

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

England & Wales · Charity number 529051

Details

Status Registered

Legal form Other

Registered 1963-11-21

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

Contact

Address Schools Of King Edward Vi In
Birmingham
Foundation Office
Edgbaston Park Road
Birmingham
B15 2UD

Phone 01214156006

Email cosec@ske.uk.net

Website www.schoolsofkingedwardvi.co.uk

Activities

Objects: (1) THE OBJECT OF THE CHARITY IS, FOR THE PUBLIC BENEFIT, TO ADVANCE EDUCATION (INCLUDING PHYSICAL EDUCATION) THROUGH ANY OR ALL OF THE FOLLOWING MEANS:(A) THE PROVISION OF A SITE OR SITES FOR ANY SCHOOL OF THE FOUNDATION; (B) THE SUPPORT AND/OR MAINTENANCE AND/OR CONDUCT OF SCHOOLS OF THE FOUNDATION INCLUDING:(I) ANCILLARY OR INCIDENTAL EDUCATIONAL ACTIVITIES AND ASSOCIATED ACTIVITIES FOR THE BENEFIT OF THE COMMUNITY (INCLUDING EVENING CLASSES);(II) THE SUPPORT (BOTH FINANCIAL AND NON-FINANCIAL) OF ANY CHARITY ESTABLISHED IN CONNECTION WITH ONE OR MORE OF THE SCHOOLS OF THE FOUNDATION;(C) GIVING GRANTS, BURSARIES OR OTHER PAYMENTS TO PUPILS OR STUDENTS ATTENDING (OR SUCCESSFULLY APPLYING TO ATTEND) ANY SCHOOL OF THE FOUNDATION WHO ARE IN NEED OF FINANCIAL ASSISTANCE;(D) AWARDING TO PUPILS OR STUDENTS ATTENDING (OR WHO HAVE ATTENDED) ANY SCHOOL OF THE FOUNDATION PRIZES, SCHOLARSHIPS, EXHIBITIONS, BURSARIES, MAINTENANCE ALLOWANCES OR GRANTS TENABLE AT ANY SCHOOL OF THE FOUNDATION OR AT ANY SCHOOL, UNIVERSITY, COLLEGE OF EDUCATION, OR OTHER INSTITUTION OF FURTHER (INCLUDING PROFESSIONAL AND TECHNICAL) EDUCATION APPROVED FOR THE PURPOSE BY THE GOVERNORS. (2) THE GOVERNORS SHALL KEEP A REGISTER OF ALL SCHOOLS OF THE FOUNDATION (INCLUDING THOSE SCHOOLS THAT ARE SCHOOLS OF THE FOUNDATION ON 7 MARCH 2012).

Activities: The education of boys and girls from Birmingham and surrounding areas through the schools or otherwise

Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** CITY OF BIRMINGHAM
- Birmingham City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£32,196,338	£34,781,360	£188,282,066	453
2024-08-31	£31,137,142	£33,413,813	£186,931,667	457
2023-08-31	£28,159,544	£30,192,193	£175,987,700	422
2022-08-31	£24,631,953	£27,270,728	£176,241,361	421
2021-08-31	£21,957,716	£26,554,016	£179,289,851	400
2020-08-31	£23,637,368	£24,558,176	£163,067,237	407

Trustees

Name	Role	Appointed
Professor Hywel Thomas	Chair	2014-09-01
Amarik Singh Ubhi		2025-12-10
BARNABY LENON		2018-01-31
BARRY MATTHEWS		2012-06-22
DAVID JOHN WHEELDON		2016-07-13
ERICA CONWAY		2016-07-13
FAZLE KINKHABWALA		2016-04-05
Jonathan Crawford		2020-01-26
Mark Samuel Wilton Lee		2023-07-06
Olivera Raraty Mrs		2024-01-06
Rajeev Paranandi		2024-05-22
SHARON ROBERTS		2012-06-22

Linked charities

- G A SHELDON BEQUEST (529051-1)
- SILVERSTON MEMORIAL SCHOLARSHIP (529051-10)
- DR STANLEY BARNES FUND (529051-100)
- BARRETT PRIZE FUND (529051-101)
- BENSLYN MEMORIAL PRIZE FUND (529051-102)
- FRANK BENTLEY MEMORIAL PRIZE FUND (529051-103)
- BERNAYS MEMORIAL FUND (529051-104)
- FENTIMAN PRIZE FUND (529051-105)
- ENGLAND MEMORIAL PRIZE FUND (529051-106)
- ELD MEMORIAL PRIZE FUND (529051-107)
- DUNKLEY MEMORIAL FUND (529051-108)
- SIR ROBERT BIRD FUND (529051-109)
- ROWSE PRIZE FOR MATHEMATICS (529051-11)
- BIRMINGHAM AND EDGBASTON PROPRIETARY SCHOOL COMMEMORATIVE SCHOLARSHIP FUND (529051-110)
- BOWATER PRIZE FUND (529051-111)
- CHARLES MAYO SCHOLARSHIPS (529051-112)
- SIR ERNEST CANNING BEQUEST (529051-113)
- WHITFIELD PRIZE FUND (529051-114)
- A J WEST MEMORIAL PRIZE FUND (529051-115)
- T W WATSON PRIZE FUND (529051-116)
- G C WARREN SPANISH PRIZE FUND (529051-117)
- GEORGE YOUNG FRENCH PRIZE FUND (529051-118)
- H L COZENS BEQUEST (529051-119)
- SANDS COX SCHOLARSHIP (529051-12)
- GWENDOLINE WHITAKER MEMORIAL PRIZES (529051-120)
- KING EDWARDS SCHOOL CLUB (529051-121)
- C J POWER BEQUEST (529051-122)
- CHIVERS PHYSICS PRIZE FUND (529051-123)
- OLIVE LAMBERT BEQUEST (529051-124)
- RICKARD MEMORIAL PRIZE (529051-125)
- NEIL ROBINSON PRIZE FUND (529051-126)
- T F ROGERS PRIZE FUND (529051-127)
- JOSEPH AND ANN ROSE PRIZE FUND (529051-128)

- BURGESS PRIZE FUND (529051-129)
- CHRISTIAN MEMORIAL PRIZE FUND (529051-13)
- CAMP HILL BOYS AND GIRLS OLD EDWARDIAN PRIZE FUND (529051-130)
- CAMPHILL BOYS JUBILEE PRIZE FUND (529051-131)
- CAULKIN PRIZE FUND (529051-132)
- HOOD MEMORIAL FUND (529051-133)
- MISS R M NAISH PRIZE FOR BIBLICAL STUDIES (529051-134)
- EXPEDITIONS FUND (529051-135)
- DONALD FINNEMORE AWARDS (529051-136)
- BURSARY TRUST FUND (529051-137)
- GRAHAM DUNN FUND (529051-138)
- BEAUMANOIR-HART PRIZE (529051-139)
- H N CROWTHER PRIZE FUND (529051-14)
- MRS BARLOWS PRIZE (529051-140)
- HUTTON PRIZE (529051-141)
- ANONYMOUS BEQUEST (529051-142)
- TYSON COMMUNITY SERVICE PRIZE (529051-143)
- GIFT FROM CAMP HILL OLD EDWARDIANS' GIRLS' CLUB (529051-144)
- KEEN MEMORIAL BEQUEST (529051-145)
- HILARY POLE PRIZE (529051-146)
- PROFESSOR C F V SMOUT PRIZE (529051-147)
- W N HARNSON BEQUEST (529051-148)
- WESTON PRIZE FOR MUSIC (529051-149)
- DALE MEMORIAL FUND (529051-15)
- DRAMA PRIZE FUND (529051-150)
- W R BUTTLE MEMORIAL FUND (529051-151)
- H DAVIES GIFT (529051-152)
- MRS K KOBER GIFT (529051-153)
- BOND PRIZE FOR ILLUSTRATION (529051-154)
- ALLAN CHOLMONDELEY CRICKET PRIZE (529051-155)
- BARRY BOWKER MEMORIAL PRIZE FOR RUGBY (529051-156)
- KEN MARSTON MEMORIAL FUND (529051-157)
- FIVE WAYS OLD EDWARDIANS SPORTSMAN PRIZE (529051-158)
- SWAIN JUNIOR SPORTSMAN PRIZE (529051-159)
- WINIFRED CULLIS MEMORIAL PRIZE FUND (529051-16)

- KATE FLINT DRAMA PRIZE (529051-160)
- HOWARD JONES MEMORIAL PRIZE FOR GEOGRAPHY (529051-161)
- ADAMS BEQUEST (529051-162)
- L G BRANDON PRIZE (529051-163)
- MISS D S LLOYD WILLIAMS BEQUEST (529051-164)
- JOHNSON TRAVEL SCHOLARSHIP (529051-165)
- BURNETT MATHEMATICS AWARD (529051-166)
- JOHN BRIMACOMBE AWARD (529051-167)
- JONES SERVICE PRIZE (529051-168)
- LILIAN MARY BAKER MEMORIAL FUND (529051-169)
- CREAK MEMORIAL FUND (529051-17)
- DAVIES CHEMISTRY PRIZE (529051-170)
- THE MICHAEL HITCH AWARD (529051-171)
- CHRISTIANSEN PRIZE FOR SERVICE (529051-172)
- DOROTHY HEATH PRIZE (529051-173)
- CAMP HILL OLD EDWARDIAN PRIZE (529051-174)
- MILLER GEOGRAPHY PRIZE (529051-175)
- O'HANLON PRIZE FOR MIDDLE SCHOOL SCIENCE (529051-176)
- BAILEY PRIZE FOR A FUTURE LAWYER (529051-177)
- SHARP GEOGRAPHY PRIZE (529051-178)
- HENRY HINDMARSH PRIZE (529051-179)
- MISS E M KEEN PRIZE FUND (529051-18)
- DENNIS KNIGHT MEMORIAL FUND (529051-180)
- J T BUNCE PRIZE FUND (529051-181)
- PHILIP ARTHUR HALES BEQUEST (529051-182)
- HAMMOND PRIZE (529051-183)
- W N HARRISON FUND (529051-184)
- CHARLES HEATH TESTIMONIAL FUND (529051-185)
- W A HIGGINS PRIZE FUND (529051-186)
- HOBBS PRIZE FUND (529051-187)
- HOBBS PRIZE FUND (529051-188)
- G T HOLDEN MODERN LANGUAGE PRIZE FUND (529051-189)
- HOLLAND PRIZE FUND (529051-19)
- FREDERICK JULIAN HORNER MEMORIAL FUND (529051-190)
- J L HUTCHING MEMORIAL PRIZE FUND (529051-191)

