any impairment.

2.8 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions.

2.9 Creditors

Short term creditors are initially measured at the transaction price.

2.10 Liabilities

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

2.11 Financial instruments

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

2.12 Finance and operating leases

Where the School has entered into finance leases or hire purchase contracts, the obligations to the lessor are shown within creditors and the rights in the corresponding assets are treated in the same way as owned fixed rights. Leases are regarded as finance leases where their terms transfer to the lessee substantially all the benefits and burdens of ownership other than the right to legal title.

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred.

2.13 Redundancy costs

Redundancy and termination costs are accounted for on an accruals basis when commitment to terminate a post on the grounds of redundancy has been made.

2.14 Pensions

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary as advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme, which are attributable to the School. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme. The School also contributes to personal pension schemes for non-teaching staff and these contributions are accrued accordingly. Pension costs are allocated to the unrestricted fund due to this being the fund in which staff costs are paid from.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.15 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Funds donated for purposes restricted by the wishes of the donor are taken to restricted funds, where these wishes are legally binding on the Trustees.

2.16 Deposits

The Trustees have reviewed the contract terms under which pupil fee deposits are held by the School. Although under normal circumstances these will be repaid in future years when the pupils complete their education at the school, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of deposits held have been included within current liabilities.

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

Useful economic lives of tangible assets

The annual depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 15 for the carrying amount of the tangible assets and note 2.6 for the useful lives for each class of asset.

Impairment of debtors

The School makes an estimate of the recoverable value of fee and other debtors. When assessing impairment of fee and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of the debtors and associated impairment provision.

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Income from donations and grants

| | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Total funds 2021 £000 | Total funds 2020 £000 |
|---|---------------------------------------|-------------------------------------|--------------------------------|--------------------------------|
| Donations | 3 | - | 3 | 12 |
| Government Grants: Job Retention Scheme | 67 | - | 67 | 552 |
| | 70 | - | 70 | 564 |
| <i>Total 2020</i> | 562 | 2 | 564 | |

The Government grant income received totalling £67k (2020: £552k) relates to the Government's Job Retention Scheme as part of their response to COVID-19. There are no unfulfilled conditions and the School has not received any other forms of Government assistance.

5. Charitable activities: Fees receivable

Income represents gross school fees invoiced less discounts and allowances as shown below:

| | 2021 £000 | 2020 £000 |
|--|--------------|--------------|
| School fees | 7,781 | 8,253 |
| Less: total scholarships, bursaries, grants and allowances | (1,241) | (1,405) |
| | 6,540 | 6,848 |

All income was to unrestricted funds during this and the prior year.

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

6. Charitable activities: Other income

| | 2021 | <i>2020</i> |
|----------------------|-------------------|-------------|
| | £000 | <i>£000</i> |
| Sale of meals | - | 23 |
| School trips | 44 | 68 |
| Application fees | 14 | 8 |
| Special needs fees | 132 | 100 |
| Examination fees | 21 | 41 |
| Bus income | 16 | 14 |
| Afterschool clubs | 10 | 23 |
| Other fees as extras | - | 1 |
| | <u>237</u> | <u>278</u> |

All income was to unrestricted funds during this and the prior year.

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. Other trading activities

Income from fundraising events

| | Unrestricted funds 2021 £000 | Total funds 2021 £000 | <i>Total funds 2020 £000</i> |
|------------------------------|---|--|--|
| Hire of building and grounds | <u>62</u> | <u>62</u> | <u>59</u> |
| <i>Total 2020</i> | <u>59</u> | <u>59</u> | |

8. Investment income

| | Unrestricted funds 2021 £000 | Total funds 2021 £000 | <i>Total funds 2020 £000</i> |
|-------------------|---|--|--|
| Bank interest | <u>-</u> | <u>-</u> | <u>3</u> |
| <i>Total 2020</i> | <u>3</u> | <u>3</u> | |

9. Other incoming resources

| | Unrestricted funds 2021 £000 | Total funds 2021 £000 | <i>Total funds 2020 £000</i> |
|-------------------|---|--|--|
| Other income | <u>12</u> | <u>12</u> | <u>18</u> |
| <i>Total 2020</i> | <u>18</u> | <u>18</u> | |

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Total funds 2021 £000 | Total funds 2020 £000 |
|----------------------------|---------------------------------------|-------------------------------------|--------------------------------|--------------------------------|
| Education and grant making | 4,610 | - | 4,610 | 4,695 |
| Welfare | 505 | - | 505 | 439 |
| Premises | 1,574 | - | 1,574 | 1,360 |
| Support costs | 1,179 | - | 1,179 | 1,003 |
| | <u>7,868</u> | <u>-</u> | <u>7,868</u> | <u>7,497</u> |
| <i>Total 2020</i> | <u>7,497</u> | <u>-</u> | <u>7,497</u> | |

11. Analysis of expenditure by activities

Analysis of direct costs

| | Education and grant making 2021 £000 | Welfare 2021 £000 | Premises 2021 £000 | Support costs 2021 £000 | Total funds 2021 £000 | Total funds 2020 £000 |
|-------------------|---|-------------------------|--------------------------|----------------------------------|--------------------------------|--------------------------------|
| Staff costs | 4,195 | 38 | 337 | 612 | 5,182 | 5,158 |
| Depreciation | - | - | 249 | - | 249 | 226 |
| Other | 415 | 467 | 988 | 567 | 2,437 | 2,113 |
| | <u>4,610</u> | <u>505</u> | <u>1,574</u> | <u>1,179</u> | <u>7,868</u> | <u>7,497</u> |
| <i>Total 2020</i> | <u>4,695</u> | <u>439</u> | <u>1,360</u> | <u>1,003</u> | <u>7,497</u> | |

Bank interest paid on the loan balances in the year amounted to £15,258 (2020: £1,024).

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

12. Governance costs (included within support costs)

| | 2021 | <i>2020</i> |
|--|-------------|-------------|
| | £000 | <i>£000</i> |
| Fees payable to the School's auditor for the audit of the School's annual accounts | 11 | 10 |
| Fees payable to the School's auditor in respect of: | | |
| All non-audit services not included above | <u>2</u> | <u>2</u> |

13. Staff costs

| | 2021 | <i>2020</i> |
|--|--------------|--------------|
| | £000 | <i>£000</i> |
| Wages and salaries | 4,155 | 4,136 |
| Social security costs | 386 | 390 |
| Contribution to defined contribution pension schemes | 641 | 632 |
| | <u>5,182</u> | <u>5,158</u> |

During the period there were redundancy or termination payments made which amounted to £16k (2020: £1k). No amounts were left outstanding at the year end (2020: £ nil).

The average number of persons employed by the School during the year was as follows:

| | 2021 | <i>2020</i> |
|----------------|-------------|-------------|
| | No. | <i>No.</i> |
| Scholastic | 84 | 86 |
| Administration | 85 | 80 |
| | <u>169</u> | <u>166</u> |

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

13. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | 2021 | 2020 |
|---------------------------------|-------------|------|
| | No. | No. |
| In the band £60,001 - £70,000 | 1 | 2 |
| In the band £70,001 - £80,000 | 1 | - |
| In the band £80,001 - £90,000 | 1 | 1 |
| In the band £110,001 - £120,000 | 1 | 1 |

Aggregate remuneration and benefits of the key management personnel totalled £650k (2020: £714k). This relates to the Headmistress, Headmaster, 4 Deputy Heads and the Bursar.

Retirement benefits were accruing on behalf of 4 (2020: 4) higher paid employees. Payments made in the year for these members of staff into the relevant pension scheme totalled £53k (2020: £52k).

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - *£NIL*).

During the year ended 31 August 2021, expenses totalling £21 were reimbursed or paid directly to 1 Trustee (2020 - £91). Expenses related to travel.

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

15. Tangible fixed assets

| | Freehold property £000 | Plant and machinery £000 | Motor vehicles £000 | Fixtures and fittings £000 | Assets under construction £000 | Total £000 |
|--------------------------|------------------------------|--------------------------------|---------------------------|----------------------------------|--------------------------------------|---------------|
| Cost or valuation | | | | | | |
| At 1 September 2020 | 7,471 | 918 | 256 | 80 | 101 | 8,826 |
| Additions | 29 | 166 | 55 | - | 140 | 390 |
| Disposals | - | (325) | (16) | - | - | (341) |
| Transfers | 84 | - | - | - | (84) | - |
| At 31 August 2021 | <u>7,584</u> | <u>759</u> | <u>295</u> | <u>80</u> | <u>157</u> | <u>8,875</u> |
| Depreciation | | | | | | |
| At 1 September 2020 | 3,805 | 806 | 224 | 66 | - | 4,901 |
| Charge for the year | 163 | 54 | 29 | 3 | - | 249 |
| On disposals | - | (325) | (16) | - | - | (341) |
| At 31 August 2021 | <u>3,968</u> | <u>535</u> | <u>237</u> | <u>69</u> | <u>-</u> | <u>4,809</u> |
| Net book value | | | | | | |
| At 31 August 2021 | <u>3,616</u> | <u>224</u> | <u>58</u> | <u>11</u> | <u>157</u> | <u>4,066</u> |
| At 31 August 2020 | <u>3,666</u> | <u>112</u> | <u>32</u> | <u>14</u> | <u>101</u> | <u>3,925</u> |

Included within tangible fixed assets are assets with a net book value of £18k (2020: £18k) which meet the definition of intangible fixed assets.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

| | 2021 £000 | 2020 £000 |
|---------------------|--------------|--------------|
| Plant and equipment | <u>105</u> | <u>23</u> |

Depreciation of tangible fixed assets included depreciation relating to assets held under finance leases or hire purchase contracts totalling £36k (2020: £26k)

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

16. Debtors

| | 2021 | <i>2020</i> |
|--------------------------------|-------------|-------------|
| | £000 | <i>£000</i> |
| Due within one year | | |
| Fees and extras | 155 | <i>282</i> |
| Other debtors | 34 | <i>27</i> |
| Prepayments and accrued income | 122 | <i>233</i> |
| | 311 | <i>542</i> |

Fee debtors are stated after impairment provisions totalling £123k (*2020: £162k*).

