

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr D J Burrows
Mr J K Hodt
Mr R P Morrison
Mr B R Price
Mr J B Wilding
Mr R Colligan
Mrs V J Smith

(Appointed 09 November 2022)

Charity number

527597

Principal address

Lower High Street
Stourbridge
West Midlands
DY8 1TD

Auditor

CK Audit
No 4 Castle Court 2
Castlegate Way
Dudley
West Midlands
DY1 4RH

Bankers

HSBC Bank Plc - Stourbridge
114 High Street
Stourbridge
West Midlands
DY8 1DZ

Solicitors

Higgs LLP
3 Waterfront Business Park
Brierley Hill
West Midlands
DY5 1LX

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

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THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report and financial statements for the year ended 31 August 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Charities Act 2011 and "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).

Objectives and activities

The principal objects of the Charity are to support the College which is a further and higher education institution specialising in the provision of sixth form education to young people from Stourbridge and surrounding areas. The courses are provided on a non fee paying basis.

In particular the Trustees:

- provide and supplement the College campus and The Green Fields to be used for the purposes of the College and Governors
- maintain and enhance the financial resources of the Charity for the benefit of the College
- receive requests from the Governing Body for financial assistance for the support and development of aspects of the College which are not funded by the appropriate educational funding body
- remain responsible for the security and management of the Foundation's historical archive
- remain responsible for the Prize and Scholarship Funds

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Achievements and performance

The Foundation Trustees have continued to serve the Charity's objectives by preserving, enhancing and protecting its funds so that they support the Governors in their control of the management of the College.

The Trustees continued their support of the College's enrichment offer and the provision of Student Awards for community engagement.

Financial review

The net negative movement of funds for the year was £92,007 (2022 – movement of funds of £100,008) as detailed in the Statement of Financial Activities on page 8 of the accounts. The negative movement of funds in 2023 was due to the revaluation of investments of £123,052.

The Trustees maintain sufficient reserves, being the balance on unrestricted funds, to provide sufficient funds to enable the Charity to continue to carry out its charitable objects. The Trustees review the Charity's needs for reserves on a regular basis in line with the guidance issued by the Charity Commission.

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Risks

The Trustees are aware of the need to assess the risks to which the Charity is exposed and to satisfy themselves that systems are in place to expose the major risks. A necessary risk assessment has been carried out during the year.

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Future plans

The Foundation Trustees will continue with their current policy of acquiring suitable land and property adjacent to the College site, when appropriate, for the benefit of the College and endeavour to support appropriate capital and infrastructure improvements for the College's continuing development and benefit.

The Trustees will continue their support of the College's enrichment offer and also support the provision of Student Awards for community engagement.

In the long term the Trustees are desirous of growing the Foundation and its income, maximising investments and strengthening the reserves to better support the College in the future.

Structure, governance and management

The history of the Foundation has its origins in May 1430 when two local benefactors, Richard and Joan Hayley, donated land and the chapel on the site to twenty-two trustees to provide a so called 'chapel of ease' for the parish church of Oldswinford and a grammar school for the teaching of grammar (ie Latin) to sons of poor men of the parish.

The dissolution of the monasteries in the sixteenth century led to the next phase in the life of the school. On the 17th June 1552 King Edward VI granted a charter to the school to establish a boys' grammar school. The importance of the charter was that it came with certain endowments of lands being former monastic property although most of this endowment was expended on developing the School in the Nineteenth and Twentieth Centuries. In 1989, in response to the Governors' request, the Charity Commissioners made a new Scheme under which the Foundation Trustees of the Charity became a body separate from the College Governors with the sole aim of supporting the ancient foundation of the Free Grammar School which had by then become King Edward VI College.

Following amendments to the scheme in 2022, there are now seven Trustees comprising:

- One ex-officio Trustee, being the Chair of the Local Governing Body of the College
- One nominated Trustee, being a person nominated by the Local Governing Body of the College
- Up to five co-opted Trustees

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr D J Burrows

Mr J K Hodt

Mr R P Morrison

Mr B R Price

Mr J B Wilding

Mrs V J Smith

Mr R Colligan

(Appointed 09 November 2022)

The trustees' report was approved by the Board of Trustees.



Mr D J Burrows

Chair of Trustees

Dated: 21 February 2024

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

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

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

Opinion

We have audited the financial statements of The King Edward VI College, Stourbridge Charity (the 'Charity') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet and the 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 charity's affairs as at 31 August 2023 and of its incoming resources and application of resources, 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, the Trustees 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 Charity'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

We identified and assessed the risks of material misstatement of the financial statements, in respect of irregularities whether due to fraud or error, or non compliance with laws and regulations and then designed and performed audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity by discussion and enquiry with the Trustees and the Clerk and our general knowledge and experience of the Charity.