- KEARY PRIZE FUND (529051-192)
- W R BRADLEY PRIZE FUND (529051-193)
- BRADLEY MEMORIAL PRIZE FUND (529051-194)
- BRAGGE PRIZE FUND (529051-195)
- BROCKINGTON PRIZE FUND (529051-196)
- BROWN'S COPPICE PRIZE FUND (529051-197)
- BRYANT PRIZE FUND (529051-198)
- O A JONES BEQUEST (529051-199)
- LEAHY PRIZE FUND (529051-2)
- HOBBISS PRIZE FUND (529051-20)
- MR H BROWN PRIZE FOR DESIGN (529051-200)
- MRS E HOLDER PRIZE FOR PROGRESS IN PHYSICS (529051-201)
- JEFFERY CHEMISTRY PRIZE (529051-202)
- MCNAULTY HISTORY PRIZE (529051-203)
- CON REINECK AWARD FOR ART (529051-204)
- GEORGE MOUNTFORD MEMORIAL PRIZE (529051-205)
- FRANCES IRELAND MEMORIAL PRIZES (529051-206)
- ALISA JAQUEST MEMORIAL FUND (529051-207)
- SAIL TRAINING ASSOCIATION SCHOLARSHIP (529051-208)
- DAPHNE HOWLETT PRIZES FOR CLASSICS AND RELIGIOUS STUDIES (529051-209)
- HAYWOOD BEQUEST (529051-21)
- SIR JOHN VANE PRIZE FOR BIOLOGY (529051-210)
- SG CS AND L JOSEPH PRIZE FOR BUSINESS (529051-211)
- ADAMS PRIZE FUND (529051-212)
- ACATOS PRIZE FUND (529051-213)
- DAVID LEWIS PRIZE FUND (529051-214)
- MARY LEWIS MEMORIAL PRIZE (529051-215)
- LIGHTFOOT PRIZE FUND (529051-216)
- LONDON OLD EDWARDIANS PRIZE (529051-217)
- LONGFORD PRIZE FUND (529051-218)
- G PAINTER MEMORIAL PRIZE (529051-219)
- CHANCE PRIZE FUND (529051-22)
- A W ADAMS MEMORIAL PRIZE (529051-220)
- MISS M MANDVILLE PRIZE FUND (529051-221)
- MARPLES PRIZE FUND (529051-222)

- MATTHISON PRIZE FUND (529051-224)
- MAYO PRIZE FUND (529051-225)
- C H P MAYO TRUST FUND (529051-226)
- MILWARDS CHARITY (529051-227)
- H B MILLS PRIZE (529051-228)
- M F MINSHILL PRIZE FUND (529051-229)
- NAPIER SHAW PRIZE (529051-23)
- ERIC MOLE PRIZE FUND (529051-230)
- MORGAN PRIZE FUND (529051-231)
- MUNDEY PRIZE FUND (529051-232)
- MYERS PRIZE FUND (529051-233)
- MACCARTHY EXHIBITION FUND (529051-234)
- NEWELL PRIZE FUND (529051-235)
- EDITH PILLAI MUSIC PRIZE (529051-236)
- MISS M A BEECHILL PRIZE FOR OUTSTANDING WORK IN ADVANCED BIOLOGY (529051-237)
- DOUGLAS BEDFORD FUND (529051-238)
- MALCOLM LOCKER AWARD (529051-239)
- D J N SCOTT PRIZE FUND (529051-24)
- ESTHER DAVIS BEQUEST (529051-240)
- ANNETT CRAFTSMAN PRIZE (529051-241)
- EDITH PILLAI PRIZE FOR MUSIC (529051-242)
- MISS M C L BOGGIS PRIZE FOR DEPUTY HEAD GIRL (529051-243)
- LONGDON PRIZE (529051-244)
- FIVE WAYS SCHOOL ADVISORY COUNCIL FUND (529051-245)
- EMMA POLLARD BEQUEST (529051-246)
- GARRICK FUND (529051-247)
- WALKER LITERARY PRIZES (529051-248)
- FIVE WAYS OLD EDWARDIANS TRAVEL SCHOLARSHIP (529051-249)
- SCOTT MEMORIAL PRIZE FUND (529051-25)
- FIVE WAYS OLD EDWARDIANS PRIZE FOR THE CCF (529051-250)
- MAY STONE MEMORIAL PRIZE (529051-251)
- MAURICE PORTER BEQUEST (529051-252)
- PHILIP HOLDEN CENTENARY MATHEMATICS PRIZE (529051-253)
- EDITH PILLAI PRIZE FOR MODERN LANGUAGES (529051-254)
- DRAMA PRIZE FUND (529051-255)

- C A B BETTS MEMORIAL SCHOLARSHIP (529051-256)
- JUNE HOWARD MEMORIAL PRIZE (529051-257)
- H G C SCORER PRIZE (529051-258)
- BLAKEMORE BURSARY FUND 1 (529051-259)
- SCOTTS CHARITY (529051-26)
- BLAKEMORE BURSARY FUND 2 (529051-260)
- HINCKLEY MEMORIAL EXHIBITION FUND (529051-261)
- PRAIS PRIZE FOR MODERN LANGUAGES (529051-262)
- J H BRIGGS DESIGN PRIZES (529051-263)
- MR B AFFORD BEQUEST (529051-264)
- MISS A G BARTON BEQUEST (529051-265)
- SHALE PRIZE FOR MODERN LANGUAGES (529051-266)
- MURIEL DIXON ENGLISH PRIZE (529051-267)
- GRANVILLE-JOLLY PRIZE FOR RELIGIOUS STUDIES (529051-268)
- EUSTACE MEMORIAL PRIZE (529051-269)
- DOBSON MEMORIAL PRIZE FUND (529051-27)
- LIGHT-FOOT POWELL HEBREW PRIZE (529051-270)
- EVELYN SLARKE ELMITT INTERNATIONAL PROJECT GRANT (529051-271)
- EVELYN SLARKE ELMITT TRAVEL SCHOLARSHIP (529051-272)
- HADLEY SERVICE PRIZE (529051-273)
- BENSON EXHIBITION FUND (529051-274)
- MARSH MEMORIAL PRIZE FUND (529051-275)
- BEQUEST UNDER THE WILL OF THE LATE MR J H EYLES (529051-276)
- HIGH SCHOOL FOR GIRLS MODERN LANGUAGES PRIZE (529051-277)
- CAMP HILL SCHOOL FOR GIRLS PRIZE FOR ACHIEVEMENT IN MATHEMATICS (529051-278)
- HANDSWORTH SCHOOL LYCETT PRIZE FOR DESIGN AND CREATIVITY (529051-279)
- ANDERTON FUND (FOR KING EDWARD'S CAMP HILL SCHOOL FOR GIRLS) (529051-28)
- HIGH SCHOOL FOR GIRLS (529051-280)
- KING EDWARDS SCHOOL (529051-281)
- HANDSWORTH SCHOOL DOROTHY BLAIR PRIZE FOR FRENCH (529051-282)
- KING EDWARDS SCHOOL (529051-283)
- KING EDWARDS SCHOOL (529051-284)
- HANDSWORTH SCHOOL RYDER PRIZE (529051-285)
- LLOYD GEOLOGY PRIZE TO FIVE WAYS SCHOOL (529051-286)
- FIELD MARSHAL SLIM PRIZE FOR ENGLISH TO KING EDWARDS SCHOOL (529051-287)

- TEALL BEQUEST TO KING EDWARD'S SCHOOL (529051-288)
- JULIAN PARKES PRIZE FOR ENGLISH (529051-289)
- HALES ELOCUTION PRIZE FUND (529051-29)
- FORSTNER BEQUEST TO KING V1 HIGH SCHOOL FOR GIRLS (529051-290)
- SALTERS'CHEMISTRY PRIZE (529051-291)
- BLAKEMORE BEQUEST FOR ASTON CAMP HILL BOYS AND FIVE WAYS SCHOOL (529051-292)
- ALEXANDER BEQUEST TO CAMP HILL SCHOOL FOR GIRLS (529051-293)
- GILSON PRIZE FUND (529051-3)
- ANDERTON PRIZE FUND (FOR KING EDWARD'S HIGH SCHOOL FOR GIRLS) (529051-30)
- DRYSDALE MEMORIAL FUND FOR ENGLISH (529051-31)
- RAWDON-LEVETT BEQUEST (529051-32)
- G EDGERTON PRIZE FUND (529051-33)
- HAROLD DAVIS ESSAY PRIZE FUND (529051-34)
- DR W H HINGLEY BEQUEST (529051-35)
- LILIAN NEALD PRIZE FOR LITERATURE (529051-36)
- JEANETTE AND BRIAN WOODWARD MEMORIAL PRIZE FOR ART (529051-37)
- CLAYTON RUSSON PRIZES FOR ART AND BIOLOGY (529051-38)
- MRS D SAUNDERS BEQUEST FOR CLASSICS (529051-39)
- AUSTIN PRIZE FUND (529051-4)
- MAURICE LAMBOT PRIZE FOR FRENCH (529051-40)
- MISS M J TOLLEY PRIZE FOR ENGLISH (529051-41)
- BAILEY PHYSICS PRIZE FUND (529051-42)
- MALCOLM LOCKER MEMORIAL PRIZE FOR PUBLIC SPEAKING (529051-43)
- HAROLD DAVIS GAMES PRIZE FUND (529051-44)
- DEBATING PRIZE (529051-45)
- JOHN STONE PRIZE FUND (529051-46)
- NEVILLE SOLOMON MEMORIAL TRUST FUND (529051-47)
- H WALL GIFT (529051-48)
- E W JACKSON SCHOLARSHIP (529051-49)
- AUCOTT PRIZE FUND (529051-5)
- D G WATKINS FUND (529051-50)
- D L ROBINSON PRIZE FUND (529051-51)
- E R PEDLEY PRIZE FUND (529051-52)
- READING PRIZE FUND (529051-53)
- VARDY MEMORIAL FUND (529051-54)