17. Creditors: Amounts falling due within one year

| | 2021 | <i>2020</i> |
|---|--------------|--------------|
| | £000 | <i>£000</i> |
| Bank loans | 91 | <i>70</i> |
| Deposits from parents | 338 | <i>278</i> |
| Trade creditors | 246 | <i>74</i> |
| Fees received in advance | 828 | <i>685</i> |
| Other taxation and social security | - | <i>82</i> |
| Obligations under finance lease and hire purchase contracts | 30 | <i>8</i> |
| Other creditors | 58 | <i>304</i> |
| Accruals and deferred income | 57 | <i>20</i> |
| | 1,648 | <i>1,521</i> |

Fees received in advance represent payment for school fees relating to terms within the 2021/22 financial year.

| | 2021 | <i>2020</i> |
|--|--------------|----------------|
| | £000 | <i>£000</i> |
| Deferred income at 1 September 2020 | 685 | <i>1,303</i> |
| Resources deferred during the year | 975 | <i>685</i> |
| Amounts released from previous periods | (685) | <i>(1,303)</i> |
| | 975 | <i>685</i> |

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

18. Creditors: Amounts falling due after more than one year

| | 2021 £000 | 2020 £000 |
|---|--------------|--------------|
| Bank loans | 415 | 201 |
| Net obligations under finance lease and hire purchase contracts | 66 | 1 |
| Fees in advance | 148 | - |
| | 629 | 202 |

Included within the above are amounts falling due as follows:

| | 2021 £000 | 2020 £000 |
|-----------------------------------|--------------|--------------|
| Between one and two years | | |
| Bank loans | 67 | 21 |
| Between two and five years | | |
| Bank loans | 174 | 34 |
| Over five years | | |
| Bank loans | 173 | 146 |

There are four bank loans of which £22k (2020: £35k) represents the balance owing on a fixed rate 2.69% loan. The loan capital is being paid over a 5-year period. The second loan of which £185k (2020: £193k) represents the balance owing on a 2.57% fixed rate per annum loan over the Bank of England Base Rate. The loan capital is being repaid over a 20-year period. The third loan of £50k was drawn down during the 2019/20 financial year. The interest rate is 2.63% over the Bank of England Base Rate, this will be repaid within one year from the time that the full loan amount of £250k is drawn down. The fourth loan of which £250k (2020: £nil) represents the balance owing on a CBILS 3.99% fixed rate per annum loan over the Bank of England Base Rate. The loan capital is being repaid over a 6-year period.

The bank loans outstanding of £507k (2020: £271k) are secured by way of a First Legal Mortgage over the freehold property known as The School House. This asset is included at its initial cost within Freehold property and its current market value far exceeds its carrying value. The hire purchase liabilities are secured on the assets to which they relate.

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Hire purchase commitments

The net obligations under finance leases and hire purchase contracts due after more than one year as follows:

| | 2021 | <i>2020</i> |
|--------------------|-------------|-------------|
| | £000 | <i>£000</i> |
| Within 1 – 2 years | 29 | <i>1</i> |
| Within 2 – 5 years | 37 | <i>-</i> |
| | 66 | <i>1</i> |

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds

Statement of funds - current year

| | Balance at 1 September 2020 £000 | Income £000 | Expenditure £000 | Balance at 31 August 2021 £000 |
|---------------------------------|---|------------------------|-----------------------------|---|
| Unrestricted funds: | | | | |
| Designated funds | | | | |
| Designated Funds | <u>240</u> | <u>23</u> | <u>(14)</u> | <u>249</u> |
| General funds | | | | |
| General reserve | <u>3,803</u> | <u>6,898</u> | <u>(7,854)</u> | <u>2,847</u> |
| Total Unrestricted funds | <u>4,043</u> | <u>6,921</u> | <u>(7,868)</u> | <u>3,096</u> |
| Restricted funds: | | | | |
| Chess Donation | 1 | - | - | 1 |
| PTA Donations | 2 | - | - | 2 |
| Total Restricted funds | <u>3</u> | <u>-</u> | <u>-</u> | <u>3</u> |
| Total of funds | <u><u>4,046</u></u> | <u><u>6,921</u></u> | <u><u>(7,868)</u></u> | <u><u>3,099</u></u> |

The designated fund is for the swimming pool and fitness room. Income received each year from the hire of the pool and fitness room is designated as a separate reserve. Funds will be allocated by the Finance Committee for capital improvements and significant maintenance and renewal costs in the pool and fitness areas. A transfer from the designated fund to the general reserve will be recognised upon the completion of any work to the swimming pool and fitness area which fully satisfy the above conditions of the designated fund.

During the year the School received a donated asset from the PTA which has been recognised within fixed assets in relation to a Timbertrail totalling £Nil (2020: £9k).

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds – Prior year

| | <i>Balance at 1 September 2019 £000</i> | <i>Income £000</i> | <i>Expenditure £000</i> | <i>Balance at 31 August 2020 £000</i> |
|---------------------------------|---|------------------------|-----------------------------|---|
| Unrestricted funds | | | | |
| Designated funds | | | | |
| Designated Funds | <u>236</u> | <u>20</u> | <u>(16)</u> | <u>240</u> |
| General funds | | | | |
| General reserve | <u>3,536</u> | <u>7,748</u> | <u>(7,481)</u> | <u>3,803</u> |
| Total Unrestricted funds | <u>3,772</u> | <u>7,768</u> | <u>(7,497)</u> | <u>4,043</u> |
| Restricted funds | | | | |
| Chess Donation | 1 | - | - | 1 |
| PTA Donation | - | 2 | - | 2 |
| | <u>1</u> | <u>2</u> | <u>-</u> | <u>3</u> |
| Total of funds | <u>3,773</u> | <u>7,770</u> | <u>(7,497)</u> | <u>4,046</u> |

The designated fund is for the swimming pool and fitness room. Income received each year from the hire of the pool and fitness room is designated as a separate reserve. Funds will be allocated by the Finance Committee for capital improvements and significant maintenance and renewal costs in the pool and fitness areas. A transfer from the designated fund to the general reserve will be recognised upon the completion of any work to the swimming pool and fitness area which fully satisfy the above conditions of the designated fund.

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

| | Unrestricted funds 2021 | Restricted funds 2021 | Total funds 2021 |
|-------------------------------------|--|--------------------------------------|---------------------------------|
| | £000 | £000 | £000 |
| Tangible fixed assets | 4,066 | - | 4,066 |
| Current assets | 1,307 | 3 | 1,310 |
| Creditors due within one year | (1,648) | - | (1,648) |
| Creditors due in more than one year | (629) | - | (629) |
| Total | <u>3,096</u> | <u>3</u> | <u>3,099</u> |

Analysis of net assets between funds - prior period

| | <i>Unrestricted funds 2020 £000</i> | <i>Restricted funds 2020 £000</i> | <i>Total funds 2020 £000</i> |
|-------------------------------------|---|---|--|
| Tangible fixed assets | 3,925 | - | 3,925 |
| Current assets | 1,841 | 3 | 1,844 |
| Creditors due within one year | (1,521) | - | (1,521) |
| Creditors due in more than one year | (202) | - | (202) |
| Total | <u>4,043</u> | <u>3</u> | <u>4,046</u> |

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

22. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2021 | 2020 |
|--|--------------|-------------|
| | £000 | £000 |
| Net income for the period (as per Statement of Financial Activities) | (947) | 273 |
| <hr/> | | |
| Adjustments for: | | |
| Depreciation charges | 249 | 226 |
| Profit on disposal of tangible assets | (2) | - |
| Interest received | - | (3) |
| Interest paid | 26 | - |
| Decrease/(Increase) in debtors | 232 | (175) |
| Increase/(Decrease) in creditors | 230 | (710) |
| Net cash used in operating activities | (212) | (389) |

23. Analysis of cash and cash equivalents

| | 2021 | 2020 |
|--------------|-------------|-------------|
| | £000 | £000 |
| Cash in hand | 999 | 1,302 |

24. Analysis of changes in net debt

| | At 1 September 2020 £000 | Cash flows £000 | | At 31 August 2021 £000 |
|--------------------------|---|----------------------------|--|---|
| Cash at bank and in hand | 1,302 | (303) | | 999 |
| Debt due within 1 year | (70) | (21) | | (91) |
| Debt due after 1 year | (201) | (214) | | (415) |
| Finance leases | (9) | (87) | | (96) |
| | <hr/> 1,022 <hr/> | <hr/> (625) <hr/> | | <hr/> 397 <hr/> |

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

25. Capital commitments

| | 2021 | <i>2020</i> |
|--|------------------|------------------|
| | £000 | <i>£000</i> |
| Contracted for but not provided in these financial statements | | |
| Acquisition of intangible assets | <u>18</u> | <u><i>45</i></u> |

26. Pension commitments

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £604k (2020: £564k) and at the year-end £Nil (2020 - £68k) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

GLOUCESTERSHIRE CATHOLIC EDUCATIONAL TRUST LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism review is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Other pension schemes

The School also contributes to a defined contribution pension scheme on behalf of its employees. The cost to the School of this scheme was £37k (2020: £68k). At the year end £11k was accrued (2020: £Nil).

27. Operating lease commitments

At 31 August 2021 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2021 | <i>2020</i> |
|--|---------------------|---------------------|
| | £000 | <i>£000</i> |
| Not later than 1 year | 150 | <i>151</i> |
| Later than 1 year and not later than 5 years | 554 | <i>557</i> |
| Later than 5 years | 3,240 | <i>3,375</i> |
| | <u>3,944</u> | <i><u>4,083</u></i> |

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

| | 2021 | <i>2020</i> |
|-------------------------|-------------|-------------|
| | £000 | <i>£000</i> |
| Operating lease rentals | 136 | <i>146</i> |

28. Related party transactions

During the year transactions amounting to £4k (2020: £1.2k) were made between the School and Clifton Diocese of which the Head Teacher is a Director. Some Trustees have children attending the school. School fees incurred by Trustees are paid on a commercial arm's length basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

29. Post balance sheet events

Running costs have increased markedly in recent years for all schools in the independent sector, due to additional costs of Covid such as additional staffing costs, increase in employer contributions to teacher pensions and national insurance. Costs are also expected to rise further in the wake of Brexit and the Covid pandemic including the costs of fuel, utilities, food and building materials.

While also striving to remain affordable for our parents in the wake of a cost of living crises, the school has found it increasingly difficult to generate adequate surpluses and, under advisement from the Bursar, the Trustees concluded that the best way to secure the financial stability and growth for the school in the medium to long term would be to join an independent schools group.

Accordingly, after many months of consultation with professional advisers and discussions with a wide range of potential investors and school groups, St Edward's School joined the Alpha Schools Group on 16th February 2022. Alpha Schools have taken over the ownership and management of the schools from this date and will provide a substantial investment in the schools' facilities over the next three years.

