

KESWICK SCHOOL CHARITABLE TRUST

Report and Financial Statements

Year ended 31 March 2021

Charity No: 526847

KESWICK SCHOOL CHARITABLE TRUST

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KESWICK SCHOOL CHARITABLE TRUST
LEGAL AND ADMINISTRATIVE INFORMATION
YEAR ENDED 31 MARCH 2021

Trustees

Prof R S Fowler	
Mrs G M Holme	(Resigned 7 January 2021)
Mrs C Jepson	(Resigned 25 November 2020)
Mr D Walker	
Mrs S Peck	
Dr P Roberts	
Mr S Throp	(Resigned 22 February 2021)
Ms A Boardman	
Mr M Askew	
Mrs H Trott	
Dr W Ponsonby	(Appointed 11 February 2021)
Mr J Scott	(Appointed 10 March 2021)
Ms C Neil	(Appointed 10 March 2021)
Mr T Keough	(Appointed 18 March 2021)

Charity Address

Clerk to the Trustees
Keswick School
Vicarage Hill
Keswick
Cumbria
CA12 5QB

Independent Examiners

Lamont Pridmore
8 Stanger Street
Keswick
Cumbria
CA12 5JU

Bankers

HSBC
29 English Street
Carlisle
CA3 8JT

Solicitors

Browne Jacobson
14th Floor
No 1 Spinningfields
1 Hardman Square
Spinningfields
Manchester
M3 3EB

Investment Managers

James Brearley & Sons
Walpole House
Unit 2 Burton Road
Blackpool
FY4 4NW

KESWICK SCHOOL CHARITABLE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The Trustees of the Keswick School Trust present their annual report and accounts for the year ended 31 March 2021 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 Trust is operated under the rules of its Trust Deed dated 26 January 1980 (amended by a change in the rules dated 13 August 1981, and a change of name to Keswick School Charitable Trust dated 11 May 2017). The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the trust deed.

The principal objectives of the charity are to:

- Assist the Governors of the School to defray the cost of meeting their obligations under the Education Acts
- Provide or assist in providing special benefits at the School not normally provided by the local education authority
- Promote the education of children attending the School in such ways as the Governors/Trustees think fit
- Administer the Endowment, Prize Fund and Scholarship Funds.

There have been no changes in objectives since the last annual report. The Trust operates in accordance with the order made by the Charity Commission in 2007 that enables the Trustees to make minor changes to the trusts of the charity. This has enabled the Trustees to reduce the quorum from seven to five; to temporarily fill vacancies left unfilled by nominating bodies and to arrange indemnity insurance. Major changes still require the approval of the Charity Commission.

Membership

The Trust body is made up of six foundation Trustees, three governor-appointed Trustees and one each from the County Council, Queen's College, Oxford and the Old Keswickian Association.

The Trustees for the period going forward are:

Foundation

Mr J Scott
Mrs S Peck
Dr P Roberts
Mr D Walker
Ms A Boardman
Ms C Neil

Co-opted Foundation

Mr T Keough

Governors' Nominees

Mr M Askew
Mrs H Trott
Vacancy

Keswick OKs

Dr W Ponsonby
Vacancy

Queen's College, Oxford

Prof R S Fowler

Cumbria County Council

Vacancy

KESWICK SCHOOL CHARITABLE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021(CONTINUED)

Review of activities and future developments

The Trustees provided annual support this year for the Prize Fund nil (2020: £3,800), the Rosemary Aitken Fund £1,000 (2020: nil) and the Luckman Bequest nil (2020: £500).

Trustees' responsibilities

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements in accordance with the methods and principles set out in the Statement of Recommended Practice "Accounting and Reporting by Charities" and to state whether or not the accounts have been prepared in accordance with that Statement and applicable accounting standards.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Investment policy and performance

The investment portfolio comprises a selection of Unit Trusts which are specifically geared for charities. The aim is to generate income and to maintain the capital value of the fund against inflation erosion. For major investment decisions independent financial advice is taken. The Trustees take smaller investment decisions as a body. Investment responsibilities sit heavily with the Trustees, both individually and as a body. Independent financial advice is given through James Brearley & Sons, who were appointed by the Trustees after a tender and interview process in October 2015. The Trustees agreed to a managed advisory service through James Brearley & Sons.

KESWICK SCHOOL CHARITABLE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021(CONTINUED)

Investment policy and performance (continued)

Investment income has fallen by £11,162 (28%) in the year due to the effects of the pandemic. The value of the investments at 31 March 2021 showed an increase of £224,403 compared to the previous year, because of an increase of £211,184 in the values of the holdings, and net additions of £13,219 in the year.

Grant making policy

Grants are made from the Prize Fund, Scholarship Fund and Foundation Fund to assist with the School's extra-curricular activities, if requested by the school.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate their exposure to the major risks.