- F H VINEY GIFT (529051-55)
- SIR RICHARD HOWARD-VYSE TRUST (529051-56)
- DR M S SMITH BEQUEST (529051-57)
- MOIRA SMITH PRIZE FUND (529051-58)
- JAMSON SMITH TRUST FUND (529051-59)
- HAROLD SMITH BEQUEST (529051-6)
- SIR JAMES SMITH GEOGRAPHY PRIZE FUND (529051-60)
- HARRISON PRIZE FUND (529051-61)
- J F GREGG MEMORIAL PRIZE (529051-62)
- H DAVIS PRIZE FUND (529051-64)
- EDITH BARKHAM PRIZE FUND (529051-65)
- TYLER MEMORIAL PRIZE FUND (529051-66)
- TEMPERLEY MEMORIAL SCIENCE PRIZE FUND (529051-67)
- JOHN TAYLOR MEMORIAL PRIZE (529051-68)
- SWINDON MODERN LANGUAGES PRIZE (529051-69)
- SHORT PRIZE FUND (529051-7)
- MARTIN LAMB LIBRARY FUND (529051-70)
- SIMS SOLO SINGING PRIZE (529051-71)
- C H DOBINSON PRIZE FUND (529051-72)
- FREMLIN PRIZE FUND (529051-73)
- FORD PRIZE FUND (529051-74)
- MAURICE FINNEMORE PRIZE (529051-75)
- WILLIAM HADLEY PRIZE FUND (529051-76)
- GOLDMAN MEMORIAL PRIZE FUND (529051-77)
- GLYDON HISTORY SCHOLARSHIP (529051-78)
- NORMAL PRIZE FUND (529051-79)
- WINIFRED MARY DAVIES MEMORIAL PRIZE FUND (529051-8)
- J C NICOLL LEGACY (529051-80)
- OLD BOYS PERMANENT CONTRIBUTORY FUND (529051-81)
- OLD EDWARDIANS ELOCUTION PRIZE (529051-82)
- TEDDY PARKER PRIZE FUND (529051-83)
- PEACE PRIZE FUND (529051-84)
- B PRITCHETT PRIZE FUND (529051-85)
- ROLAND RECORD PRIZE FUND (529051-86)
- REYNOLDS PRIZE FUND (529051-87)

- BISHOP LEE PRIZE FUND (529051-88)
- RAWDON LEVETT RESIDUARY BEQUEST (529051-89)
- DAVIES FEATHERSTONE EXHIBITION (529051-9)
- RAWDON LEVETT TRUST (529051-90)
- DONALD AFFORD PRIZE FUND (529051-91)
- W B AINSWORTH PRIZE FUND (529051-92)
- ALBERT PRIZE FUND (529051-93)
- ALLCOCK SCHOLARSHOP FUND (529051-94)
- MABEL ANSELL TRUST FUND (529051-95)
- ARNOT PRIZE FUND (529051-96)
- ASTON OLD EDWARDIAN SCHOLARSHIP FUND (529051-97)
- BACHE MEMORIAL FUND (529051-98)
- G H BALL MEMORIAL FUND (529051-99)

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

England & Wales - Charity number 529051

Accounts



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

Annual Report and Financial Statements

Year End August 2025



Chair's Statement	1
Mission, Principles and Objectives	2
Reference and Administrative Information	7
Governors' Report	8
Statement of Governors' Responsibilities	38
Independent Auditor's Report	39
Statement of Financial Activities	43
Balance Sheet	44
Statement of Cash Flows	45
Notes to the Financial Statements	46

Our mission as an organisation is to make Birmingham the best place to be educated in the United Kingdom. It is a mission that requires us to work with others across the city, but also to ensure we are doing our share in achieving that mission through the performance of our own schools, their pupils and staff. It is important and satisfying, therefore, that all our comprehensive and grammar schools have recently been rated 'Good' or 'Outstanding' by Ofsted; and our two independent schools are among the best schools in the region. Moreover, King Edward VI High School for Girls has been identified as one of the most cost-effective schools in the country in the relationship between its fees, the very high level of pupil achievement and the quality of its wider provision.

We can always do better, and the last year has seen several important developments. Our twelve state schools are now grouped into three clusters, a change intended to facilitate greater collaboration between the schools in the cluster with the cluster leads improving liaison and joint working between the clusters. Similarly, since September 2024 the two independent schools are now under the leadership of Kirsty von Malaisé as the Chief Master & Principal of King Edward's School and King Edward VI High School for Girls.

Changes in our organisational structure are also designed to improve integration and efficiency. Notably, leadership of human resources and IT systems and infrastructure have been integrated, as has leadership of finance and estates. These changes at officer-level are matched by parallel changes in governance with a better integration of our committee structures.

It has been a landmark year for our strategic development. As the end of our first five-year strategic plan approaches work is already underway for the next planning period from September 2026. A programme of planning and consultation culminated in July with approval of the framework for the next strategic period. There are six development priorities. The first is the development of a SEND Hub, reflecting the priority needs in this area across our schools and the sector. We anticipate it having the potential to be a resource for our schools and others. Building on inter-school staff collaboration, we plan for more student collaboration between our schools. We plan to extend our post-16 provision and extend our primary alliances; establish our position as a centre of excellence and fulfil the ambition of the Edgbaston masterplan.

It is an exciting agenda.



Prof, H Thomas
Chair of the Foundation Board

Charitable Objects

The objects of the Foundation are set out in the 1900 Act as amended by a scheme agreed with the Charity Commission on 7 March 2012 and relate to the advancement of education for the public benefit principally through the activities of the fourteen Schools.

Mission

To be a leader in transforming lives and futures through educational experience and opportunity, serving Birmingham and influencing beyond.

The Foundation recognises that in order to do so it needs to provide access to a diverse range of schools: independent as well as academies, selective and also comprehensive. It also believes that those schools need to be accessible to all, regardless of ethnic, religious and social background. As the nature of the pupil community that the Foundation serves has changed, so has the social context within which this mission sits, and consequently so too have the resources required to deliver that aspiration. The Foundation's strategy sets out the objectives of the Foundation, 'the ends', along with the structures and resources required to meet them, 'the means'.

Strategy

The purpose of the strategy is to ensure that we can deliver our values to:

- **Excellence:** we strive for excellence in all parts of the well-rounded and forward looking education our schools deliver.
- **Accessibility:** our schools are accessible and inclusive, providing opportunities for our students and staff to thrive regardless of their background.
- **Collaboration:** the diversity of our schools is a key strength, and we work together to make a difference.
- **Ambition:** we have high aspirations and encourage students and staff to take advantage of the opportunities on offer.
- **Care:** people's wellbeing and growth is at the centre all we do, and we take seriously our environmental responsibilities.
- **Integrity:** our actions are driven by doing the right thing at all times, and we take responsibility for them.

The Foundation Strategy seeks to put education firmly at the heart of all of the decisions we make: strategic, operational and financial. It is based on the spirit that the Foundation has often been a force for change and moved with the times while retaining its core principles. To achieve our bold mission, it sets out how we can work genuinely towards an ethos of one organisation in which collaboration and efficiencies lead to a better education for the children and young people whom the Foundation serves. While there is excellence in all our schools, we recognise that every school can also improve and that working together and sharing our resources and ideas is the most effective way of doing that.



Objectives

The following strategic objectives are for the whole organisation and can only be achieved by schools and the Foundation Office working closely together with shared responsibility. Each objective is underpinned by a set of key performance indicators.

Strategic Objective 1 (SO1): Learning with us

SO1.1 Academic Outcomes and Progress

Learners within the Foundation should benefit from an excellent quality of education in all of its schools and gain high quality outcomes. Learners should make excellent progress and leave the Foundation with better educational outcomes compared to other areas of the country.

SO1.2 Access and Impact

A Foundation education should be available to the widest range of learners possible. Disadvantaged learners should receive support to have a meaningful impact on their education. They should benefit from the same opportunities as their peers when they leave the Foundation's schools and achieve similar success.

SO1.3 Pathways in Birmingham and Beyond

Learners should access a range of destinations nationally and internationally in terms of further education, higher education, training and employment. At the same time, learners should contribute to the success of the Birmingham community. Wherever learners go, they should make the most of their opportunities and be successful. Foundation alumni should be able to contribute to civic life in Birmingham through the skills, knowledge and character they have gained in the course of their experience.

SO1.4 Well-being, Character and Learning Skills

Learners within the Foundation should be well-rounded and resilient individuals thanks to a focus on character education and well-being. They should feel safe and happy attending school and in their everyday lives. They should have an appreciation of culture, compassion, critical thinking skills and a love of learning, being ready to embrace innovation.

SO1.5 Curriculum and Resources

Learners should follow a curriculum which is broad, balanced and diverse for both academic and vocational education and which is supported by excellent resources. At the same time, learners should have the opportunity to access specialist provision in other Foundation schools. They should access and enjoy a wide-ranging extra-curricular programme.

SO1.6 Foundation Identity

At transition points, learners should have the flexibility to move between Foundation institutions where appropriate. They should feel part of one organisation and be proud of being a member of the Foundation.



Strategic Objective 2 (SO2): Working with us

SO2.1 Collaborative Working and Learning

Colleagues within the Foundation should benefit from opportunities for collaborative learning and networking in a modern educational environment. Opportunities should exist for all those who wish to progress and to engage in work with a strong moral purpose.

SO2.2 Innovation, Research and Performance

Colleagues within the Foundation should have the opportunity and encouragement to think innovatively in their working lives. Appraisal of performance should lead to professional learning opportunities.

SO2.3 Modern Strategy for People

The Foundation should be an exceptional place to work, supported by a range of interconnected people strategies designed to attract, develop and retain talented and committed staff. Its HR function should be a credible provider of transactional, advisory and strategic service and a key contributor to the organisation's success. Colleagues should be attracted to join the Foundation because they see working in the UK's second city as a positive prospect and because the Foundation itself is a pre-eminent organisation for educational excellence.

SO2.4 Equality, Diversity and Inclusion

Colleagues within the Foundation should demonstrably understand, clearly represent and actively promote the diversity of the people of Birmingham with a strong employer commitment to equal opportunity for all. The Foundation should promote equality, inclusion and the understanding of diversity among themselves and learners.

SO2.5 Efficient Systems and Data Analytics

Colleagues within the Foundation at all levels (including leadership, teaching, school-based support and central staff), should have at their disposal highly effective, modern, secure and integrated digital systems for managing their work and communicating with each other. Digital systems should be selected and implemented to deliver maximum impact for all colleagues and learners, aggregate and make data accessible to inform central and local decisions, as well as modernise and standardise support services.

SO2.6 Work Environment, Resources and Sustainability

Colleagues should benefit from estates and procurement strategies which allow them to work in comfortable and inspiring environments supporting collaboration with the best possible resources at hand. The Foundation should have an exemplary sustainability strategy.

Strategic Objective 3 (SO3): Learning with us

SO3.1 Growth and Reputation

The Foundation, and its Academy Trust, should be an attractive proposition for schools looking to join a Multi Academy Trust because of its excellent reputation as a unique group of schools. The Foundation's voice and expertise should be sought in the development of educational and other policy and strategy nationally.

SO3.2 Educational Partners

The Foundation should partner with the primary, other secondary, alternative provision, further education and higher education sectors and be seen as a national and international, outward-focused model for education. The Foundation should be a hub for collaboration, networking and the sharing of best practice.

SO3.3 Civic and Corporate Partners

The Foundation should engage locally and beyond on a civic and corporate level, offering specialist advice, resources and governance. Organisations should see the Foundation as a willing and beneficial partner, appreciating the quality and extent of its offer. Partners should speak of admiration for and a love of Birmingham and its heritage.