The Trust will continue to operate under a different name as Gloucestershire Catholic Educational Trust (GCET). GCET will continue to support Catholic education by providing bursary assistance to children who would not otherwise be able to afford independent school fees.

Gloucestershire Catholic Educational Trust

England & Wales - Charity number 293360

Accounts

Registered number: 01961978

Charity number: 293360

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

TRUSTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

ST EDWARD'S SCHOOL CHELTENHAM TRUST

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ST EDWARD'S SCHOOL CHELTENHAM TRUST

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 AUGUST 2020

TRUSTEES

The Trustees who served the charity during the period were as follows:

Dr S Honeywill (Chair of Trustees)
Mr A Newland (Deputy Chair)
Mrs C Findlay
Mrs G Greenwell (retired 10 August 2020)
Mr R McGrath (retired 31 January 2019)
Mr P Potts
Mrs J Jones
Mrs J Penny
Dr A Cooper (appointed 1 October 2019)

CLERK TO THE TRUSTEES

Z Drew

OFFICERS

Mrs J P Clayfield (Head of Senior School) (retired 2 April 2020)
Mr M Burke (Head of Senior School) (appointed 3 April 2020)
Mr S McKernan (Head of Preparatory School)
Mr M L Coles (Bursar)

COMPANY NUMBER

01961978

CHARITY NUMBER

293360

REGISTERED AND PRINCIPLE OFFICE Cirencester Road
Charlton Kings
Cheltenham
GL53 8EY

INDEPENDENT AUDITOR

Crowe UK LLP
Statutory Auditor
Carrick House
Lypiatt Road
Cheltenham
GL50 2QJ

BANKER

HSBC PLC
109 Bath Road
Cheltenham
GL53 7RA

SOLICITOR

Harrison Clark Rickerbys
Ellenborough House
Wellington Street
Cheltenham
GL50 1YD

ST EDWARD'S SCHOOL CHELTENHAM TRUST

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020

DIRECTORS' REPORT

CONSTITUTION AND OBJECTS

St Edward's School Cheltenham Trust was founded in 1987. It is a company limited by guarantee (number 01961978); a charity registered with the Charity Commission (number 293360) and is regulated by its Memorandum and Articles of Association dated 5 December 2012 and 3 December 2014, with amendments on 1st April 2016, 10th November 2016.

The Trustees of St Edward's School Cheltenham Trust ("The Trust") present their annual report and audited accounts for the year ended 31 August 2020 and confirm they comply with the requirements of the Charities Act 2011, the trust deed and the Charities SORP (FRS 102).

The Trust's Objects and principal activities, as set out in the Memorandum of Association, are to promote and provide for such charitable works whosoever and whatsoever as to advance the Roman Catholic religion, and, in particular but without prejudice to the generality of the foregoing to acquire, provide, conduct and develop an independent Roman Catholic School or Schools for the advancement of the education of children of any creed (with preference to children of the Roman Catholic faith) PROVIDED THAT in the memorandum the expression "Roman Catholic" shall indicate communion with the "See of Rome".

In furtherance to these Objects for the public benefit the Trust, which operates two schools (one Senior and one Preparatory) known collectively as St Edward's Cheltenham, has established and administers bursaries, grants, awards and other benefactions, and acts as the Trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects.

AIMS AND OBJECTIVES

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's public benefit guidance.

Aims

The Trust's aims for the public benefit are:

- to provide a first class independent education within a Christian ethos. St Edward's is a Roman Catholic foundation and warmly welcomes students of other denominations and creeds or none who are willing to support the Christian ethos of the Schools;
- to offer pupils a range of opportunities so that they can achieve to the best of their ability within a framework of shared values and standards;
- to value and nurture pupils as individuals, giving them a sense of their own self-worth and of the value of service to others, thus preparing them for life beyond school; and
- to establish the Schools as a community in which there are strong and active partnerships between parents and the Schools and between the local community and the Schools.

The Board is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011.

Primary Objectives

The primary objectives of the Trust to fulfil these aims are:

1. to maintain the aspiration of high standards in academic performance and extra-curricular activities whilst preserving a healthy balance between the two;

ST EDWARD'S SCHOOL CHELTENHAM TRUST

ANNUAL REPORT OF THE TRUSTEES' (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

2. to widen access to the education provided by the Trust through the provision of financial support for children whose parents are unable to afford the full fees and also through a range of projects and activities in the local community;
3. to provide appropriate teaching resources throughout the Schools;
4. to provide an effective management structure and the administrative and logistic framework necessary to meet the needs of staff and pupils alike;
5. to provide an environment which promotes and develops independent learning and supports pupils in the achievement of their individual potential.

The primary objectives are reviewed regularly and their success is measured through regular reporting to Trustees by the Senior Management Team.

GOVERNANCE AND MANAGEMENT

There is one Board of Trustees for the two Schools. Details of the members of the Board of Trustees, together with officers and principal advisers, are given on page one.

There were seven members of the Board of Trustees at the year-end. The numbers in brackets refer to the sub-committees which each Trustee is a member of as explained below.

Dr S Honeywill (1,2,3,4)

Mr A Newland (1,3, Chair of Health and Safety & Finance and General Purposes committees)

Mr P Potts (2, Chair of Land and Premises committee)

Mrs C Findlay (1)

Mrs J Jones (3, Chair of Education and Ethos committee)

Mrs J Penny (1)

Dr R Cooper

Fr P O'Keeffe O Carm. Ex-Officio

The following Trustees' sub-committees met during the year:

1. Finance and General Purposes committee
2. Land and Premises committee
3. Health and Safety committee
4. Education and Ethos committee

The Trustees are legally responsible for the overall management and control of both Schools. They meet at least four times a year. The work of implementing the policies is delegated to the following committees:

- The Finance and General Purposes Committee (F&GPC) scrutinises the management accounts and forecasts throughout the year and makes recommendations to the Board about any capital expenditure. They recommend the audited financial statements and annual report for approval by the Trustees. They also oversee other matters such as the review of school fees, insurance, pay, marketing and staffing. The Finance Committee is chaired by Mr Andrew Newland.
- The Health and Safety Committee oversees all matters relating to Health and Safety and Safeguarding. These include safeguarding policies, staff code of conduct, pupil behaviour, e-

ST EDWARD'S SCHOOL CHELTENHAM TRUST

ANNUAL REPORT OF THE TRUSTEES' (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

safety, information technology, data protection, cybersecurity and review of and implementation of recommendations from Health and Safety and Fire Safety audits. It is chaired by Mr Andrew Newland.

- The Education and Ethos Committee oversees all matters relating to the pastoral and academic issues across both schools, including provision for individual learning needs, able, gifted and talented students, those with English as an additional language and overseas students. The Committee also ensures that the Catholic Foundation of the Trust is reflected in the curriculum. The Education and Ethos Committee is chaired by Mrs Jane Jones.
- The Land and Premises committee provides oversight of the programme of maintenance work for the schools premises, accessibility arrangements for pupils and visitors and makes recommendations for capital expenditure on larger projects. The committee is chaired by Mr Paul Potts.

The day to day running of the Schools is delegated to the Heads and Bursar, supported by their Senior Management Teams and a Joint Management Committee. The Heads and Bursar attend board and committee meetings of the Trustees.

Recruitment and Training of Trustees

New Trustees are elected on the basis of nominations from the Trustees based on the candidates' professional qualities, experience, personal competence and local availability.

New Trustees undergo an induction programme that includes an introduction to the Schools including Trustee Board policy and procedure, briefing by both Heads and the Bursar and training from AGBIS (Association of Governing Bodies of Independent Schools). All Trustees attend external Trustee Training and information courses designed to keep them informed and updated on current issues in the independent schools' sector. Trustees visit both schools and take part in lessons, staff briefings and school events during the day and after school, weekdays and weekends and make themselves available to all staff. The Chair attends a weekly meeting with both Heads and Bursar during term time.

The Trustees attended 4 training courses through the course of the year to ensure that they stay up to date on current Governance and compliance issues. A budget is set aside every year to support the continued professional development of the Trustees.

Employment policy

The Trust will endeavour to recruit the most suitable staff for any post to ensure the highest standards are maintained throughout the Schools, both teaching and support staff. Whilst reflecting its role as a Catholic school it also pursues policies as an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Communication with staff continues throughout the year with whole school INSET briefings three times a year and after school staff meetings.

Key Management Personnel

The Trustees consider that the Joint Management Committee (JMC) of The Trust comprise the Key Management Personnel. The JMC comprises of the Head Teacher of the Senior School, the Head Teacher of the Preparatory School, the Deputy Head Teachers of the Senior School, the Deputy Head and Assistant Head of the Preparatory School, the Bursar and the Director of Marketing & Admissions.

ST EDWARD'S SCHOOL CHELTENHAM TRUST

ANNUAL REPORT OF THE TRUSTEES' (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Trustees give their time freely and do not receive any remuneration. The pay and remuneration of the JMC is determined by the Finance and General Purposes Committee and is reviewed annually. A number of criteria are used in determining pay:

- The financial performance of the Trust against sector benchmarks
- The nature of the role and responsibilities
- The individual's performance
- Competitor salaries
- The sector average for comparable positions
- Inflation and the cost of living

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. 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.

Insofar as each of the Trustees at the date of approval of this report is aware, there is no relevant audit information of which the Trust's auditor is unaware. Each of the Trustees have each taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

ST EDWARD'S SCHOOL CHELTENHAM TRUST

ANNUAL REPORT OF THE TRUSTEES' (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

STRATEGIC REPORT

VISION STATEMENT

Believe.....Strive.....Achieve

St Edward's is a Catholic School, welcoming all. We are a place of learning and a community based on Christian values. We work in partnership with parents to develop the talents and interests of all the young people entrusted to us. We aim to develop each individual pupil's potential, academically, personally and spiritually. We serve the wider community by making this education available to all, including those who cannot afford our fees, as far as we are able within our resources.

Our Vision.....*what we Believe in*.....

Our vision is to help each pupil to realise they are truly unique and possess God-given gifts and talents which gives them unlimited potential. We wish to create an educational foundation whereby throughout their lives our pupils will always be ambitious for self-improvement and so develop beyond their perceived potential.

Our Vision.....*what we Strive for*.....

The Trust's vision is to:

- Provide excellent teaching, learning and pastoral care
- Provide a wealth of opportunities both curricular and extra-curricular
- Build a caring community based on Christian values
- Encourage pupils to be the best they can be so that we help them to develop their untapped potential

ACHIEVEMENTS AND PERFORMANCE

St Edward's Senior School

This has been another wonderful year in the life of St Edward's with many successes both inside and outside the classroom culminating in the best GCSE and A Level results in recent history. At GCSE this mean 26% of all grades were 8-9, 47% 7-9 and 77% 6-9 and at A Level 42% of all grades A*-A, 73% A*-B and 28% of students securing straight A*-A.