We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Charities Act 2011, data protection, employment, and health and safety legislation;

We assessed the extent of compliance with the laws and regulations identified above through making enquiries, reviewing correspondence with relevant regulators.

Audit response to risks identified

We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed included but were not limited to:

- Discussions with trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Performing analytical procedures to identify any unusual or unexpected relationships;
- Challenging assumptions and judgements made by the Trustees in accounting for investment property;
- Reviewing unusual or unexpected transactions; and
- Agreeing the financial statement disclosures to underlying supporting documentation.

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

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. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



CK Audit

21 February 2024

**Chartered Accountants
Statutory Auditor**

No 4 Castle Court 2
Castlegate Way
Dudley
West Midlands
DY1 4RH

CK Audit is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Total 2022 £
Income from:						
Donations and legacies	3	-	-	-	-	194
Income from charitable activities	4	176,826	-	-	176,826	212,745
Investments	5	36,246	13,542	-	49,788	34,417
Total income		213,072	13,542	-	226,614	247,356
Expenditure on:						
Raising funds	6	-	-	4,141	4,141	4,424
Charitable activities	7	191,428	-	-	191,428	169,719
Total resources expended		191,428	-	4,141	195,569	174,143
Net gains/(losses) on investments	12	(497)	-	(122,555)	(123,052)	(33,205)
Net incoming/(outgoing) resources		21,147	13,542	(126,696)	(92,007)	40,008
Other recognised gains and losses						
Revaluation of tangible fixed assets		-	-	-	-	60,000
Net movement in funds		21,147	13,542	(126,696)	(92,007)	100,008
Fund balances at 1 September 2022		804,621	77,422	3,665,060	4,547,103	4,447,095
Fund balances at 31 August 2023		825,768	90,964	3,538,364	4,455,096	4,547,103

The statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14	140,000		140,000	
Investment properties	15	2,260,001		2,360,001	
Investments	16	1,144,463		1,171,655	
		<u>3,544,464</u>		<u>3,671,656</u>	
Current assets					
Debtors	18	36,210		41,643	
Investments	19	1		1	
Cash at bank and in hand		921,825		869,719	
		<u>958,036</u>		<u>911,363</u>	
Creditors: amounts falling due within one year	20	(47,404)		(35,916)	
Net current assets			910,632		875,447
Total assets less current liabilities			<u>4,455,096</u>		<u>4,547,103</u>
Capital funds					
<u>Endowment funds - general</u>					
General endowment funds		3,478,364		3,605,060	
Revaluation reserve		60,000		60,000	
		<u>3,538,364</u>		<u>3,665,060</u>	
Permanent endowment		3,035,395		3,152,225	
Expendable endowment		502,969		512,835	
	22		3,538,364		3,665,060
Income funds					
Restricted funds	21	90,964		77,422	
Unrestricted funds		825,768		804,621	
		<u>4,455,096</u>		<u>4,547,103</u>	

The financial statements were approved by the Trustees on 21 February 2024



Mr D J Burrows
Trustee

Mr B R Price
Trustee



THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charity information

The Charity called King Edward the Sixth Grammar School, Stourbridge regulated by a Scheme made by the Board of Education on 16 November 1909 (as affected by Articles of Government made by the Minister of Education on 26 October 1950) was superseded by a new Scheme of 21 July 1989.

Consequently the Charity which had previously been represented by the Governors' Accounts is now known as The King Edward VI College, Stourbridge, Charity being administered by the Trustees of that Charity. No attempt was made to separate the funds at 21 July 1989.

These accounts also include the Prize and Scholarship accounts.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of any impairment losses.

The land and buildings comprise college premises. The trustees believe there is no longer any value in the College buildings and the revaluation reserve has been released in a previous year and the balance moved from general endowment funds.

1.7 Investment properties

Investment properties are included in the balance sheet at the Trustees' best estimate of open market value having taken professional advice.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

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

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Investment property

Investment properties are included in the balance sheet at the Trustees' best estimate of open market value having taken professional advice. Valuations are carried out at least every five years subject only to obtaining advice as to any material movements between individual valuations.