SO3.4 Fund-raising and Support

The Foundation should benefit from strong links with alumni, parents and relatives of alumni, corporate donors and a range of other partners. Donations provided by individuals, families, corporations or other organisations should have hypothecated uses for key strategic projects such as assisted places, capital builds, heritage work and co-curricular and enrichment programmes. The Foundation should benefit from pro-bono offers of support for these projects from its extensive wider community.

SO3.5 Excellence in Governance and Compliance

Governor and Trustee opportunities at the Foundation should be sought after, and the successful candidates should contribute to the success of the organisation. The views of Governors and Trustees, and the Foundation's model of governance, should be seen as examples by others. The Foundation's compliance work should be exemplary.

SO3.6 Heritage

The Foundation's historical richness and impact on the life of Birmingham, manifested in its Archive, should be a heritage resource for the City as a living and growing historical artefact, further raising the Foundation's profile and generating interest in the organisation.

Activities undertaken to deliver Objectives and Public Benefit

Under the Charities Act 2011, a charity must be established for charitable purposes only. A charitable purpose is a purpose that falls within section 3 (1) of the 2011 Act and which is for public benefit. The list in section 3 (1) includes the advancement of education.

The Governors recognise their responsibilities as charity trustees. In 2024/25, the principal activities carried out to further the charitable purposes of the Foundation for the public benefit and to meet the objectives set out above include:

- The Foundation gifting, under the terms of licences, private land and buildings to the Academy Trust. Within the Academy Trust where the Foundation is the landowner this provides schools with the land and buildings they need to provide education to their pupils.
- The Foundation continuing to support the means-tested Assisted Places scheme at the Independent Schools. Both Independent Schools have also raised funds aimed at providing further means-tested assistance to lower income families. This greatly enhances the accessibility of King Edward's School and King Edward VI High School for Girls to a range of pupils, irrespective of background;
- The Foundation providing support services to the Academy Trust in the form of donated or subsidised services. These services include strategic support, finance, procurement, human resources, payroll, governance, estates, marketing and communications, educational support and, for the selective schools within the Academy Trust, an admissions service. This support enables the Academies to focus their resources and management time on the education of their pupils;
- The Foundation playing an active role as a patron of the Greater Birmingham Chamber of Commerce, providing a platform for being a voice that is listened to on key educational issues. We are already nationally recognised for our work in ensuring that our selective schools are accessible to all. We have augmented this by maintaining and enhancing the Assisted Places scheme at the Independent Schools and by redesigning the Academy Trust admissions strategy to increase the percentage of disadvantaged children attending the selective schools, further ensuring those schools are rooted in the communities they serve;
- King Edward's School (KES) and King Edward VI High School for Girls (KEHS) providing a wide range of activities and facilities for the benefit of neighbouring schools and community groups.

The Schools of King Edward VI in Birmingham is a corporate body established by Royal Charter in 1552 and is regulated by the Birmingham (King Edward the Sixth) Schools Act 1900 together with subsequent Schemes of the Board of Education and Charity Commissioners. The Schools of King Edward VI in Birmingham is a registered charity, number 529051.

**Registered Office and
Principal Address of Charity:**

Foundation Office
Edgbaston Park Road
BIRMINGHAM
B15 2UD

The Foundation is comprised of:

Independent Schools:

King Edward's School
King Edward VI High School for Girls

The Foundation also sponsors the King Edward VI Academy Trust Birmingham. Although this is a separate legal entity with its own accounts, the Academy Trust schools are all required to be formally designated as part of the Foundation in line with the provisions of the Birmingham (King Edward VI Schools) Act 1900, as amended. These schools are considered, therefore, to be part of the Foundation and may be referred to as such in the Governors' Report. The Academy Trust financial statements are available on our website: www.kingedwardvifoundation.co.uk

Academies:

King Edward VI Aston School
King Edward VI Balaam Wood Academy
King Edward VI Camp Hill School for Boys
King Edward VI Camp Hill School for Girls
King Edward VI Five Ways School
King Edward VI Handsworth School for Girls
King Edward VI Handsworth Grammar School for Boys
King Edward VI Handsworth Wood Girls' Academy
King Edward VI King's Norton School for Boys
King Edward VI Lordswood School for Girls
King Edward VI Northfield School for Girls
King Edward VI Sheldon Heath Academy



The Governors, who are also trustees of the charity, who were in office at the date of approval of the accounts and served on the Board throughout the period are set out below, together with their membership of Committees:

Membership of Committees								
	ES	IC	FE	GN	PS	ARC	R	ISGB
Professor H Thomas BA, MEd, PhD (Chair)	•	•	•	•	•		•	•
Ms E Conway BA, FCA (Deputy Chair)			•	•		•	•	•
Mr G Chahal BSc, PGDip (Pharm)		•	•					
Mr J Crawford MRICS		•	•					
Mr F Kinkhabwala BEM	•				•	•		
Mr M Lee BSc, FCA		•						
Professor B Lenon CBE, MA	•							•
Mr B J Matthews BSc, FCA		•	•				•	
Mr R Paranandi								
Mrs O Raraty (from January 2025)							•	•
Mrs S Roberts, BSc FCA FCG		•	•	•		•	•	•
Mr D Wheeldon	•		•	•	•	•		

Committee Key:

Education & Safeguarding	ES
Investment Committee	IC
Finance & Estates	FE
Governance & Nominations	GN
People & Systems	PS
Audit, Risk & Compliance	ARC
Remuneration	R
Independent Schools' Governing Body	ISGB



Office and Advisers

Chief Executive Officer:	Mr Jodh Dhesi
Chief Finance Officer:	Mr Greg Langston
Principal Address:	The Schools of King Edward VI in Birmingham Foundation Office Edgbaston Park Road Birmingham B15 2UD
Banker:	Lloyds Bank plc PO Box 908 125 Colmore Row Birmingham B3 2SD
Legal Adviser:	Veale Warborough Vizards LLP 3 Brindley Place Birmingham B1 2JB
Auditors:	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
Property Adviser:	Avison Young (until June 2025) Savills (from June 2025) Birmingham B3 2AA
Investment Manager:	Barclays Wealth 1 Churchill Place London E14 5HP



Key Management Personnel

Chief Executive Officer:	Mr Jodh Dhesi
Chief Master & Principal:	Mrs Kirsty Von Malaisé
Chief Finance Officer:	Mr Greg Langston
Chief People & Systems Officer:	Mrs Sarah Cunningham
Director of Digital Data and Transformation:	Mr Ather Abbas
Director of Education:	Mrs Julie Waddington
Director of External Relations:	Mrs Jo Bullock
Director of Strategic Projects:	Mrs Grace Cousens

Procedure for Recruitment, Induction and Training of Trustees

The Foundation Board comprises twelve Governors appointed by the Foundation (the maximum is 12). Regard is given to the skills mix of the Governors to ensure that the Foundation Board has all the necessary skills required to contribute to the objects of the Charity. The Governance and Nominations Committee oversees recruitment.

The term of office for any Governor is four years. Subject to remaining eligible to be a particular type of Governor, any Governor may be reappointed or re-elected. The Governors who were in office at the date of approval of the accounts and served throughout the period, except where shown, are listed on page 8. During the period under review the Foundation Board held 6 meetings.

The induction and training of Governors is important to the Foundation. Specific steps are taken as follows:

1. Advice is offered on appointments for Governors who are appointed by external bodies. Appointments of co-opted Governors are guided by the fullest possible consideration of a Governance and Nominations Committee which meets regularly to consider the skills, attributes, and balance of Members. All appointment procedures are formal, rigorous, and transparent.
2. All Governors receive a welcome pack and personal briefing.
3. Documents relating to current developments are circulated to Governors together with DfE guidance and Charity Commission documents. At meetings Governors have the benefit of specialist advice.
4. Periodic conferences and focussed training sessions are organised.

Organisation

The Governors, guided by the reports of various Committees, determine the general policy of the Foundation and are responsible for the governance of the two Independent Schools. The Foundation, as a Member of the Academy Trust, appoints a number of Trustees to the Academy Trust Board. The management of the Independent Schools is delegated to the Chief Master and Principal, and management of the Foundation to the Chief Executive Officer.

Professor H. Thomas has held the position of Chair of the Board throughout both the current and preceding financial years, with Ms E. Conway serving concurrently as Deputy Chair.

Mr B. Matthews served as Bailiff and Mr David Wheeldon as Deputy Bailiff until 31 August 2024. In the current year, Mr F. Kinkhabwala was appointed Bailiff, with Mr Wheeldon continuing as Deputy Bailiff.

The Board of Governors meets at least six times per year and receives reports from the following Committees, membership of which is determined annually by the Governors.



All of the above committees are Foundation wide apart from the Independent Schools' Governing Body which relates to the two Independent Schools.

The Chair and Deputy Chair of Committees during the year were as follows.

Committee	Chair	Deputy Chair
Education & Safeguarding	Mr D J Wheeldon	Mr F Kinkhabwala
Investment	Mr M Lee	Mr J Crawford
Finance & Estates	Mr B J Matthews	Mr D J Wheeldon
Governance & Nominations	Prof H. Thomas	Ms E Conway
People & Systems	Mr F Kinkhabwala	Prof H. Thomas
Audit Risk & Compliance	Ms E Conway	Mr D J Wheeldon
Remuneration	Ms E Conway	Prof H. Thomas
ISGB	Mrs O Raraty	Mrs A Smith

All Governors give of their time freely and there is no remuneration policy for Governors. Governors can claim travel expenses. No Governor or person connected with a Governor received any benefit from either means-tested Assisted Places or scholarships awarded to our pupils.

Education & Safeguarding Committee is focused on ensuring high standards of provision educationally in all the schools. This includes interrogating data, ratifying plans and processes and holding the central education team to account. In addition, safeguarding data is reviewed with any trends or anomalies discussed and planned for as part of the cyclical meetings.

Investment Committee oversees the management of the endowment and investments of the Foundation (including stocks and shares, investment property, lands, and hereditaments of the Foundation).

Finance & Estates Committee advises upon how financial resources will be allocated and aligned with strategic priorities and charitable objects, including the allocation of endowment funds made available on the recommendation of the Investment Committee.

Governance & Nominations Committee makes recommendations about the membership of the Foundation Board and its Standing Committees.

People & Systems Committee ensures there is a relevant HR strategy in place and approves all policies that support the employee lifecycle.

Audit Risk & Compliance Committee deals with internal control, risk management and internal and external audit.

Remuneration Committee reviews the Foundation Executive Team performance and remuneration.