Reserves policy

The Trustees do not hold high levels of cash reserves. The Trustees will consider any application from the school during the year on its own merit.

Approved by the Trustees at their meeting on 11th Oct 2021 and signed
on their behalf by: -



Sarah Peck

Chairman of the meeting

**Keswick School Charitable Trust
Statement of Financial Activities
for the Year Ended 31 March 2021**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total £	2020 Total £
Income and endowments					
Donation	50	-	-	50	50
Other trading activities	-	-	-	-	300
Investment income	-	2,948	25,702	28,650	39,812
Transfer to income	17,722	-	(17,722)	-	-
	-----	-----	-----	-----	-----
Total Income	17,772	2,948	7,980	28,700	40,162
	=====	=====	=====	=====	=====
 Expenditure on raising funds					
Investment management costs	-	915	7,980	8,895	10,167
	-----	-----	-----	-----	-----
 Expenditure on charitable activities					
Governance Costs	2,650	-	-	2,650	1,988
Education	23,002	-	-	23,002	4,300
	-----	-----	-----	-----	-----
Cost of grant making	25,652	-	-	25,652	6,288
	=====	=====	=====	=====	=====
 Total expenditure	25,652	915	7,980	34,547	16,455
	=====	=====	=====	=====	=====
 Net income/(expenditure) and net movement in funds before gains and losses on investments	(7,880)	2,033	-	(5,847)	23,707
 Net (losses)/gains on investments	-	21,731	189,453	211,184	(135,550)
	-----	-----	-----	-----	-----
 Net Movement in funds	(7,880)	23,764	189,453	205,337	(111,843)
	-----	-----	-----	-----	-----
 Reconciliation of Funds					
Total Funds brought forward	27,070	166,926	1,249,967	1,443,963	1,486,504
	-----	-----	-----	-----	-----
Total Funds carried forward	19,190	190,690	1,439,420	1,649,300	1,555,806
	=====	=====	=====	=====	=====

Keswick School Charitable Trust
Income and Expenditure Account for the Year Ended 31st March 2021

	Notes	2021 £	2020 £
Income			
Donations and legacies	2	50	50
Rent	3	-	300
Investment income	4	28,650	39,812
		-----	-----
		28,700	40,162
		-----	-----
 Charitable expenditure			
Expenditure on raising funds	5	8,895	10,167
Management & administration expenses	6	2,650	1,988
Grants & prizes	7	23,002	4,300
		-----	-----
		34,547	16,455
		-----	-----
 Operating (deficit)/profit for the year		(5,847)	23,707
 Gains/(Losses) on investments		211,184	(135,550)
		-----	-----
 Surplus/(Deficit) for the year		205,337	(111,843)
		=====	=====

Keswick School Charitable Trust
Balance Sheet as at 31 March 2021

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £	Prior Year 2020 £
Fixed Assets					
Tangible assets	-	-	214,362	214,362	214,362
Investments	-	153,717	1,225,058	1,378,775	1,154,372
	-----	-----	-----	-----	-----
Total Fixed Assets	-	153,717	1,439,420	1,593,137	1,368,734
	-----	-----	-----	-----	-----
Current Assets					
Cash at bank	19,190	36,973	-	56,163	75,229
Debtors	-	-	-	-	-
	-----	-----	-----	-----	-----
	19,190	36,973	-	56,163	75,229
Liabilities					
Creditors falling due within one year	-	-	-	-	-
	-----	-----	-----	-----	-----
Net Current assets	19,190	36,973	-	56,163	75,229
	-----	-----	-----	-----	-----
Total assets less current Liabilities	19,190	190,690	1,439,420	1,649,300	1,443,963
	-----	-----	-----	-----	-----
Creditors : Amounts falling due after more than one year	-	-	-	-	-
Provisions for liabilities and Charges	-	-	-	-	-
	-----	-----	-----	-----	-----
Net assets	19,190	190,690	1,439,420	1,649,300	1,443,963
	-----	-----	-----	-----	-----
The funds of the charity					
Endowment fund	-	-	1,439,420	1,439,420	1,249,967
Restricted income funds	-	190,690	-	190,690	166,926
Unrestricted income funds	19,190	-	-	19,190	27,070
	-----	-----	-----	-----	-----
Total charity funds	19,190	190,690	1,439,420	1,649,300	1,443,963
	-----	-----	-----	-----	-----

Keswick School Charitable Trust
Notes forming part of the Financial Statements
For the Year Ended 31 March 2021

1. Accounting policies

(a) Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 and the Charities Act 2011.

(b) Donations and legacies

Donations, legacies and similar incoming resources are included in the year in which they are received.

(c) Grants receivable

Revenue grants are credited to the income and expenditure account as received, unless related to a specific period, when it is placed in a restricted fund until used.