The established round of whole School liturgies took place until the situation brought a halt to all acts of public worship. The New Academic Year Mass set us off on the right footing for beginning another year of extraordinary human endeavours and challenges - little did we know then what form these challenges would take.

For St Edward's Day we were joined by a large proportion of our Prep school and it is wonderful to see us celebrating as a single community. Advent was marked with a new initiative, we carried out a 'posada' where an icon of the expectant Virgin Mary toured around the School spending a day in each Form Room before arriving at the Nativity scene in the School Hall.

Tewkesbury Abbey and School Carol Service brought both solemnity and fun to the beginning of the festive season for us all.

ST EDWARD'S SCHOOL CHELTENHAM TRUST

ANNUAL REPORT OF THE TRUSTEES' (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

On the academic front many of the department areas have been very busy this year. In honour of World Pi Day (celebrated on 14th March) we assembled a paper chain in the Canopy at break time to represent the digits of Pi. Pupils were encouraged to add a link or two to the chain - each digit will be represented by a different colour. The Maths department and their students have achieved success in the Individual UK Maths Challenge with some students qualifying for the next round of the Senior and Intermediate Maths Challenge – particular mention must go to senior competitors James, Theo and James as well as Shagayeg, Emma, Chihiro and Jess from the intermediate competition who were placed in the top 5% of all participants. We also entered Teams into the Junior, Intermediate and Senior competitions and were incredibly proud of their performances. We also participated for the first time in the MEM competition run by Liverpool University with Merit certificates being secured by Nathaneal and Mackenzie. Our Sixth Form mathematicians attended a lecture from Dr Lee Fawcett, a senior lecturer in Statistics at the University of Newcastle. His talk on 'The Storm of the century' explained how researchers like himself were calculating probabilities of extreme climate events in order to anticipate them. This talk was thoroughly interesting, made more so by its relevance today - the flooding in Venice for example and some of our Year 9 students attended a series of Royal Institute Maths Masterclasses during the autumn term, designed to stretch and inspire the county's brightest young mathematicians.

Our modern languages department ensure this year we had our German Christmas Market - in the Triangle on Wednesday 11th December raising funds for Macmillan Cancer Support. A number of our Year 10 linguists took part in the UK Linguistics Olympiad with one silver and two bronze medals being secured.

There was also a very successful House History essay competition - over 50 entries from students and parents - huge range of individuals written about - from relatively well known figures such as Martin Luther King and Florence Nightingale to much more obscure, little known figures such as Elizabeth Smith Freidman and Katherine Johnson. It was also nice to read a number of entries which focused on people with personal links to the writer.

Our A Level Historians made a trip to Gloucester History Festival to listen to Franck Mcdonaugh speak on the rise of the Nazis and the icing on the cake came when the History Department was awarded 'Beacon' status based on last year's GCSE results by edexcel, for being in top 5% performing department in the country.

The English department continued to put on an impressive number of events this year which included marking National Poetry Day with: House Poetry Competition, House Poetry Video Competition, House GCSE Anthology Slams for Years 10 & 11 and a Whole School Slam. And then for World Book Day: House Dress-up Competition for Book Aid International, House Literary Scavenger Hunt, House Literary Quiz (written and presented by Elinor Harper East, English Prefect) The Year 8's enjoyed a visit by the Watermill Theatre's 'A Mini Summer Night's Dream' as well as Theatre trips to the RSC for 'The Boy in the Dress', to the Everyman for 'Macbeth' and to Malvern for 'An Inspector Calls'.

The creative life of St Edward's is clearly flourishing and the Art department are particularly proud of the number of students going on to further studies in their area and to such impressive destinations which have included Bath College and St Martins in London. Sixth formers enjoyed a trip to the Tate Modern in September. An evening on the turner Prize was held to discuss this year's nominations. Presentations were given by y13 students. It was also fantastic to have Alice win the ISA Christmas card competition. The Y9 students enjoyed a trip to the Pitt rivers and natural history museum in Oxford. Using the fantastic array of visual resources for artwork. The addition of New Mac computers for Art Department has been part of our programme of developing resources for fine art and photography

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students. The Art department also had an addition to their department this term when Ms Fraser had a baby girl called Lily.

In February we staged our whole school production of "Chicago". Packed houses were treated to a musical extravaganza of wonderful songs and dastardly tales of double dealing. The confidence and skill of our performers and stage crew shone through night after night. Lead by Mairead and Anastasia the cast included students of all ages. As ever, it was a production where all were welcome to take part - very much reflecting the spirit of the school. In spite of, or perhaps because of, this policy, the standard was sky high, sending audiences home raving about the talent and commitment of the cast. That a small school such as St Edward's can tackle such a demanding show so successfully is a wonderful endorsement of the staff and student body.

Technology day which has become a regular feature on the school calendar was another great success with over 100 Year 5 pupils from local primary schools are invited to participate. A range of clubs were available for KS3 pupils. In after school cooking club pupils were able to practice new cooking skills and take home a range of cakes, biscuits and cookies. At lunchtime Year 7 pupils have made door stops, desk tidies and rockets and were in the process of making rocket cars.

The House Icing competition returned this year in a new 'Spring Term Slot'. The theme was Roald Dahl and there were many imaginative entries as students were challenged to design and make a themed decoration out of icing. Students and staff were able to demonstrate their baking skills for the Easter Cake Competition, held during Lockdown. There was a fabulous response and some very creative entries including: rabbits, lambs, fillings eggs, rainbows and even a unicorn.

The STEPS programme continues to provide additional guidance and support to Sport Scholars and those identified for their sporting ability. Masterclasses this year included; Strength and Conditioning, Hockey, Rugby, Swimming.

Once again St Edward's pupils were leading the way on a National, Regional and County level with Daniel continuing to represent England at Touch Rugby and Kyle winning selection to the England Waterpolo development squad. Jamie continues to impress on the national stage in Squash, gaining an England ranking 8th at U17 and 25th in the country at the U19 age category. He also won selection to the U19 South West squad as well as continuing to compete for Gloucestershire. Adam also won County Squash honours in the U13 age category. Bea toured India with Gloucestershire County Cricket and was selected to Captain the U15 squad as well as play for Gloucestershire ladies team. James achieved a Lawn Tennis Association ranking of 6th in England at U16 level as well as a ranking of 24th in the country at 18 and under. Fergus, Isi and Ioana were all selected to the U14 Gloucestershire County Tennis squad.

In addition to these individual achievements, numerous pupils across the School were nominated, selected and attended Academy and development squad set ups in Rugby, Hockey, Football.

In the Independent Schools Association competitions, St Edward's Swim Team became ISA Midlands champions overall at the annual Gala. Four pupils won selection to swim for the Midlands at the ISA National Swimming Gala at the Aquatics Centre in London winning a fantastic haul of 7 medals between them! In the ISA Midlands Cross Country Championships- Ciara and Emma became Midland champions with five pupils in total qualifying to run at the ISA Nationals. St Edward's continued to achieve success in the ISA team game tournaments; U15 girls Hockey team became Midland champions with the U13 girls finishing in a fantastic 3rd position. The U13 boys earned their place in the National Cup Semi-finalists also, narrowly missing out on a finals spot. Our U16 Football team were 6

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a-side ISA National runners-up and our U18 Rugby Sevens team became National ISA Sevens Bowl winners.

At District level our Cross Country team had another successful season. Noa and Ciara became Cheltenham District Champions, with a total of five St Edward's pupils earning a starting position at the County Cross Country Championships. From this Abigail, Ciara and Emma were selected to run for Gloucestershire at the South West Championships with all three subsequently qualifying to run at the National finals.

The sporting calendar finished with a Virtual Sports Day which took the form of a week-long Lockdown Decathlon. Led by our Sport Scholars and Sports Science pupils, over 60 pupils across the school competed to earn points for their House. It was a different feel to the usual Sports Day and hopefully something of a one-off but it was great to bring the school community together! Well done to Newman House who were victors.

Remote teaching for the PE department saw a daily offering of a Skill, Challenge and a Live Workouts (al la Joe Wickes). By the end of the summer term this amounted to a whopping 44 Lives, 39 Skills, 39 Challenges plus a Lockdown Decathlon! So if your children claim to be bored over the holidays, point them towards the Dashboard where they can find all sessions!

The Library has had an exciting year, despite the challenges the world has thrown our way, and even before lockdown, St. Edward's has been celebrating astronomic levels of reading for pleasure.

Our list of Reading Award holders is the longest it's been yet, and I'm so very proud of everything our Key Stage Three Readers have achieved. This academic year has also seen the most books borrowed yet, with reading initiatives like our 'Secret Santa and Midwinter Book Review' and 'Blind Date With A Book' challenging students not to judge a book by its cover and read something completely new.

The Carnegie Committee shadowing the Carnegie Medal for Best Young Fiction was set a difficult challenge this year, starting the day lockdown commenced, but we are still going! We are reading all of the books we can get our hands on, and the Reader's Choice Award will continue into October for anyone wishing to join us in helping to decide who *we* think is the best book of the year.

The library will have a new temporary location in the Main house while the original library is being restored.

54 students have completed their DofE award at Bronze, Silver or Gold this academic year. Students currently enrolled in the Bronze and Silver Award have had their expedition postponed until Oct 2020. This event will generate another 21 Bronze, 18 Silver awards.

There are though three students who have been hugely successful with their DofE and have now completed their, Bronze, Silver and Gold award while at St Edwards - congratulations to Gemma, Sara and Reuben.

The CCF continues to go from strength to strength. We were awarded the Bronze Covenant Recognition Scheme at the start of lockdown and we hope to hear about the Silver by the end of August with events for cadets including an Air Cadet Leadership Course at RAF Cranwell, an Army Cadet International Expedition Instructors Course in Canada and The National Air Cadet Pilot Scheme.

CSM Gemma McKernan was awarded Lord Lt Cadet for Gloucestershire for 2020 and I am delighted to inform you that SSgt Keylock has been awarded the Lord Lieutenants Certificate of Meritorious

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Service.