Independent Schools' Governing Body (ISGB) deals with matters relating to the two Independent Schools, known as King Edward's School (KES) and King Edward VI High School for Girls (KEHS). The ISGB has several sub-committees which report into it, including those relating to Finance & Estates, Risk and Compliance and Education.

Foundation

The Foundation delivers centralised support services—including executive leadership, finance, human resources, and operational administration—to its Independent Schools and the Academy Trust. This enables schools to reduce their cost base, focus resources on teaching and learning, and maintain competitive fee levels.

The Foundation is committed to being an equal opportunities employer and maintains regular communication with all staff. Promotions are awarded on the basis of merit.

Arrangements for setting pay and remuneration of Key Management Personnel

Salaries of Executive personnel in the Independent Schools and the Foundation Office are reviewed by the Foundation's Remuneration Committee. Salaries are based on a review of annual performance and with reference to affordability and the local employment market.

Grants

The Foundation allocates annual grants from the expected income of the Endowment – Income Fund to the Independent Schools, in order to widen accessibility to the Schools by funding means-tested assisted places, merit-based scholarships and a staff remission scheme. The grant for Assisted Places is paid from the Foundation to the Independent Schools, who in turn then award the grants to individuals.

Fundraising and Pupil Support

The Foundation itself does not undertake fundraising activities. As outlined in Note 11, the cost of fundraising is charged to the School's Fund. These activities are conducted on behalf of two separate entities:

- King Edward's School Birmingham Trust (KES Trust, RCN 1129776)
- King Edward VI High School for Girls Birmingham Trust (KEHS Trust, RCN 1159413)

Both Trusts operate independently of the Foundation and exist to support the advancement of education at their respective schools. Their primary focus is to raise funds for Assisted Places, helping to broaden access to a King Edward's education for talented pupils regardless of financial background.

The Development Director provides termly reports to each group of Trustees to ensure proper oversight of fundraising activities. Both Trusts are verified members of the Fundraising Regulator. To date, only one suppression request has been received and was promptly addressed. No complaints have been made regarding fundraising activities.

Approximately 72% of pupil support is funded by the Foundation, with the remaining balance provided by the King Edward VI Birmingham Trusts. In addition:

- 245 pupils received scholarships
- 6 pupils benefited from a sibling discount (third child)
- 35 pupils received support through the staff concession scheme

The total cost of these benefits to the schools was £1.4m.

As detailed in Note 5, the total value of Governors' means-tested Assisted Places, hardship payments, scholarships, sibling discounts, and staff concessions across both schools amounted to £4.2m representing 16% of gross fees. Each school provides further information on fee assistance in their respective reports.

Compared to other independent schools both locally and nationally, the fees remain relatively low. Additional details on school activities and educational achievements can be found on pages 27 to 37.

Assisted Places (AP) - means-tested bursaries

The Independent Schools offer assistance to a significant number of pupils, in the form of means-tested assisted places and scholarships which are funded primarily by the income from the Foundation's capital endowment fund.

Both means-tested assisted places and scholarships are awarded on the basis of academic ability, assessed as part of the admissions process at 11+ and 16+. The funding for assistance is made by the Governors on the recommendations of the Chief Master and Principal of the Schools.

Independent Schools	2025	2024
Number of AP holders	215	232
Number of pupils in receipt of assistance	221	229
As a % of total pupils at the Schools	15%	15%
Pupils receiving a 90% or over AP	113	146
Pupils receiving a 100% AP	79	107
Annual AP Benefit to Parent	£3.6m	£3.5m
Annual cost to the Schools (Note 5)	£2.9m	£2.6m
Grant to the Schools from the Foundation	£2.5m	£2.5m
Contribution from King Edward VI Birmingham Trust	£0.4m	£0.5m
Contribution from King Edward's High School for Girls Trust	£0.3m	£0.3m

“Opening Doors” for bright, disadvantaged children

The King Edward VI Foundation is committed to being open and accessible to pupils from all backgrounds. Most Foundation schools are free to attend, and our two independent schools offer both fully and partially funded places to academically able pupils.

The Access and Participation department leads efforts to widen access across the Foundation – through school outreach, partnerships, and support for pupil applications, with a particular focus on those from disadvantaged backgrounds.

Working with targeted primary schools across Birmingham, the team delivers a wide range of initiatives across three key areas:

- Pupil recruitment
- Enrichment activities
- Strategic partnership development

These initiatives are designed to increase participation in the entrance test among disadvantaged pupils and to strengthen local demand for places at our comprehensive academies.

Measuring impact is a core part of our approach. We use national benchmarks to track progress against outcomes that are often harder to quantify – such as motivation, resilience, grit, and goal orientation.

To further support access to our grammar schools, the Foundation offers a free online preparation programme for children eligible for the Pupil Premium. This initiative helps familiarise pupils with the entrance test content and format. The programme is being relaunched this year with enhanced technology to better support learners.

Financial Results

The Schools of King Edward VI in Birmingham operates as a single charitable foundation encompassing the charitable funds and endowments, two independent schools (King Edward's School and King Edward VI High School for Girls), and the central operations that provide leadership and support across the wider group of schools. The Foundation's financial model is based on maintaining the long-term real value of its endowment while generating sustainable returns to support its charitable purposes. Income from the endowment funds the cost of the Foundation Office and group leadership functions and contributes to assisted places within the independent schools.

The Foundation's long-term investment philosophy is to achieve a total return of not less than CPI + 3.5%. This is not a formal total return accounting model, but an indicative benchmark designed to preserve the real value of the endowment while allowing annual expenditure to be managed within a 3.5% target spend rate. This disciplined approach enables the Foundation to invest in its schools, maintain its estate, and sustain bursary provision while retaining flexibility to deploy capital where it can have the greatest long-term impact.

Statement of Financial Activities (SoFA) Summary

	2025 £m	2024 £m
Total income	32.2	31.1
Total expenditure	(34.8)	(33.4)
Net income / expenditure	(2.6)	(2.3)
Net gains / (losses) on investments	5.1	12.7
(Losses) / gains on investment property	(1.7)	0.6
Actuarial gain / (loss) on pension scheme	0.5	(0.1)
Net movement in funds	1.4	10.9
Total funds at year end	188.3	186.9

The Foundation reported total income of £32.2 million (2024: £31.1 million) and total expenditure of £34.8 million (2024: £33.4 million), resulting in a net operating deficit of £2.6 million (2024: £2.3 million). The outcome is broadly consistent with expectations and reflects continued control of operating expenditure alongside sustained fee and investment income.

Net gains on investments amounted to £5.1 million (2024: £12.7 million), as market conditions normalised following the strong rebound seen in 2023/24. Investment property valuations decreased by £1.7 million (2024: gain of £0.6 million), mainly reflecting wider movements in the commercial property sector. The defined benefit pension scheme recorded an actuarial gain of £0.5 million (2024: loss of £0.1 million).

After recognising these valuation movements, the net movement in funds for the year was a surplus of £1.4 million (2024: £10.9 million). Total funds at year-end were £188.3million (2024: £186.9 million), comprising £174.8 million in unrestricted and endowment funds and £13.5 million in restricted funds.

The Foundation's investment portfolio and property holdings together totalled £163.5 million at 31 August 2025, and cash balances stood at £4.1 million. Overall, the Foundation continues to maintain a strong balance sheet, with a diversified asset base and sufficient liquidity to meet operational needs.

Performance Commentary

The Foundation Office performed better than anticipated, with higher net income from investments and lower operating costs. The independent schools recorded an aggregate investment surplus of 6.4%, below the 2023/24 level of 9.3%, reflecting reduced pupil numbers at King Edward's School (KES), partly offset by staff savings and a steady performance at King Edward VI High School for Girls (KEHS).

During the year, KES announced a strategic move from the International Baccalaureate to A Levels from September 2025. This change, made in response to feedback from families and universities, is expected to strengthen pupil recruitment and improve the school's financial performance over the medium term.

The Foundation continues to operate within its 3.5% long-term expenditure rate and demonstrates prudent financial management and resilience in a more challenging external environment. The overall financial position supports the Governors' assessment, set out in the Going Concern statement, that the Foundation has adequate resources to continue in operational existence for the foreseeable future.

Independent Schools Financial Strategy

The new 2026–2031 strategic framework establishes a clear set of financial principles for the independent schools. These include maintaining a balanced operating position over the cycle, achieving a minimum annual investment surplus of 10% to support capital reinvestment, and ensuring that fee-setting, staff costs and bursary commitments remain sustainable and aligned to strategic priorities. Each school is expected to operate within defined financial "guardrails", with performance monitored against agreed key performance indicators covering investment surplus, liquidity, staff cost ratios and reserves strength.

These principles are designed to ensure that the independent schools remain financially sustainable, competitive and mission-aligned, while continuing to contribute to the wider charitable purpose of the Foundation.

Pensions

Teaching staff at the Independent Schools are eligible to participate in the Teachers' Pension Scheme (TPS), an unfunded national scheme for the teaching profession. The scheme is not managed by the Governors, but during the year, the Governors contributed 28.68% of salaries to the TPS. Due to the financial pressures faced by the Schools the Governors approved a move to close access to the TPS for all new joiners from 1st May 2025. New teaching staff will be enrolled into a Defined Contribution Scheme.

Non-teaching staff at the Independent Schools and the Foundation Office were previously eligible to join the Schools of King Edward VI in Birmingham Retirement Benefits Scheme (a Defined Benefit Scheme operated by the Governors). As outlined in Note 30 to the accounts, this scheme was closed to new members in April 2010, and replaced with a Defined Contribution Scheme.

The most recent triennial actuarial valuation of the Defined Benefit Scheme was carried out as at 31 March 2024 and has been reviewed by the Governors. Since 2012, the Governors have made additional contributions under a pension recovery plan established in 2018/19. In 2024/25, these contributions totalled £0.3m (2023/24: £0.4m).

The FRS 102 pension report for the Defined Benefit Scheme indicated a reduction in the pension liability from £2.1m to £1.3m. This improvement has been driven by the payment of the deficit reduction contributions; and significant increases in corporate bond yields over the period which have resulted in a lower value being placed on the Scheme's liabilities.

Charity Governance Code

The Charities Governance Code explains the minimum standards you should meet to effectively manage and control your Charity. Good governance involves putting in place systems and processes to ensure that your Charity achieves its charitable objectives with integrity and is managed in an effective, efficient, accountable and transparent way. The below sets out the way the Foundation has adopted the six core principles of this code:

Principle 1. Advancing charitable purpose

The Board is clear about the Charity's aims and ensures that these are being delivered effectively and sustainably. This was enhanced in 2021 by the creation of a new Foundation Strategy. During the 2021/22 financial year, a series of key performance indicators were developed to drive and monitor progress against the strategic priorities and objectives set out in the Foundation Strategy. The Board receives regular progress reports in relation to these objectives. Work is underway to develop a new Foundation Strategy to start in September 2026.