(d) Investment income and rental income

Income from investments and from rental income is included in the income and expenditure account in the year in which it is received.

(e) Expenditure

All expenditure is included on an accruals basis and is recognized when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities (SOFA). The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

(f) Investments

Investments are included at market value at the year-end.

Gains and losses on disposal and revaluation of investments are charged or credited to the SOFA.

(g) Fund accounting

The charity's funds consist of unrestricted and restricted amounts. The charity may use unrestricted amounts at its discretion. Restricted funds represent income contributions, which are restricted to a particular purpose, in accordance with the donor's wishes.

Keswick School Charitable Trust
Notes forming part of the Financial Statements
For the Year Ended 31 March 2021

2 Donations and Legacies Income	2021	2020
	£	£
Donations	50	50
	=====	=====
3 Other trading activities		
Rent	-	300
	=====	=====
4 Investment income		
Dividends and interest on listed investments	28,650	39,812
	=====	=====
5 Expenditure on raising funds		
Investment management costs	8,895	10,167
	=====	=====
6 Governance costs		
Insurance	927	926
Staff Retirements	1,301	1,005
Prizegiving expenses	-	57
Legal fees	337	-
Advertising	85	-
	-----	-----
	2,650	1,988
	=====	=====
7 Costs of activities in furtherance of charitable objectives		
Library Fund: Rosemary Aitken Bequest	1,000	-
Luckman Bequest	-	500
Keswick Academy	22,002	3,800
	-----	-----
	23,002	4,300
	=====	=====
8 Trustees' remuneration		
The Trustees neither received nor waived any emoluments during the year. (2020: £ Nil).		

Keswick School Charitable Trust
Notes forming part of the Financial Statements
For the Year Ended 31 March 2021

9 Tangible fixed assets

	Freehold Land and buildings £	Total £
At cost		
Balance at 1 April 2020	214,362	214,362
	-----	-----
Balance at 31 March 2021	214,362	214,362
	=====	=====
Depreciation		
Balance at 1 April 2020	-	-
Charged in the year	-	-
	-----	-----
Balance at 31 March 2021	-	-
	=====	=====
Net book value		
As at 31 March 2021	214,362	214,362
	=====	=====
As at 31 March 2020	214,362	214,362
	=====	=====

Freehold land and buildings include the following at original cost value:

Land at Howrahs	50,000	50,000
Security fencing & canopy at Lairthwaite	78,328	78,328
Land at rear of school	86,034	86,034
	-----	-----
	214,362	214,362
	=====	=====

In line with the Funding Agreement for the Academy, Keswick School was granted a lease of the Freehold Land and Buildings for a term of 125 years.

The leased properties will revert to the Trustees in the event of the Funding Agreement being terminated.

Keswick School Charitable Trust
Notes Forming Part of the Financial Statements
For the Year Ended 31 March 2021

10 Analysis of Movements on Investments

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
Carrying value (market value) at beginning of year	-	118,767	1,035,605	1,154,372
Acquisitions	-	13,219	-	13,219
Acquisitions	-	41,869	365,023	406,892
Profit on revaluation	-	21,731	189,453	211,184
Disposals	-	(41,869)	(365,023)	(406,892)
	-----	-----	-----	-----
Carrying value (market value) at end of year	-	153,717	1,225,058	1,378,775
	=====	=====	=====	=====

Keswick School Charitable Trust
Notes Forming Part of the Financial Statements
For the Year Ended 31 March 2021

11 Funds

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£
Opening balance at 1 April 2020	27,070	166,926	1,249,967	1,443,963
Net (outgoing)/incoming resources before transfers and investment gains	(25,602)	2,033	17,722	(5,847)
Transfers:				
Investment income arising on endowment funds for unrestricted purposes	17,722	-	(17,722)	-
Investment gains	-	21,731	189,453	211,184
Balance at 31 March 2021	19,190	190,690	1,439,420	1,649,300
	=====	=====	=====	=====
Represented by:				
Tangible assets	-	-	214,362	214,362
Investments	-	153,717	1,225,058	1,378,775
Net current assets	19,190	36,973	-	56,163
	19,190	190,690	1,439,420	1,649,300
	=====	=====	=====	=====

Unrestricted Funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

Restricted Funds are funds which the Trustees must use for specific purposes and comprise the Prize Fund, Scholarship Fund and the Foundation. The Foundation was created shortly after the Trust Deed was sealed in 1980 in order to build up reserves for the school.

Endowment Funds represent those assets which must be held permanently by the charity. Since the fund was established, by the Charity Deed sealed in 1980, there have been numerous changes and developments to the land and buildings which have impacted on the permanent endowment as the school has evolved to a single site.

12 Capital commitments

At 31 March 2021 there were no commitments for capital expenditure contracted for but not provided for in the financial statements.