Mr Alan Porter held various roles at the school including teacher of Science and more recently timetable and assistant to the examinations officer and will be missed by colleagues. Ms Megan Spiers has made an incredible impact to those sixth form students she has taught Psychology to whilst covering for maternity. Mrs Emma Silverside will be sorely missed not only by the Maths team but the staff as a whole as well as all those students for whom she has taught during her time with us. We also bid farewell to Mrs Alison Scarboro who has spent over 30 years with us as part of our St Edward's community.

St Edward's Preparatory School

The Preparatory achieved another exemplary inspection report, achieving Excellent in all areas in its ISI inspection. In addition, the School secured a fully compliant ISI Focussed Compliance Inspection with no recommendations. Our robust academic curriculum, specialist subject provision and the provision of over 40 after school clubs continues to be very popular with our parents.

Pupils were awarded academic scholarships to St Edward's Senior School and 11+ places at local selective schools. Our EYFS results were above the local and national average for the 6th consecutive year. The School continues to compete strongly in all sports fixtures including winning local and regional competitions in Netball and Hockey, along with our pupils representing ISA at the national swimming finals. Cross country competition continues to be a strength and the School hosted the county championships attended by dozens of maintained schools.

The School completed a significant redevelopment of our car parking facilities for parents which has made a considerable improvement to the drop off and pick-up experience. Our Music and Peripatetic rooms were completely refurbished to make them more modern and stimulating for the pupils and teachers alike.

The School adapted very well to COVID restrictions and moved to online teaching almost immediately. Supported with investments into a high-class Virtual Learning Environment provided by Firefly Learning, our pupils and parents were highly appreciative of the lengths the School went to in order to ensure our pupils progressed well while learning remotely. We delivered hundreds of food orders to the elderly and vulnerable, using our minibuses in support of our local community.

We have invested further into our Outdoor Forest Schools, Bushcraft and Farm Education which continues to be appreciated and highly valued by the whole school community. We have extended our farm education programme to include Kune Kune pigs. Whole groups of classes have regular lessons and links to the science curriculum are maximised.

The School has shared its farm facilities with local maintained and special needs schools both through physical site visits and virtual tours to schools within and beyond Cheltenham.

Fundraising continued with several thousand pounds raised for local charities including Sue Ryder Cheltenham and our facilities were shared with the local community, including the Charlton Kings Choir and Sue Ryder for their annual starlight hike.

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FUNDRAISING

Due to Covid restriction, our ability to run charitable fundraising events was severely impacted. However, over the course of the year, the Trust still ran around 9 different fundraising events across the two schools which raised a total of £6k for local and national charities. The Trust values the fundraising and awareness work it does for other charities and plans to continue its strong programme of support going forward.

The Trust did not use any professional fundraising partners in the year as all fundraising activities were small scale focusing on raising funds for other charities from the schools' communities. Neither the Trust nor anyone acting on behalf of the Trust has voluntarily subscribed to fundraising standards. No complaints were received in the year about any of the Trust's fundraising activities. The Trust ensures that vulnerable people and other members of the public are protected from behaviour which is unreasonably intrusive, persistent and pressured. The Trust does not consider this type of behaviour a high-risk area but will continue to monitor fundraising activities.

PUBLIC BENEFIT

St Edward's School remains committed to the aim of providing public benefit in accordance with its founding principles. The Trustees continue to consider the Charity Commission's general guidance on public benefit and confirm that they have complied with their duty in Section 17 of the Charities Act 2011.

The Trust fulfils its obligations under this Act through the availability of bursaries and scholarships, the affordability of school fees and the availability of its facilities to community groups and State funded schools.

Bursaries and Scholarships

The value of means tested bursaries totalled £423k (*£415k in 2019*) and the value of scholarships totalled £524k (*£672k in 2019*) representing a combined 11.5% of gross fees (*12% in 2019*). A further £458k (*£531k in 2019*) from gross fees was awarded through staff, sibling and fees in advance discounts. A total of 55 children (*40 in 2019*) benefited from the Trust's means tested bursary scheme with 9 of these children in receipt of 100% bursaries as part of the Trust's School Assisted Place Scheme (SAPS) between Year 7 to Year 13. The Trust has expanded its means tested bursary scheme in recent years and remains committed to providing suitable access to the Schools to a wide range of socio-economic groups.

Fee affordability

The fee structure is an area that Trustees continue to review to ensure that it remains an attractive and affordable option for local families whilst continuing to support the bursary schemes and capital development programmes. Regulatory pressures and the increasing cost of utilities, salaries, pension schemes and the upkeep of two listed buildings have caused a rise in fees above inflation in recent years. The Trustees are extremely mindful of fee affordability and plan to keep future fee rises to a minimum whilst still investing in the infrastructure of the Schools.

Facilities and community links

The Trust made its facilities available to local community groups including sport (cricket, swimming, rugby, football, tennis and hockey), drama and music groups. The Trust values its links with the local

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community and plans to continue to build on these strong relationships. Below is an outline of some of the links the Trust has with local community groups and state-funded schools:

- Membership and contribution to the Cheltenham Education Partnership. The driving ambition of the Partnership is to expand the horizons of young people in Cheltenham and to help them realise their full potential. Partners include secondary schools (from both the maintained and Independent sectors) and local organisations and charities.
- Subsidised use of the Trust's swimming pool to local state primary schools
- The district cross country championships, rounders, football, athletics and quadkids tournaments are held at the Preparatory School with the involvement of state schools for no charge
- Local sports groups including East Glos Hockey and GoCrea8 Hockey use the Senior School's astroturf pitches
- Pupils from many local state primary schools take part in the many free experience days that the Senior School holds which offers them the opportunity to expand their knowledge and experiences of particular subject areas. Successful music, sports, STEM and drama days were held through the year.
- Use of the Trust's cricket pitches and equipment by Charlton King's Cricket Club for no charge
- Subsidised use of the Trust's rugby pitches and equipment by Old Patesians RFC
- Both school sites are made available through the holiday periods for holiday camps which benefit many local working families
- The use of the Preparatory School site for a large fundraising event for a local charity, at no charge
- The Trust's CCF resources are shared with Pate's School, a local state funded school
- The Highbury Club, a local community group for partially sighted and disabled, use the Schools' facilities once a term free of charge and are entertained by the Schools' pupils

FINANCIAL REVIEW

Results for the year

The Trustees regularly review the finances, debtors and creditors, budgets and spend against budget together with a half termly financial analysis as part of the effective management of the Trust.

School fee income for the year was £8,252k (2019: £9,054k). The decrease of £802k was due to a downturn in pupil numbers and a discount of 21% totalling £531k that was set against the summer term fees due to the Schools being closed to all pupils save for the children of key workers. In addition to this remission, all other remission across the school year totalled £1,405k (£1,620k in 2019), including £51k for means tested bursary awards linked to the financial effects of the pandemic. This led to a net fee income position of £6,848k (£7,434k in 2019).

Other income for the year totalled £920k (£577k in 2019) which is largely due to grants of £552k from the Government Coronavirus Job Retention Scheme through the pandemic. Income from trips, sale of food, hire of facilities, school care etc. were all heavily impacted by the pandemic.

Whilst like for like comparisons with 2019 are difficult due to lockdown, savings against last year were made through a reduction in expenditure. These were all due to a downturn in activity linked to the pandemic with many costs deferred to the next financial year.

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Staff costs decreased by 0.7% to £5,158k (*£5,193k in 2019*). Pay was controlled through a consultation process that took place in 2019 following the announced increase the Teachers' Pension School from September 2019 to 23.68%. The Trustees are pleased that given the increase of 43% in TPS costs, the Trust was able to ensure that the pay bill did not increase, but in fact showed a slight decrease.

The yearend results therefore show a surplus after depreciation of £273k (*£58k in 2019*) and represents the first time in over 10 years that the Trust has recorded year on year surpluses.

The balance sheet shows an increase in debtors from £367k to £542k and this is due largely to an increase in prepayments and accrued income of £151k. Fee debtors, including bad debt provisions, fell by £49k which is a pleasing result in light of the financial difficulty families are facing through the pandemic. Creditors decreased as fewer parents paid fees in advance for the following year during the summer period. Fixed asset purchases of £111k were made through the year (*£211k in 2019*) to reflect the pause in expenditure through lockdown. These changes to operating and investment activities resulted in a decrease in cash by £503k.

Cash levels continue to be monitored closely through the forthcoming financial year as the economic strain of the pandemic and Brexit uncertainty start to become clear. The finances continue to be managed prudently so to boost cash levels and support operating costs into the 2020-21 year, the Trustees agreed to a CBILS loan of £250k, to be drawn down in March 2021.

Reserves level and policy

The Trustees have considered the reserves held by the Trust at 31 August 2020. The Trust's unrestricted funds stood at £4,043k (*£3,772k in 2019*) and free reserves (i.e. the value of unrestricted reserves after deducting fixed assets) represented £118k (*deficit of £268k in 2019*). Whilst many independent schools operate with negative free reserves, it is the intention of the Trustees to rebuild the reserves in the long term in order to cover the risks and uncertainties of operating as an independent day school. At the 31 August 2020, the Trust's endowed and restricted funds comprised £3k (*£1k in 2019*).

The Trust's policy has been to aim to retain 3-5% of annual operating surpluses to increase free reserves. However, this has been challenging in recent years due to external financial pressures and the challenge of running two large estates.

The Trustees will review the reserves position annually.

Impact of Covid-19

The Covid-19 pandemic and national lockdown had a significant impact on the St Edward's community, both financially and personally, with a number of families suffering bereavements as well as severe and ongoing illness. Staff and students adapted to online teaching and learning very quickly, with a seamless transition and excellent educational provision continuing throughout the lockdown. A Level and GCSE results were some of the best achieved by the School in recent years. The impact of the pandemic on wellbeing was carefully monitored and additional pastoral support was made available.

St Edward's contributed to the community response to Covid by manufacturing personal protective equipment in the DT department, providing a delivery service for food and medicines to vulnerable local people and hosting drive-through flu vaccination clinics.

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The Senior School site was closed for the duration of lockdown and children of key workers were accommodated on the Prep School site. The initial financial impact of the lockdown was mitigated by careful management of resources and payments from the Government's Business Retention scheme. It is clear that there will be ongoing effects as the pandemic continues and a detailed breakdown of the impact on costs, savings, and ongoing impact is provided below.