Principle 2. Acting with integrity

The Board acts with integrity, adopting values and creating a culture which help achieve the organisation's charitable purposes. The Board is aware of the importance of the public's confidence and trust in charities, and trustees undertake their duties accordingly. The Board ensures that appropriate risk management processes are in place, ensures that appropriate safeguarding training and procedures are in place, is cognisant of the Foundation's Equality, Diversity and Inclusion policy and is working with the senior executive team to develop an action plan for delivering the Foundation's sustainability strategy.

Principle 3. Leading people

The Charity is led by an effective Board that provides strategic leadership in line with the Charity's aims and values. This was enhanced by a revised set of governance arrangements which the Charity introduced in September 2024. The Foundation Strategy clearly sets out a range of strategic priorities and objectives that are in line with the Charity's aims and values and against which the Board can hold the senior executive team to account.

Principle 4. Exercising control

The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored. This was further enhanced by work from our third-party internal audit provider. The Board describes the Charity's approach to risk in its annual report and in line with regulatory requirements. The Board and all its committees have clear terms of reference which are reviewed and signed off on a periodic basis. The Foundation's Scheme of Financial Delegation clearly sets out the specific resourcing decisions which can be taken at committee level and reported to Board.

Principle 5. Working effectively

The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions. This has been further enhanced by a revised set of governance arrangements which the Charity introduced in September 2022. The Board has a Nominations Committee, regularly considers whether the appropriate mix of knowledge and skills are in place, ensures that Governor induction processes and training and development opportunities are in place and arranges an annual Governor Conference where issues relating to Board effectiveness can be discussed.

Principle 6. Being accountable and transparent

The Board leads the organisation in being transparent and accountable. The Charity is open in its work, unless there is good reason for it not to be. The Foundation has developed a high-level external relations strategy and will be working over the coming months to increase capacity and focus in this area, including the production of a detailed action plan. The Board maintains a register of interests for Governors and senior staff to ensure that any potential conflicts of interest are identified and appropriately managed.

In addition to the above the Foundation recognises the importance and value in equality, diversity and inclusion. The following sets out the Foundation's approach.

Equality, diversity and inclusion - The Board's approach to diversity supports its effectiveness, leadership and decision-making. This was enhanced by the establishment of an Equality, Diversity and Inclusion Committee in October 2020. The Committee has established a clear set of objectives and associated key performance indicators and has undertaken both staff and governor surveys. This has provided a baseline for perceptions of equality, diversity and inclusion issues across the organisation and will support decision making moving forward. Training has also been a key area of focus for the committee to ensure that staff and governors are aware of equality, diversity and inclusion issues.

Risk Management Policy and Systems

The objectives of the Foundation's Risk Management Policy and Strategy are to:

- Integrate risk management into the culture of the Foundation.
- Manage risk in accordance with best practice.
- Anticipate and respond to changing social, environmental, and legislative requirements.
- Prevent loss, disruption, damage, and injury and reduce the cost of risk, thereby maximising resources.
- Inform policy and operational decisions by identifying risks and their likely impact.
- Raise awareness of the need for risk management.

These objectives will be achieved by:

- Using the control attestations and risk event logging to identify, manage, and report on our risk management and compliance.
- Establishing clear roles, responsibilities, and reporting lines within the Foundation for risk management.
- At the Foundation level; termly risk reporting to the Audit, Risk and Compliance Committee.
- At the Foundation level; annual risk reporting to the Foundation Board.
- At a school level; termly risk reporting to the Independent School Governing Body.
- Incorporating risk management considerations into the decision-making process within the Foundation; this is achieved through the Head of Risk and Compliance participation in the Foundation Leadership Group.
- Maintaining Risk Registers for all significant projects.
- Using the Risk Registers to inform the School Development Plan, School strategies, and budgetary considerations.

Our risk methodology looks at a range of areas across the Foundation known as 'risk categories' – risks within these categories have a pre-mitigation risk score; determined by assessing the likelihood and impact of risks in those categories if no mitigating factor was applied.

Controls have been mapped against each risk category and these serve to mitigate any potential risks. Risks are then assigned a residual risk score.

Overleaf is the list of risk categories and their key controls:

Governors' Report



Risk category	Description	Controls
<i>Areas of the organisation that could be exposed to a risk</i>	<i>What risks could occur in this area?</i>	<i>What internal controls you have in place to mitigate this risk?</i>
Safeguarding	Safeguarding is one of the main priorities of a school, failure to have appropriate safeguarding controls in place can lead to the death, injury or abuse of a student or staff member. This could result in litigation, regulatory action, and Ofsted inadequate rating.	<p>Access</p> <p>Safer recruitment</p> <p>KCSIE Training</p> <p>DSL Training</p> <p>Single Central Record</p> <p>Safeguarding audits</p> <p>Safeguarding governor</p>
Education	Risks to the quality of education including SEND provision, pupil outcomes, behaviour and attendance could have an impact on rating, student numbers, staff retention and finances.	<p>Quality educational provision</p> <p>Strong policies</p> <p>Internal and external quality assurance processes</p> <p>SEND Governor</p>
Resourcing sufficiency	The school has insufficient or inadequate staffing to meet education expectations	<p>Performance Management</p> <p>Terms and conditions and employer proposition</p> <p>Recruitment and succession planning</p>
Knowledge	Risk of insufficient knowledge and expertise	<p>Recruitment and appraisal processes</p> <p>CPD and learning</p>



Risk category	Description	Controls
<i>Areas of the organisation that could be exposed to a risk</i>	<i>What risks could occur in this area?</i>	<i>What internal controls you have in place to mitigate this risk?</i>
General conduct and external relations	Risk of non compliance with regulations including GDPR, charity law, employment law, as well as risk of general conduct bringing the organisation into disrepute, or failing to attract pupils	<ul style="list-style-type: none"> Specialist staff Policies Third party monitoring systems External DPO External Relations Attractive curriculum offer General governance
Growth and development	Risk of lack of new joiner schools and missed opportunities	<ul style="list-style-type: none"> Due diligence Pipeline of new joiner schools
Physical assets and utilities	Risk of damage or disrepair to buildings and the physical and digital infrastructure. Risk of interruption to utilities or inability to access physical spaces	<ul style="list-style-type: none"> Health and Safety Contract Condition reports Health and Safety Audit Business continuity plan Insurance
Other sufficiency	Risk of failing to procure key goods and services, insufficient physical space, or insufficient access to specialist services	<ul style="list-style-type: none"> Business continuity plan Pupil number planning and curriculum planning Access to procurement frameworks
General security	Risk of intruders gaining access to spaces and risk of failing to prevent violence and assaults	<ul style="list-style-type: none"> Site security arrangements Policies Training



Risk category	Description	Controls
<i>Areas of the organisation that could be exposed to a risk</i>	<i>What risks could occur in this area?</i>	<i>What internal controls you have in place to mitigate this risk?</i>
Governor sufficiency	The Foundation either does not have sufficient governance in place to ensure its effective operation or suffers from a severe governance failure.	Recruitment Training/Knowledge/Skills Engagement & Commitment Succession Planning Conflicts of Interest Clerking Services Clerk Training/Knowledge/Skills
Finance	Risks to expenditure, income, treasury, physical assets, and reserves.	Segregation of duties Access controls Approval and authorisation Physical Controls Record Keeping Reconciliation Independent Audits Compliance Treasury and Endowment Management Financial Reporting Budgeting Asset Management Procurement controls



Risk category	Description	Controls
<i>Areas of the organisation that could be exposed to a risk</i>	<i>What risks could occur in this area?</i>	<i>What internal controls you have in place to mitigate this risk?</i>
Digital and Technology	Risks to continuity of digital services, including payroll deliver, risk of cyber attacks, risks to operating model, risks around AI	<p>Daily Back-ups</p> <p>Policies, including Business Continuity Plan, Disaster Recovery Plan and Cyber Response Plan</p> <p>Insurance</p> <p>Monitoring of network</p> <p>Third party system support</p> <p>Governor IT provision</p>

Reserves Policy

Governors acknowledge that the Foundation's endowment cannot be considered entirely unrestricted, given the reliance on its income to support ongoing activities. The Foundation adopts a total return approach to the strategic management of its investment portfolio, aiming to maximise returns within an acceptable level of capital risk.

The objective is to generate sufficient total return from the endowment to maintain its real capital value in perpetuity, while enabling a growing level of annual expenditure to support the Foundation's charitable objectives – either in the year of receipt or in future periods. Performance is assessed primarily over the six-year period of the current strategic plan (2021/22 to 2026/27).

Where investment returns exceed the long-term objective, Governors weigh the benefits of immediate expenditure against the opportunity to grow the endowment and secure future sustainable income. Conversely, if returns fall short, expenditure will be reduced. Governors do not anticipate drawing on the capital endowment fund except in exceptional circumstances.

In line with the strategic plan, the Foundation aims to generate sufficient income to support its schools while preserving the real value of the capital endowment over the long term. Governors recognise that, in the short to medium term, additional financial resources will be required to deliver strategic priorities – particularly in widening accessibility and addressing the defined benefit pension scheme deficit. As such, the spend rate has been set above the long-term sustainable level until the end of the 2025/26 financial year.

The Foundation has established a target annual expenditure rate of no more than 3.5% of the endowment's value. Current expenditure is in line with this target. The Board has agreed to temporarily exceed this rate to support strategic delivery, with the five-year financial forecast indicating a return to the 3.5% target by the end of the forecast period.

As at 31 August 2025, free reserves – comprising Unrestricted Funds and the Endowment Fund – Capital – totalled £174.8m (2024: £173.5m). Although the Endowment Fund – Capital is technically unrestricted, it is managed as if it were permanently endowed, with all spending decisions carefully considered. The estimated value of tangible fixed assets that could be realised, if necessary, is £27.5m (2024: £28.5m).

Funds held by the Foundation that are restricted and not available for general charitable purposes include the Permanent and Expendable Endowment Fund and the Restricted Fund, totalling £13.5m (2024: £13.4m).

Governors acknowledge that short-term withdrawals from capital may result in the value of property and listed investments not keeping pace with inflation.

Going Concern

The Governors have assessed the appropriateness of preparing the financial statements on a going concern basis and considered whether any material uncertainties exist that could cast significant doubt on the Foundation's ability to continue operating.

In making this assessment, the Governors reviewed the principal risks and uncertainties facing the Foundation – including the impact of the current cost-of-living crisis on parents' ability to pay school fees, which, alongside the value and income generated from the Foundation's endowment, is a key factor in long-term financial planning. The management team also closely monitors the level of scholarships and bursaries to ensure that grant commitments remain financially sustainable.