3 Donations and legacies

	2023	2022
	£	£
Donations and gifts	-	194

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

4 Income from charitable activities

	2023 £	2022 £
Charitable rental income	176,514	209,305
Service charges	312	3,440
	<u>176,826</u>	<u>212,745</u>

5 Investments

	Unrestricted funds	Restricted funds	Total	Total
	2023 £	2023 £	2023 £	2022 £
Income from listed investments	11	12,301	12,312	12,568
Income from unlisted investments	19,689	-	19,689	19,289
Interest receivable	16,546	1,241	17,787	2,560
	<u>36,246</u>	<u>13,542</u>	<u>49,788</u>	<u>34,417</u>
For the year ended 31 August 2022	<u>20,626</u>	<u>13,791</u>		<u>34,417</u>

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

6 Raising funds

	2023 £	2022 £
Investment management	4,141	4,424
	<u>4,141</u>	<u>4,424</u>

7 Charitable activities

	Property Rental 2023 £	Prize Fund Activities 2023 £	Total 2023 £	Property Rental 2022 £
Insurance	10,058	-	10,058	4,271
Prizes	-	5,000	5,000	-
Council Tax	1,536	-	1,536	-
Repairs to Coventry Street properties	-	-	-	63,706
Repairs to Flats 1-3 Coventry Street	-	-	-	2,432
Repairs (other)	1,274	-	1,274	-
Surveyor and property consultants fees	13,020	-	13,020	1,782
Rent and lease fees	2,946	-	2,946	2,088
Electricity and gas	12,900	-	12,900	10,736
Professional fees	750	-	750	180
Bank charges	215	-	215	-
Sundry	235	-	235	-
Letting agent fees	5,460	-	5,460	8,841
	<u>48,394</u>	<u>5,000</u>	<u>53,394</u>	<u>94,036</u>
Grant funding of activities (see note 8)	120,000	-	120,000	56,000
Share of governance costs (see note 9)	18,034	-	18,034	19,683
	<u>186,428</u>	<u>5,000</u>	<u>191,428</u>	<u>169,719</u>

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

8 Grants payable

During the year a grants of £120,000 (2022 - £56,000) were paid to Heart of Mercia Multi Academy Trust.

9 Support costs

	Support costs £	Governance costs £	2023 £	2022 £
Audit fees	-	4,890	4,890	3,800
Accountancy	-	5,154	5,154	4,210
Legal and professional	-	7,990	7,990	11,673
	-	18,034	18,034	19,683
Analysed between Charitable activities	-	18,034	18,034	19,683

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration.

11 Employees

There were no employees during the year.

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

12 Net gains/(losses) on investments

	Unrestricted funds	Endowment funds general	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Revaluation of investments	(497)	(22,555)	(23,052)	(68,205)
Revaluation of investment properties	-	(100,000)	(100,000)	35,000
	(497)	(122,555)	(123,052)	(33,205)
For the year ended 31 August 2022	(1,244)	(31,961)		(33,205)

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

14 Tangible fixed assets

	Land and buildings	Oil Painting	Total
	£	£	£
Cost			
At 1 September 2022	21,209,059	140,000	21,349,059
At 31 August 2023	21,209,059	140,000	21,349,059
Depreciation and impairment			
At 1 September 2022	21,209,059	-	21,209,059
At 31 August 2023	21,209,059	-	21,209,059
Carrying amount			
At 31 August 2023	-	140,000	140,000
At 31 August 2022	-	140,000	140,000

King Edward VI oil on wood painting, circa 1547 attributed to William Scrots (revalued on 23rd June 2022 by Fieldings Auctioneers Ltd).

The trustees are of the opinion that there is no material change in the net book value at year end.

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

15 Investment property

	2023 £
Fair value	
At 1 September 2022	2,360,001
Net gains or losses through fair value adjustments	(100,000)
At 31 August 2023	<u>2,260,001</u>

The fair value of investment property held at year end is a result of professional valuations undertaken in the year by The Lee Shaw Partnership Limited and Andrew Taplin. The above represents the valuation at 31 August 2023.

During the year ended 31st August 2021 the trustees were given permission from the Charity Commission to grant a 125 year lease with a peppercorn rent to the Heart of Mercia MAT. The value of the College buildings was therefore impaired to £1 and transferred to investment property. The trustees believe there is no longer any value in the College buildings and the revaluation reserve created in 2018 was released, with the balance being removed from general endowment funds.