Costs of lockdown

1. Fee discounts were offered for the Summer Term 2020. Discounts were initially set at 15% for the main school and increased to 21% after a review of savings at half term. Kindergarten parents were offered 85% discount for the period of closure to reflect the increased proportion of childcare required in this age group. The total discount offered was £531k.
2. Many families were adversely affected by the closure of businesses and the school provided additional short-term bursary support of around £51k for the Summer Term
3. Loss of income from hire of facilities, holiday bookings
4. Additional IT costs to provide laptops for staff and students who did not have adequate home equipment to cope with full time online provision
5. Cost of Covid-secure measures – installation of new hand-washing facilities, signage, personal protective equipment, screens

Savings

1. Savings on premises, utilities and catering costs due to closure of the Senior School site during the Summer Term
2. Payments from the Government Job Retention Scheme amounted to £562k for 2019-20

Ongoing impact of Covid from September 2020

1. Some pupils have left the school, delayed or cancelled joining due to the ongoing financial impact on families. However, we have seen an increase in interest and transfer of pupils from other schools, who were particularly impressed with our online provision during lockdown.
2. Ongoing increased bursary provision for current pupils
3. In order to support families and avoid exacerbating affordability issues, there was no fee increase for 2020-21
4. Ongoing loss of ancillary income from hire of facilities, sale of food and buses
5. Decreased uptake of after-school clubs (this is assumed to be due to more parents working from home)
6. Decreased uptake of school bus services resulting in payment of increased subsidy by the School
7. Increased costs of cleaning – staffing and materials
8. Ongoing provision of Covid-secure environment
9. Increased staffing costs to cover for staff on long-term sick leave, and additional cover required to adequately staff 'bubbles'
10. Delay in completion of Senior School library project due to problems with supply of materials and non-availability of contractors. Other capital projects have been put on hold
11. Further grants from the furlough scheme are anticipated to be minimal
12. Repayment of the CBILS loan over the next 6 years

The Trustees will continue to monitor the impact of Covid on the School and make further adjustments to our provision in light of Government advice and the ongoing needs of staff and pupils.

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FUTURE PLANS

The following are key priorities for the future:

- Provide a cohesive and continuous journey (1-18) as one School Trust operating on two sites.
- Ensure the Prep School's provision prepares all pupils for successful transition to their School of first choice at Year 6
- Provide the most affordable independent education for day pupils aged 1-18.
- Retain selection criteria at points of entry to achieve an intake ability profile which in general is above national averages.
- Ensure excellence in teaching, learning and pastoral care.
- Invest in new capital projects to enhance the facilities for Sport on both sites (by improving the Swimming Pool, Changing Rooms, Gym and Hall on the Senior School site and the RedGra and Sports Hall on the Prep School site) to complement the educational provision.
- Maintain existing buildings and facilities to a high standard and adopt, where practicable, sustainable solutions to improve energy efficiency.
- Develop mutually beneficial partnerships which utilise the Schools' estate and provide a community benefit.
- Develop outside spaces to extend opportunities for outdoor learning and pupil wellbeing.
- Achieve a minimum of 60% transfer from Kindergarten to Reception in the Prep School and from Year 6 to Year 7 in the Senior School.
- Maintain a strong sense of community and develop long-term relationships with the School through liaison with the alumni, former parents and former members of staff as well as the religious orders who founded the schools.
- Ensure long-term financial sustainability of the School Trust.

Going concern

As part of the Trustee's responsibilities of the appropriateness of adopting the going concern basis in preparing the financial statements, a range of scenarios have been considered. The assumptions modelled are based on the estimated potential impact of the ongoing COVID-19 restrictions and regulations, along with our proposed responses.

The School depends on its existing bank facilities to meet its day to day working capital requirements. The Trustees have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

RISK MANAGEMENT

The Trustees have given consideration to the major risks to which the Trust is exposed. The Trustee Body has ultimate responsibility for managing any risks faced by the Trust. Detailed consideration of risk is delegated to committees, which report formally to the Trustee Body each autumn. The structure of the committees comprises at least two members of the Trustee Body, assisted by Senior Management.

The risk management process and the resulting Report identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks. The generic controls used by the Trust to minimise risk include:

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- detailed terms of reference together with formal agendas for Committee and Board activity;
- comprehensive budgeting and management accounting;
- established organisational structures and lines of reporting;
- formal written policies including clear authorisation and approval levels;
- vetting procedures as required by law for the protection of the vulnerable.

Principal risks and uncertainties

The Trustees consider risks in the following categories:

- Governance
- Operational
- Financial
- Employee
- Public relations/reputation
- Health and Safety
- Academic standards
- Land and Premises

Of these categories, the Trustees consider the principle risks in the next 12 months to be:

1. The recruitment and retention of pupils moving into 2021
2. The economy and ability of parents to continue to afford independent school fees
3. The maintenance and upkeep of the estates

Measures which the Trust is taking to mitigate against these risks are:

1. A sustained investment in marketing the Schools and raising awareness of the many benefits of a St Edward's education.
2. Financial planning to ensure that fee increases are kept to a minimum by building in cost savings measures and activities to generate income from other sources.
3. The development of a rolling programme for maintenance, asbestos management and capital projects.

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AUDITOR

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Crowe U.K. LLP as auditor to the Trust will be put to the Annual General Meeting.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Trustees of St Edwards School Cheltenham Trust on 1 March 2021 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Dr Susan Honeywill
Chair of the Trustees

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. EDWARD'S SCHOOL CHELTENHAM TRUST

Opinion

We have audited the financial statements of St. Edward's School Cheltenham Trust (the 'school') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. EDWARD'S SCHOOL CHELTENHAM TRUST (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. EDWARD'S SCHOOL CHELTENHAM TRUST (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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


Auditor's responsibilities for the audit of the financial statements

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

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Guy Biggin (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Carrick House

Lypiatt Road

Cheltenham

Gloucestershire

GL50 2QJ

Date: 4 May 2021

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

| | Note | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Total funds 2020 £000 | <i>Total funds 2019 £000</i> |
|------------------------------------|------|---------------------------------------|-------------------------------------|--------------------------------|--|
| Income from: | | | | | |
| Grants and donations | 4 | 562 | 2 | 564 | 6 |
| Charitable activities: | | | | | |
| School fees receivable | | 6,848 | - | 6,848 | 7,434 |
| Ancillary trading income | | 278 | - | 278 | 478 |
| Other trading activities | 7 | 59 | - | 59 | 94 |
| Investments | 8 | 3 | - | 3 | 5 |
| Other income | 9 | 18 | - | 18 | 126 |
| Total income | | 7,768 | 2 | 7,770 | 8,143 |
| Expenditure on: | | | | | |
| Charitable activities | 10 | 7,497 | - | 7,497 | 8,085 |
| Total expenditure | | 7,497 | - | 7,497 | 8,085 |
| Net movement in funds | | 271 | 2 | 273 | 58 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | 19 | 3,772 | 1 | 3,773 | 3,715 |
| Net movement in funds | 19 | 271 | 2 | 273 | 58 |
| Total funds carried forward | 19 | 4,043 | 3 | 4,046 | 3,773 |

The notes on pages 24 to 43 form part of these financial statements.

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01961978

BALANCE SHEET
AS AT 31 AUGUST 2020

| | Note | 2020 £000 | 2019 £000 |
|---|------|--------------|--------------|
| Fixed assets | | | |
| Tangible assets | 15 | 3,925 | 4,040 |
| | | 3,925 | 4,040 |
| Current assets | | | |
| Debtors | 16 | 542 | 367 |
| Cash at bank and in hand | | 1,302 | 1,805 |
| | | 1,844 | 2,172 |
| Creditors: amounts falling due within one year | 17 | (1,521) | (2,196) |
| | | 323 | (24) |
| Net current assets / liabilities | | | |
| | | 4,248 | 4,016 |
| Total assets less current liabilities | | | |
| Creditors: amounts falling due after more than one year | 18 | (202) | (243) |
| | | 4,046 | 3,773 |
| Total net assets | | 4,046 | 3,773 |
| Charity funds | | | |
| Restricted funds | 19 | 3 | 1 |
| Unrestricted funds | 19 | 4,043 | 3,772 |
| | | 4,046 | 3,773 |
| Total funds | | 4,046 | 3,773 |

The financial statements were approved and authorised for issue by the Trustees on 1 March 2021 and signed on their behalf by:



Dr S Honeywill
Chair of the Trustees

The notes on pages 24 to 43 form part of these financial statements.

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

| | Note | 2020 £000 | <i>2019</i> <i>£000</i> |
|---|-------------|----------------------------|----------------------------|
| Cash flows from operating activities | | | |
| Net cash (used in)/provided by operating activities | 21 | (389) | <i>1,325</i> |
| Cash flows used in investing activities | | | |
| Interest received | | 3 | <i>5</i> |
| Purchase of tangible fixed assets | | (111) | <i>(211)</i> |
| Net cash used in investing activities | | (108) | <i>(206)</i> |
| Cash flows used in financing activities | | | |
| Cash inflows from new borrowing | | 50 | <i>-</i> |
| Repayments of borrowing | | (25) | <i>(13)</i> |
| Movement of finance leases | | (31) | <i>(27)</i> |
| Net cash used in financing activities | | (6) | <i>(40)</i> |
| Change in cash and cash equivalents in the year | | (503) | <i>1,079</i> |
| Cash and cash equivalents at the beginning of the year | | 1,805 | <i>726</i> |
| Cash and cash equivalents at the end of the year | 22 | 1,302 | <i>1,805</i> |

The notes on pages 24 to 43 form part of these financial statements

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. General information

St. Edward's School Cheltenham Trust is a registered charity with the Charities Commission England and Wales (charity number: 293360) and is incorporated as a company limited by guarantee (company number: 01961978). The address of its registered office is Cirencester Road, Charlton Kings, Cheltenham, GL53 8EY.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

St. Edward's School Cheltenham Trust meets the definition of a public benefit entity under FRS 102.

2.2 Going concern

As part of the Trustee's responsibilities of the appropriateness of adopting the going concern basis in preparing the financial statements, a range of scenarios have been considered. The assumptions modelled are based on the estimated potential impact of the ongoing COVID-19 restrictions and regulations, along with our proposed responses.

The School depends on its existing bank facilities to meet its day to day working capital requirements. The Trustees have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

2.3 Income

Fees receivable are accounted for in the period in which the services are provided and are stated after deducting allowances, scholarships and other remissions granted by the School.

All other income is included in the Statement of Financial Activities when the School has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government grants, whether 'capital' grants or 'revenue' grants, is recognised when the School has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Where entitlements occurs before income is received, the income is accrued. Where income is received in advance of the School having entitlement to the funds the income is deferred.

2.4 Expenditure

Expenditure is allocated to expense headings on a direct cost basis, with staff costs being allocated according to the estimated time spent by staff working in relevant departments.