Following this review, the Governors are satisfied that the going concern basis remains appropriate and have made this assessment for a period of one year from the date of approval of the financial statements.

Investment Powers and Policy

The Foundation's investment powers are governed by the 1900 Act, as amended by the Scheme of 2012 and the Trustee Act 2000. Investments include both property holdings and a diversified portfolio of quoted securities, comprising narrow and wide range assets.

The Foundation's policy is to manage its assets in accordance with statutory requirements, aiming to generate income that supports its educational objectives in the short term, while ensuring that investments are positioned to deliver sustainable income in the future. Day-to-day management of the listed investment portfolio is delegated to Barclays Wealth.

Investments continue to be managed in line with the Governors' policy and instructions. Portfolio performance is regularly measured against a custom benchmark, comprising appropriate market indices for each asset class, as agreed between the Investment Managers and the Governors. For the year ended 31 August 2025, the listed investment portfolio achieved a total return of 14.54% net of fees, compared to a composite benchmark return of 13.43% (2024: portfolio return of 3.11%).

Responsible Investment Policy Statement

The Foundation strongly believes that we have a clear responsibility to exercise our judgement and ensure that investment decisions align with its charitable objectives and support long-term sustainability. Our policy is driven by the Foundations values of excellence, accessibility, collaboration, ambition, care, and integrity.

The Foundation's Investment Committee has responsibility, on behalf of the Foundation Board, for being responsible stewards of the Foundation's financial and property assets. This includes ensuring that appointed advisers, investment managers, and property advisers have appropriate responsible investment policies in place, overseeing investment decisions, regularly holding them to account, and ensuring that investment allocations align with ethical considerations where feasible.

The Foundation considers material environmental, social and corporate governance (ESG) factors to be factors that give an indication of the long-term success of a company and can therefore impact upon investment returns and risk. The Foundation believes that purposeful integration of material environmental, social and corporate governance (ESG) considerations into investment management processes and ownership practices can have a positive impact on financial performance.

The Foundation recognises that we appoint separate advisers for financial investments and property assets. This policy applies to both, ensuring that ESG principles guide all asset classes, while allowing for specialised management approaches tailored to each portfolio. Regardless of the specific approach taken, the Foundation expects investment decisions to be consistent with its responsible investment principles and managed in a way that reflects environmental, social, and governance (ESG) best practices.

Auditors

Crowe U.K. LLP served as the Foundation's external auditors for the 2024/25 financial year.

The Governors confirm that, to the best of their knowledge, there is no relevant audit information of which the auditors are unaware. The Governors have taken all necessary steps to ensure they are aware of any relevant information and that such information has been communicated to the auditors.

In order to meet their aims and objectives, Governors have planned the following activities:

- Governors will continue to monitor the financial, property and wider economic environment to maximise opportunities for income growth while managing risks from inflation, policy changes and global uncertainty.
- Development of the Edgbaston campus will continue, where funding will allow, aligned with the educational vision for the independent schools and medium-term plans towards the KES 475th anniversary in 2027. The concept of a new Foundation centre of excellence is also being advanced to strengthen collaboration and modernise operations.
- Governors will work with the Academy Trust to widen access to Foundation-supported education, with growth focused on disadvantaged communities in Birmingham. King Edward VI King's Norton School for Boys joined in 2024 and further discussions with potential partner schools are ongoing. This coming year will also include a review of the Academy Trust admissions policies.
- School improvement capacity will be strengthened through the Educational Support team, including the development of school clusters, inter-school collaboration, and partnerships with MATs, charities, and civic bodies. Priorities include raising attainment, enhancing digital learning, and ensuring equitable access to opportunities for disadvantaged pupils.
- Delivery of the HR strategy will continue to improve recruitment, retention and development of staff, supported by an integrated HR and payroll system and aligned career pathways across the Foundation.
- Governance reforms introduced in 2022 will continue to be embedded; with a streamlined committee structure, a unified executive committee is improving accountability across all entities and schools.
- Professional support services will increasingly operate on a unified basis, with a focus on a digital unification strategy, enhanced estates management, sustainability and decarbonisation programmes, and expanded external relations and fundraising capacity.
- The Foundation's assisted places policy will remain a distinctive feature of its independent schools, supported by investment return and new philanthropic fundraising. A Foundation-wide advancement strategy will broaden development and alumni engagement across all schools.

King Edward's School, Birmingham

1. Aims and ethos

King Edward's School, Birmingham (KES) was founded in 1552 by King Edward VI and is one of the leading independent schools in the UK. Based in Edgbaston, the school shares a 50-acre campus with King Edward VI High School for Girls (KEHS), which provides extensive space and facilities matched by few day schools in the country.

King Edward's School is a boys' day school having around 840 pupils aged from 11 to 18 in 2024/25. Most of our pupils join at age 11 and continue through until they are 18 but some join us at other stages, including entering our Sixth Form.

School mission and aims

During 2024/25, KES and KEHS adopted a shared mission and aims.

Mission

The Independent Schools of King Edward VI provide an outstanding and scholarly education to the brightest pupils, in the heart of Birmingham, irrespective of their social or economic background. Through an unrivalled holistic approach, we enable our pupils and staff to pursue excellence in school and beyond, inspiring them to lead fulfilling lives of contribution, purpose and service in their local community and the wider world.

Aims

We aim:

- To offer a rich and ambitious programme of academic, co-curricular and service opportunities in a stimulating and supportive environment
- To foster self-reflective and grounded individuals who have a strong moral compass
- To generate a culture of scholarship, in which academic outcomes and learning for its own sake are both valued
- To celebrate the diversity of our communities, cherishing both difference and all that unites us.

Despite the financial challenges facing the independent education sector during the year, including the implementation of VAT on school fees and the loss of charitable business rates relief, KES remained confident in its position as a destination of choice for bright boys from across the West Midlands and bold in its planning for the future. Work on a strategic plan to guide KES and KEHS through the next three years continued apace, including building upon themes suggested by staff at the beginning of 2024/25.



2. Review of activities

a. Academic activities and results

Following surveys of parents, pupils and staff around the topics of transition and induction, the Lower School curriculum, Friday Afternoon Activities and behaviour and culture in the previous school year, the academic year of 2024/25 began with a consultation on the Sixth Form curriculum, with parent, pupil and staff voice sought. The consultation, which ran across both KES and KEHS, also sought the input of pupils who had left following their GCSE studies. The consultation found that parents and pupils were predominantly looking for an academically successful Sixth Form which prepared pupils for university and in which all pupils were known and understood as individuals. The importance of a balanced Sixth Form experience encompassing academic study, co-curricular opportunities, wellbeing and enrichment was promoted by respondents. While the International Baccalaureate (IB) Diploma's broad stimulation and preparation for Higher Education was valued by the KES community, there was a strong desire from parents and pupils for the opportunity to take A Levels. The consultation and findings of a feasibility study informed the outcome that A Levels would be reintroduced at KES in September 2025, and that the Divisions who had started their Sixth Form studies in September 2024 would be the final cohort to study for the IB Diploma. Alongside A Levels, a bespoke enrichment programme have been created for KES and KEHS Sixth Formers, and it was announced that a small number of A Level subjects would be taught co-educationally from September 2025, and also that there would be some new academic subjects for KES Sixth Formers including Computer Science, PE, Psychology and Politics. For the first time, KES and KEHS hosted Sixth Form Open Evenings on the same evening, with some shared content running alongside the school-specific activities.

Following the previous year's surveys, an update was also provided on the Lower School curriculum and Friday Afternoons. The changes announced to parents, which would be implemented in 2025/26 were that:

- Computer Science GCSE would be introduced from September 2025, to prepare boys more fully for the A Level, and additionally, lessons in the Lower School would be dedicated to this subject. Physical Education GCSE would also be introduced from September 2025
- Pupils moving up into the Removes would be able to choose two languages from French, German and Spanish. This would allow greater depth of preparation prior to GCSE for Spanish and German, which had, to date, been introduced in the Upper Middles. It would also allow for more choice in the combinations of languages, as, to date, all pupils studied French for three years. Classical Greek would remain an option for the UMs
- Food Technology would be timetabled fortnightly for Shells
- A bespoke PSHE curriculum would be offered on the timetable for all Lower School forms, to enable our pastoral curriculum to support the development of all of our pupils during these crucial years
- To make room for these developments to the KES curriculum, there would be a partial reshaping of Friday afternoons from September 2025. Friday afternoon activities would remain for the Middle School and Upper School. For Shells, Friday afternoons would retain their focus on Sport, as was already the case for the majority of this year group, with Games and fixtures taking place. For Rems and UMs, the timetable would be adjusted to enable Friday afternoons to be used for the expanded curriculum. Both Rems and UMs would have opportunities to have Food Technology sessions, in drop-down afternoons.

Preparing for 2025/26, across all the areas outlined above, was a constant theme running through 2024/25, while also maintaining a sharp focus on teaching and learning during the year itself.

2. Review of activities

International Baccalaureate (IB) Diploma results 2025

With an average IB Diploma score of 38.16 points, which is significantly higher than the previous year's global average of 30.32, our pupils demonstrated outstanding academic performance.

Five pupils achieved the maximum score of 45 points, a feat accomplished by less than 0.5% of pupils worldwide. In addition, 15 pupils gained 44 or 43 points, and 43% of the cohort attained scores of 40 points or above.

Pupils continued to uphold the long-standing tradition of attending top UK universities including Oxford, Cambridge, Imperial and other Russell Group universities, as well as choosing a wonderfully diverse range of subjects.

	Average score	40+ points
2025	38.2	43%
2024	36.7	30%
2023	35.6	20%
2022	39.6	60%

GCSE results 2025

Our pupils once again achieved a strong set of GCSE results.

The grades achieved by Fifth form pupils at KES were the highest among day schools attended by boys across the West Midlands.

Grade	2025	2024	2023
9	41%	43%	44%
9/8	67%	69%	69%
9/8/7	84%	86%	88%

Of the cohort of 129 pupils, 91% took at least 10 GCSEs. Three pupils achieved 11 straight 9s and one achieved 10 straight 9s.

b. Assisted Places

King Edward's School aims to provide education for able boys, regardless of the financial circumstances of their families. Funding for Assisted Places is provided thanks to a substantial grant from the Governors of the King Edward VI Foundation and generous donations from Old Edwardians.

An Assisted Place is awarded on academic merit based on the school's own entrance examination, school report and interview at 11+ and predicted GCSE grades, school report and interview at 16+. Assisted Places are means-tested, based on family income and assets.