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

16 Fixed asset investments

	Expendable Endowment £	Permanent Endowment £	General Funds £	Listed Investments	Cash and Savings Bank	Total £
Cost or valuation						
At 1 September 2022	512,835	188,975	25,847	426,034	17,964	1,171,655
Additions	-	-	-	60,915	-	60,915
Valuation changes	(9,866)	(3,635)	(497)	(9,054)	-	(23,052)
Charges and interest	-	-	-	-	(4,140)	(4,140)
Movement in cash balances	-	-	-	-	(7,341)	(7,341)
Disposals	-	-	-	(53,574)	-	(53,574)
At 31 August 2023	502,969	185,340	25,350	424,321	6,483	1,144,463
Carrying amount						
At 31 August 2023	502,969	185,340	25,350	424,321	6,483	1,144,463
At 31 August 2022	512,835	188,975	25,847	426,034	17,964	1,171,655

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Financial instruments	2023	2022
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	36,210	41,643
Instruments measured at fair value through profit or loss	1,144,464	1,171,656
	<u></u>	<u></u>
Carrying amount of financial liabilities		
Measured at amortised cost	47,404	35,916
	<u></u>	<u></u>
18 Debtors	2023	2022
	£	£
Amounts falling due within one year:		
Rent & insurance recharges	20,210	22,643
Other debtors	16,000	19,000
	<u></u>	<u></u>
	36,210	41,643
	<u></u>	<u></u>
19 Current asset investments	2023	2022
	£	£
Unlisted investments	1	1
	<u></u>	<u></u>
20 Creditors: amounts falling due within one year	2023	2022
	£	£
Other creditors	47,404	35,916
	<u></u>	<u></u>
21 Restricted funds		

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	At 1 September 2022	Incoming resources	At 31 August 2023
	£	£	£
Platt Library Fund	940	-	940
Scott Educational Foundation	8,339	1,241	9,580
Dr Roy	68,143	12,301	80,444
	<u></u>	<u></u>	<u></u>
	77,422	13,542	90,964
	<u></u>	<u></u>	<u></u>

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

21 Restricted funds

(Continued)

Previous year:

	At 1 September 2021	Incoming resources	At 31 August 2022
	£	£	£
Platt Library Fund	940	-	940
Scott Educational Foundation	7,107	1,232	8,339
Dr Roy	55,584	12,559	68,143
	<u>63,631</u>	<u>13,791</u>	<u>77,422</u>

22 Endowment funds

Endowment funds represent assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 1 September 2022	Transfers	Movement in funds Revaluation of freehold land and buildings	Investment management fees	Investments gains/losses	Balance at 31 August 2023
	£	£	£	£	£	£
Permanent endowments						
Land and buildings	140,000	-	-	-	-	140,000
Investments	145,440	-	-	-	(2,673)	142,767
Deposit account	12,468	-	-	-	-	12,468
Scott Educational Foundation	51,512	-	-	-	(845)	50,667
Dr Roy Bequest	442,804	-	-	(4,141)	(9,171)	429,492
Investment property	2,360,001	-	-	-	(100,000)	2,260,001
Expendable endowments						
Investments	512,835	-	-	-	(9,866)	502,969
	<u>3,665,060</u>	<u>-</u>	<u>-</u>	<u>(4,141)</u>	<u>(122,555)</u>	<u>3,538,364</u>

THE KING EDWARD VI COLLEGE, STOURBRIDGE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2022 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 August 2023 £
General funds	804,621	213,072	(191,428)	(497)	825,768
Previous year:	At 1 September 2021 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 August 2022 £
General funds	742,019	233,565	(169,719)	(1,244)	804,621

24 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Total 2022 £
Fund balances at 31 August 2023 are represented by:					
Tangible assets	-	-	140,000	140,000	140,000
Investment properties	-	-	2,260,001	2,260,001	2,360,001
Investments	25,350	940	1,118,173	1,144,463	1,171,655
Current assets/(liabilities)	800,418	90,024	20,190	910,632	875,447
	825,768	90,964	3,538,364	4,455,096	4,547,103

25 Financial commitments, guarantees and contingent liabilities

A grant of £221,657 was made by the Football Foundation to the Governors of the College in 2014 towards the costs of a new sports pavilion on land owned by the Charity at The Green Fields, Oldswinford, Stourbridge. The grant was made subject to conditions binding on both the Governors and the Trustees. During the period of 21 years from the 3rd October 2014 any breach of the grant conditions could trigger the repayment of the grant.

26 Related party transactions

There were no disclosable related party transactions during the year (2022 - none) other than the grant to the Heart of Mercia MAT for £120,000. The Trustees have agreed to make a donation to Heart of Mercia MAT of £20,000 towards bursaries in the year ended 31 August 2024.