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.4 Expenditure (continued)

Charitable activities include all costs relating to the running of the School.

The irrecoverable VAT element is included with the item of expense to which it relates.

2.5 Taxation

The School is a registered charity, and as such is entitled to certain tax exemptions on surpluses on any trading activities carried on in furtherance of the charity's primary objectives.

2.6 Tangible fixed assets and depreciation

In common with other educational establishments the School has historically written off all expenditure on tangible assets during the year of purchase (prior to 1997).

The original School buildings are predominantly listed properties and are carried at the amount of the original merger cost, as the Trustees consider it is not appropriate to apply a current valuation to such properties. The School is responsible for keeping these properties in a fit and useful condition and these costs are written off as incurred, and hence no depreciation is charged on these properties.

Depreciation is provided on all tangible fixed assets in use, other than listed properties and freehold land, at rates and bases calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|----------------------------------|--|
| Freehold buildings | - 0% - 2% straight line or the expected remaining life of the building |
| Plant and equipment | - 10% - 33% straight line |
| Motor vehicles | - 20% straight line |
| Furniture, fixtures and fittings | - 10% - 20% straight line |

Land is not depreciated.

Assets under construction are not depreciated.

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the statement of financial activities. Individual items costing less than £5,000 are written off as an expense as acquired.

2.7 Debtors

Short term debtors are initially measured at transaction price, less any impairment.

2.8 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions.

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.9 Creditors

Short term creditors are initially measured at the transaction price.

2.10 Liabilities

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

2.11 Financial instruments

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

2.12 Finance and operating leases

Where the School has entered into finance leases or hire purchase contracts, the obligations to the lessor are shown within creditors and the rights in the corresponding assets are treated in the same way as owned fixed rights. Leases are regarded as finance leases where their terms transfer to the lessee substantially all the benefits and burdens of ownership other than the right to legal title.

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred.

2.13 Redundancy costs

Redundancy and termination costs are accounted for on an accruals basis when commitment to terminate a post on the grounds of redundancy has been made.

2.14 Pensions

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary as advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme, which are attributable to the School. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme. The School also contributes to personal pension schemes for non-teaching staff and these contributions are accrued accordingly. Pension costs are allocated to the unrestricted fund due to this being the fund in which staff costs are paid from.

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.15 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Funds donated for purposes restricted by the wishes of the donor are taken to restricted funds, where these wishes are legally binding on the Trustees.

2.16 Deposits

The Governors have reviewed the contract terms under which pupil fee deposits are held by the School. Although under normal circumstances these will be repaid in future years when the pupils complete their education at the school, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of deposits held have been included within current liabilities.

3. Critical accounting estimates and areas of judgement

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

The items in the financial statements where these estimates and judgements have been made include the following:

Useful economic lives of tangible assets

The annual depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 15 for the carrying amount of the tangible assets and note 2.6 for the useful lives for each class of asset.

Impairment of debtors

The School makes an estimate of the recoverable value of fee and other debtors. When assessing impairment of fee and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of the debtors and associated impairment provision.

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. Income from donations and grants

| | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Total funds 2020 £000 | <i>Total funds 2019 £000</i> |
|---|---|---|--|--|
| Donations | 10 | 2 | 12 | 6 |
| Government Grants: Job Retention Scheme | 552 | - | 552 | - |
| | <u>562</u> | <u>2</u> | <u>564</u> | <u>6</u> |
| <i>Total 2019</i> | <u>-</u> | <u>6</u> | <u>6</u> | |

The Government grant income received totaling £552k relates to the Government's Job Retention Scheme as part of their response to COVID-19. There are no unfulfilled conditions and the School has not received any other forms of Government assistance.

5. Charitable activities: Fees receivable

Income represents gross school fees invoiced less discounts and allowances as shown below:

| | 2020 £000 | <i>2019 £000</i> |
|--|----------------------|----------------------|
| School fees | 8,253 | <i>9,054</i> |
| Less: total scholarships, bursaries, grants and allowances | (1,405) | <i>(1,620)</i> |
| | <u>6,848</u> | <u><i>7,434</i></u> |

All income was to unrestricted funds during this and the prior year.

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

6. Charitable activities: Other income

| | 2020 | <i>2019</i> |
|----------------------|------------------------|------------------------|
| | £000 | <i>£000</i> |
| Sale of meals | 23 | <i>35</i> |
| School trips | 68 | <i>224</i> |
| Application fees | 8 | <i>11</i> |
| Special needs fees | 100 | <i>100</i> |
| Examination fees | 41 | <i>44</i> |
| Bus income | 14 | <i>23</i> |
| Afterschool clubs | 23 | <i>40</i> |
| Other fees as extras | 1 | <i>1</i> |
| | <hr/> 278 <hr/> | <hr/> <i>478</i> <hr/> |

All income was to unrestricted funds during this and the prior year.

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. Other trading activities

| | Unrestricted funds 2020 £000 | Total funds 2020 £000 | <i>Total funds 2019 £000</i> |
|------------------------------|---|--|--|
| Hire of building and grounds | 59 | 59 | 94 |
| <i>Total 2019</i> | <u>94</u> | <u>94</u> | |

8. Investment income

| | Unrestricted funds 2020 £000 | Total funds 2020 £000 | <i>Total funds 2019 £000</i> |
|-------------------|---|--|--|
| Bank interest | 3 | 3 | 5 |
| <i>Total 2019</i> | <u>5</u> | <u>5</u> | |

9. Other incoming resources

| | Unrestricted funds 2020 £000 | Total funds 2020 £000 | <i>Total funds 2019 £000</i> |
|-------------------|---|--|--|
| Other income | 18 | 18 | 126 |
| <i>Total 2019</i> | <u>126</u> | <u>126</u> | |

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

10. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Total funds 2020 £000 | <i>Total funds 2019 £000</i> |
|----------------------------|---|---|--|--|
| Education and grant making | 4,695 | - | 4,695 | 4,922 |
| Welfare | 439 | - | 439 | 582 |
| Premises | 1,360 | - | 1,360 | 1,483 |
| Support costs | 1,003 | - | 1,003 | 1,098 |
| | <u>7,497</u> | <u>-</u> | <u>7,497</u> | <u>8,085</u> |
| <i>Total 2019</i> | <u>8,079</u> | <u>6</u> | <u>8,085</u> | |

11. Analysis of expenditure by activities

Analysis of direct costs

| | Education and grant making 2020 £000 | Welfare 2020 £000 | Premises 2020 £000 | Support costs 2020 £000 | Total funds 2020 £000 | <i>Total funds 2019 £000</i> |
|-------------------|---|----------------------------------|-----------------------------------|--|--|--|
| Staff costs | 4,273 | 33 | 343 | 509 | 5,158 | 5,193 |
| Depreciation | 11 | - | 215 | - | 226 | 221 |
| Other | 411 | 406 | 802 | 494 | 2,113 | 2,671 |
| | <u>4,695</u> | <u>439</u> | <u>1,360</u> | <u>1,003</u> | <u>7,497</u> | <u>8,085</u> |
| <i>Total 2019</i> | <u>4,922</u> | <u>582</u> | <u>1,483</u> | <u>1,098</u> | <u>8,085</u> | |

Bank interest paid on the loan balances in the year amounted to £1,024 (2019: £7,508)

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

12. Governance costs (included within support costs)

| | 2020 | <i>2019</i> |
|--|--------------|--------------|
| | £000 | <i>£000</i> |
| Fees payable to the School's auditor for the audit of the School's annual accounts | 10 | <i>10</i> |
| Fees payable to the School's auditor in respect of: All non-audit services not included above | 2 | <i>4</i> |
| | ===== | <i>=====</i> |

13. Staff costs

| | 2020 | <i>2019</i> |
|--|--------------|--------------|
| | £000 | <i>£000</i> |
| Wages and salaries | 4,136 | <i>4,330</i> |
| Social security costs | 390 | <i>387</i> |
| Contribution to defined contribution pension schemes | 632 | <i>476</i> |
| | ===== | <i>=====</i> |
| | 5,158 | <i>5,193</i> |
| | ===== | <i>=====</i> |

During the period there were redundancy or termination payments made which amounted to £1k (*2019: £48k*). No amounts were left outstanding at the year end (*2019: £ nil*).

The average number of persons employed by the School during the year was as follows:

| | 2020 | <i>2019</i> |
|----------------|--------------|--------------|
| | No. | <i>No.</i> |
| Scholastic | 86 | <i>87</i> |
| Administration | 80 | <i>83</i> |
| | ===== | <i>=====</i> |
| | 166 | <i>170</i> |
| | ===== | <i>=====</i> |

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

13. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | 2020 | <i>2019</i> |
|---------------------------------|-------------|-------------|
| | No. | <i>No.</i> |
| In the band £60,001 - £70,000 | 2 | <i>2</i> |
| In the band £80,001 - £90,000 | 1 | <i>1</i> |
| In the band £110,001 - £120,000 | 1 | <i>1</i> |

Aggregate remuneration and benefits of the key management personnel totalled £714k (*2019: £629k*). This relates to the Headmistress, Headmaster, 4 Deputy Heads and the Bursar.

Retirement benefits were accruing on behalf of 4 (*2019: 4*) higher paid employees. Payments made in the year for these members of staff into the relevant pension scheme totalled £52k (*2019: £48k*).

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2019: £Nil*).

During the year ended 31 August 2020, expenses totalling £91 were reimbursed or paid directly to 1 Trustee (*2019 - £Nil*). Expenses related to travel.

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. Tangible fixed assets

| | Freehold property £000 | Plant and machinery £000 | Motor vehicles £000 | Fixtures and fittings £000 | Assets under construction £000 | Total £000 |
|--------------------------|------------------------------|--------------------------------|---------------------------|----------------------------------|---|---------------------|
| Cost or valuation | | | | | | |
| At 1 September 2019 | 7,457 | 918 | 256 | 65 | 19 | 8,715 |
| Additions | 14 | - | - | 15 | 82 | 111 |
| At 31 August 2020 | <u>7,471</u> | <u>918</u> | <u>256</u> | <u>80</u> | <u>101</u> | <u>8,826</u> |
| Depreciation | | | | | | |
| At 1 September 2019 | 3,640 | 768 | 202 | 65 | - | 4,675 |
| Charge for the year | 165 | 38 | 22 | 1 | - | 226 |
| At 31 August 2020 | <u>3,805</u> | <u>806</u> | <u>224</u> | <u>66</u> | <u>-</u> | <u>4,901</u> |
| Net book value | | | | | | |
| At 31 August 2020 | <u><u>3,666</u></u> | <u><u>112</u></u> | <u><u>32</u></u> | <u><u>14</u></u> | <u><u>101</u></u> | <u><u>3,925</u></u> |
| At 31 August 2019 | <u><u>3,817</u></u> | <u><u>150</u></u> | <u><u>54</u></u> | <u><u>-</u></u> | <u><u>19</u></u> | <u><u>4,040</u></u> |

Included within tangible fixed assets are assets with a net book value of £18k (2019: £nil) which meet the definition of intangible fixed assets.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

| | 2020 £000 | 2019 £000 |
|---------------------|------------------|------------------|
| Plant and equipment | <u><u>23</u></u> | <u><u>49</u></u> |

Depreciation of tangible fixed assets included depreciation relating to assets held under finance leases or hire purchase contracts totalling £26k (2019: £26k)

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. Debtors

| | 2020 | <i>2019</i> |
|--------------------------------|-------------|-------------|
| | £000 | <i>£000</i> |
| Due within one year | | |
| Fees and extras | 282 | <i>264</i> |
| Other debtors | 27 | <i>21</i> |
| Prepayments and accrued income | 233 | <i>82</i> |
| | 542 | <i>367</i> |
| | 542 | <i>367</i> |

Fee debtors are stated after impairment provisions totalling £162k (*2019: £229k*).

17. Creditors: Amounts falling due within one year

| | 2020 | <i>2019</i> |
|---|--------------|--------------|
| | £000 | <i>£000</i> |
| Bank loans | 70 | <i>20</i> |
| Deposits from parents | 278 | <i>299</i> |
| Trade creditors | 74 | <i>135</i> |
| Fees received in advance | 685 | <i>1,303</i> |
| Other taxation and social security | 82 | <i>95</i> |
| Obligations under finance lease and hire purchase contracts | 8 | <i>23</i> |
| Other creditors | 304 | <i>115</i> |
| Accruals and deferred income | 20 | <i>206</i> |
| | 1,521 | <i>2,196</i> |
| | 1,521 | <i>2,196</i> |

Fees received in advance represent payment for school fees relating to terms within the 2020/21 financial year.

| | 2020 | <i>2019</i> |
|--|----------------|--------------|
| | £000 | <i>£000</i> |
| Deferred income at 1 September 2019 | 1,303 | <i>549</i> |
| Resources deferred during the year | 685 | <i>1,303</i> |
| Amounts released from previous periods | (1,303) | <i>(549)</i> |
| | 685 | <i>1,303</i> |
| | 685 | <i>1,303</i> |

ST. EDWARD'S SCHOOL CHELTENHAM TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Creditors: Amounts falling due after more than one year

| | 2020 | <i>2019</i> |
|---|-------------|-------------|
| | £000 | <i>£000</i> |
| Bank loans | 201 | <i>226</i> |
| Net obligations under finance lease and hire purchase contracts | 1 | <i>17</i> |
| | 202 | <i>243</i> |
| | 202 | <i>243</i> |

Included within the above are amounts falling due as follows:

| | 2020 | <i>2019</i> |
|-----------------------------------|-------------|-------------|
| | £000 | <i>£000</i> |
| Between one and two years | | |
| Bank loans | 21 | <i>65</i> |
| | 21 | <i>65</i> |
| Between two and five years | | |
| Bank loans | 34 | <i>-</i> |
| | 34 | <i>-</i> |
| Over five years | | |
| Bank loans | 146 | <i>161</i> |
| | 146 | <i>161</i> |

There are three bank loans of which £35k (*2019: £46k*) represents the balance owing on a fixed rate 2.69% loan. The loan capital is being paid over a 5 year period. The second loan of which £193k (*2019: £200k*) represents the balance owing on a 2.57% fixed rate per annum loan over the Bank of England Base Rate. The loan capital is being repaid over a 20 year period. The third loan of £50k was drawn down during the year. The interest rate is 2.63% over the Bank of England Base Rate, this will be repaid within one year.

The bank loans outstanding of £271k (*2019: £246k*) are secured by way of a First Legal Mortgage over the freehold property known as The School House. This asset is included at its initial cost within Freehold property and its current market value far exceeds its carrying value. The hire purchase liabilities are secured on the assets to which they relate.

The net obligations under finance leases and hire purchase contracts due after more than one year are all due to be repaid between one and two years.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. Statement of funds

Statement of funds - current year

| | Balance at 1 September 2019 £000 | Income £000 | Expenditure £000 | Balance at 31 August 2020 £000 |
|---------------------------------|---|----------------|---------------------|---|
| Unrestricted funds | | | | |
| Designated funds | | | | |
| Designated Funds | 236 | 20 | (16) | 240 |
| General funds | | | | |
| General reserve | 3,536 | 7,748 | (7,481) | 3,803 |
| Total Unrestricted funds | 3,772 | 7,768 | (7,497) | 4,043 |
| Restricted funds | | | | |
| Chess Donation | 1 | - | - | 1 |
| PTA Donations | - | 2 | - | 2 |
| | 1 | 2 | - | 3 |
| Total of funds | 3,773 | 7,770 | (7,497) | 4,046 |

The designated fund is for the swimming pool and fitness room. Income received each year from the hire of the pool and fitness room is designated as a separate reserve. Funds will be allocated by the Finance Committee for capital improvements and significant maintenance and renewal costs in the pool and fitness areas. A transfer from the designated fund to the general reserve will be recognised upon the completion of any work to the swimming pool and fitness area which fully satisfy the above conditions of the designated fund.

During the year the School received a donated asset from the PTA which has been recognised within fixed assets in relation to a Timbertrail totalling £9k (2019: £Nil).

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Statement of funds - prior year

| | <i>Balance at 1 September 2018 £000</i> | <i>Income £000</i> | <i>Expenditure £000</i> | <i>Transfers in/out £000</i> | <i>Balance at 31 August 2019 £000</i> |
|---------------------------------|---|------------------------|-----------------------------|--------------------------------------|---|
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Designated Funds | 220 | 37 | (5) | (16) | 236 |
| General funds | | | | | |
| General reserve | 3,494 | 8,100 | (8,074) | 16 | 3,536 |
| Total Unrestricted funds | 3,714 | 8,137 | (8,079) | - | 3,772 |
| Restricted funds | | | | | |
| Chess Donation | 1 | - | - | - | 1 |
| PTA Donation | - | 6 | (6) | - | - |
| | 1 | 6 | (6) | - | 1 |
| Total of funds | 3,715 | 8,143 | (8,085) | - | 3,773 |

The designated fund is for the swimming pool and fitness room. Income received each year from the hire of the pool and fitness room is designated as a separate reserve. Funds will be allocated by the Finance Committee for capital improvements and significant maintenance and renewal costs in the pool and fitness areas. A transfer from the designated fund to the general reserve will be recognised upon the completion of any work to the swimming pool and fitness area which fully satisfy the above conditions of the designated fund.

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NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of net assets between funds

Analysis of net assets between funds - current period

| | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Total funds 2020 £000 |
|-------------------------------------|---|---|--|
| Tangible fixed assets | 3,925 | - | 3,925 |
| Current assets | 1,841 | 3 | 1,844 |
| Creditors due within one year | (1,521) | - | (1,521) |
| Creditors due in more than one year | (202) | - | (202) |
| Total | 4,043 | 3 | 4,046 |

Analysis of net assets between funds - prior period

| | <i>Unrestricted funds 2019 £000</i> | <i>Restricted funds 2019 £000</i> | <i>Total funds 2019 £000</i> |
|-------------------------------------|---|---|--|
| Tangible fixed assets | 4,040 | - | <i>4,040</i> |
| Current assets | 2,171 | 1 | <i>2,172</i> |
| Creditors due within one year | (2,196) | - | <i>(2,196)</i> |
| Creditors due in more than one year | (243) | - | <i>(243)</i> |
| Total | 3,772 | 1 | 3,773 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

21. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2020 | <i>2019</i> |
|--|--------------|--------------|
| | £000 | <i>£000</i> |
| Net income for the period (as per Statement of Financial Activities) | 273 | <i>58</i> |
| Adjustments for: | | |
| Depreciation charges | 226 | <i>221</i> |
| Interest received | (3) | <i>(5)</i> |
| (Increase)/decrease in debtors | (175) | <i>89</i> |
| (Decrease)/increase in creditors | (710) | <i>962</i> |
| Net cash provided by/(used in) operating activities | (389) | <i>1,325</i> |

22. Analysis of cash and cash equivalents

| | 2020 | <i>2019</i> |
|--------------|--------------|--------------|
| | £000 | <i>£000</i> |
| Cash in hand | 1,302 | <i>1,805</i> |

23. Analysis of changes in net debt

| | At 1 September 2019 | Cash flows £000 | At 31 August 2020 £000 |
|--------------------------|------------------------------------|----------------------------|---------------------------------------|
| Cash at bank and in hand | 1,805 | (504) | 1,301 |
| Debt due within 1 year | (1,322) | 567 | (755) |
| Debt due after 1 year | (226) | 25 | (201) |
| Finance leases | (40) | 31 | (9) |
| | 217 | 119 | 336 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

24. Capital commitments

| | 2020 | <i>2019</i> |
|--|------------------|-----------------|
| | £000 | <i>£000</i> |
| Contracted for but not provided in these financial statements | | |
| Acquisition of intangible assets | 45 | - |
| | <u><u>45</u></u> | <u><u>-</u></u> |

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NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £564k (2019: £437k) and at the year-end £68k (2019 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Other pension schemes

The School also contributes to a defined contribution pension scheme on behalf of its employees. The cost to the School of this scheme was £68k (2019: £39k).

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NOTES TO THE FINANCIAL STATEMENTS
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26. Operating lease commitments

At 31 August 2020 the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2020 | <i>2019</i> |
|--|--------------|--------------|
| | £000 | <i>£000</i> |
| Not later than 1 year | 151 | <i>146</i> |
| Later than 1 year and not later than 5 years | 557 | <i>558</i> |
| Later than 5 years | 3,375 | <i>3,510</i> |
| | 4,083 | <i>4,214</i> |

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

| | 2020 | <i>2019</i> |
|-------------------------|-------------|-------------|
| | £000 | <i>£000</i> |
| Operating lease rentals | 146 | <i>154</i> |

27. Related party transactions

During the year transactions amounting to £1.2k were made between the School and Clifton Diocese of which the Head Teacher is a Director. Some Trustees have children attending the school. School fees incurred by Trustees are paid on a commercial arm's length basis.