A telethon delivered by current pupils during the summer holidays of 2025 raised nearly £26,500 for Assisted Places.

c. Co-curricular activities

Part of what gives King Edward's School its unique character is the exciting and diverse range of co-curricular opportunities on offer. We strive to have the widest range of activities so that every pupil can find at least one thing that enlivens and enriches his life.

Sport

Among our sporting accolades for 2024/25, we were once again named in The Cricketer's top 100 senior schools for cricket and were listed as the ninth best school for sport by School Sport Magazine, and the following were particular team highlights: hockey – U16 National Tier 1 Plate Champions; rugby – U18 Schools Cup National Vase Runners Up; cricket – U13 National Runners Up; tennis – U13A team were National Finalists (3rd place).

Performing Arts

We delivered a full programme of concerts, recitals, performances and large-scale productions in conjunction with KEHS, with the programme including Maurice Duruflé's Requiem (Choral Society) and Gustav Mahler's Symphony no.9 (Symphony Orchestra), our annual Junior Production (Lord of the Flies), and Senior Production (Let the Right One In).

Clubs and societies

Clubs and societies are an integral part of school life. With around 50 to choose from, there is an opportunity for everyone and an increasing number are run jointly with KEHS. Among the year's highlights, we were National Finalists in the Junior Schools Challenge and Schools Challenge, and Finalists in the English-Speaking Union Mace competition, and National Finalists in the F1 in Schools programme.

Friday afternoon activities

Friday afternoons were set aside for such activities as the Combined Cadet Force (CCF), the Leadership programme and a wide range of Service and Partnership activities such as music and sports coaching and visits to primary schools, care homes, hospitals, animal sanctuaries and organisations supporting refugees.

Trips

The variety of trips on offer at the school are an important part of our co-curricular life and contribute enormously to the school's appeal and reputation. We delivered a full programme of trips – around 140 in total – during 2024/25, many of which were in the UK but also including an overseas cricket tour to South Africa, a hockey tour also to South Africa, a joint KES/KEHS physics trip to CERN and a joint German trip to Hellenthal, an outdoor activities week in the South of France, a ski trip to Italy and the ever-popular Lapland trip.

We also continued to support the work of media organisations covering the story of the 6888th Central Postal Directory Battalion which was stationed at KES during the Second World War, and a group of KES/KEHS pupils and staff attended the preview screening of Netflix's The Six Triple Eight.

3. Partnerships and Participation

Our Partnerships and Participation programme supports primary school teachers in raising aspirations, offering free activities and access to our facilities to complement and extend what children are doing in school. The 2024/25 programme culminated in the annual Summer School, delivered in conjunction with KEHS, which saw around 90 Year 4 pupils from local primary schools – predominantly those working at greater depth, with a focus on those who are disadvantaged – taking part in three days of enrichment activities, including geography, ceramics, creative writing, Mandarin and science.

In addition to our work with primary schools, we also continued to collaborate with other schools in the King Edward VI Foundation, Birmingham. With KEHS, we continued to support King Edward VI Balaam Wood Academy through Enquiring Minds - a specially-developed programme for extension and enrichment activities for its pupils, and we also hosted several Foundation-wide pupil events including the second Year 9 Higher Education Aspirations Programme event, a Model United Nations Conference, African and Caribbean Society (ACS) Conference, a sustainable energy event in association with Physics Partners and a variety of sports events, including the second KES vs Foundation cricket match. We also hosted a Foundation Ceremony for new Year 7s from KES, King Edward VI Sheldon Heath Academy and King Edward VI Balaam Wood Academy. Several of our staff were Highly Commended in various categories at the first Foundation Awards. We also participated in the second Foundation-wide staff training day and members of our Leadership Team attended a networking event with other leaders from across the Foundation.

A highlight from our work with other partner organisations was hosting, on behalf of the Foundation and utilising our Ruddock Performing Arts Centre, an exclusive Greater Birmingham Chambers of Commerce Patrons Event attended by 27 delegates from 16 GBCC Patron-level businesses and organisations based in the West Midlands.



4. The Future

It was planned that the school year of 2025/26 would begin with the launch of a Strategic Plan for KES and KEHS, is to take the two schools through the years 2025/26 - 2027/28. The strategy period would encompass the KES 475th anniversary, with specific preparations also underway for marking the milestone.

At Sixth Form, the reintroduction of A Levels at KES, the launch of a new enrichment curriculum and some limited co-educational A Level teaching with KEHS pupils would all be implemented in September 2025. In support of this, spaces used by the Divisions and Sixths would be renovated, including the addition of an exclusive study area. Works were also planned around the creation of a new base for the SEND team. The reshaped Friday Afternoon Activities model would also be rolled out, in addition to the new subjects mentioned above.



KING EDWARD'S SCHOOL
BIRMINGHAM

King Edward VI High School for Girls, Birmingham

1. Aims and ethos

King Edward VI High School for Girls (KEHS) was founded in 1883 and is today a wonderful blend of tradition and innovation. It is one of the leading independent schools in the UK and shares its 50-acre campus in Edgbaston with King Edward's School, Birmingham (KES). Its emphasis on liberal learning, established when it was founded, continues through a broad and balanced academic curriculum, which promotes intellectual freedom and discovery coupled with a wide range of co-curricular activities, all delivered in a supportive and nurturing environment.

KEHS is a girls' day school having around 660 pupils aged from 11 to 18 in 2024/25. Most of our pupils join at age 11 and continue through until they are 18 but some join us at other stages, including entering our Sixth Form.

School mission and aims

KEHS is a school synonymous with intellectual ambition. With a mission to offer an unrivalled education to the brightest girls in the West Midlands, irrespective of their social or economic background, KEHS is a leading voice in the educational life of the UK.

During 2024/25, KEHS and KES adopted a shared mission and aims.

Mission

The Independent Schools of King Edward VI provide an outstanding and scholarly education to the brightest pupils, in the heart of Birmingham, irrespective of their social or economic background. Through an unrivalled holistic approach, we enable our pupils and staff to pursue excellence in school and beyond, inspiring them to lead fulfilling lives of contribution, purpose and service in their local community and the wider world.

Aims

We aim:

- To offer a rich and ambitious programme of academic, co-curricular and service opportunities in a stimulating and supportive environment
- To foster self-reflective and grounded individuals who have a strong moral compass
- To generate a culture of scholarship, in which academic outcomes and learning for its own sake are both valued
- To celebrate the diversity of our communities, cherishing both difference and all that unites us.

Despite the financial challenges facing the independent education sector during the year, including the implementation of VAT on school fees and the loss of charitable business rates relief, KEHS remained confident in its position as a destination of choice for bright girls from across the West Midlands and bold in its planning for the future. Work on a strategic plan to guide KEHS and KES through the next three years continued apace, including building upon themes suggested by staff at the beginning of 2024/25.

We were also thrilled to be announced as the top independent school for academic excellence in the West Midlands by The Sunday Times, and as The Daily Telegraph's best value independent school in the country.

2. Review of activities

a. Academic activities and results

Following surveys of parents, pupils and staff around the topics of transition and induction, the Lower School curriculum, and behaviour and culture in the previous school year, the academic year of 2024/25 began with a consultation on the Sixth Form curriculum, with parent, pupil and staff voice sought. The consultation, which ran across both KEHS and KES, also sought the input of pupils who had left following their GCSE studies. The consultation found that parents and pupils were predominantly looking for an academically successful Sixth Form which prepared pupils for university and in which all pupils were known and understood as individuals. The importance of a balanced Sixth Form experience encompassing academic study, co-curricular opportunities, wellbeing and enrichment was promoted by respondents. The consultation and findings of a feasibility study informed the outcome that a bespoke enrichment programme would be created for KEHS and KES Sixth Formers, and it was announced that a small number of A Level subjects would be taught co-educationally from September 2025 (coinciding with the reintroduction of A Levels at KES in September 2025) and also that A Level PE would be introduced as a new subject for KEHS pupils. For the first time, KEHS and KES hosted Sixth Form Open Evenings on the same evening, with some shared content running alongside the school-specific activities.

A Level results 2025

Upper Sixth pupils celebrated another impressive set of A Level results, with:

Of the 89 pupils in the Upper Sixth cohort, 19 (21%) achieved three or more A*s, and 13 (15%) achieved straight A*s. Reflecting the breadth of pupils' intellectual curiosity, 23 pupils took four or more A Levels.

Grade	2025	2024	2023
A*	43%	60%	59%
A*/A	78%	84%	85%
A*-B	95%	95%	97%

GCSE results 2025

Upper Fifth pupils delivered a record-breaking performance in their GCSEs, achieving the highest results in the school's history, and reflecting the consistent position of KEHS as one of the leading schools in the country. The proportion of results at grade 9 reached a landmark 71%, a phenomenal achievement grounded in the school's stimulating and supportive environment, and rich and ambitious academic, co-curricular and pastoral programmes.

Grade	2025	2024	2023
9	71%	40%	43%
9/8	90%	80%	78%
9/8/7	97%	95%	95%

b. Assisted Places

King Edward VI High School for Girls aims to offer an exceptional education to the brightest girls in the Birmingham area, irrespective of their parents' ability to pay fees. Funding for Assisted Places is provided thanks to a substantial grant from the Governors of the King Edward VI Foundation and generous donations from Old Edwardians.

An Assisted Place is awarded on academic merit based on the school's own entrance examination, school report and interview at 11+ and predicted GCSE grades, school report and interview at 16+. Assisted Places are means-tested, based on family income and assets.

A telethon delivered by current pupils during the summer holidays of 2025 raised nearly £14,125 for Assisted Places.

c. Co-curricular activities

At KEHS, we believe co-curricular activities are vital in developing rounded, balanced pupils who enrich the life of the school as well as fulfilling their academic potential. We offer more than 70 clubs and societies per week for girls to sample exciting experiences.

The wide variety of trips on offer – around 100 each year – is an important part of school life and contributes enormously to our appeal and reputation. Many of our 2024/25 trips were in the UK but they also included joint KES/KEHS trips to CERN for physics, to Hellenthal for German and to Lapland, an expedition to Peru, a ski trip to France and outdoor activities trips.

In Sport, we continued to offer world-class coaching and outstanding facilities across multiple sports, with all abilities catered for including students on national development pathways. We were delighted to be named again in the top 20 all-girls schools for cricket by *The Cricketer* magazine and also in the top 30 schools for sport in England by *School Sport Magazine* for the first time. At the Sisters N Sport National Finals, the U13s secured third place and the U12s and U14s secured fourth place, and the U16 badminton team won the *School Sport Magazine* National Cup.

In the Performing Arts, we delivered a full programme of concerts, recitals, performances and large-scale productions in conjunction with KES, with the programme including Maurice Duruflé's *Requiem* (Choral Society), Gustav Mahler's *Symphony no.9* (Symphony Orchestra) and one of our Upper Sixth performing Rakhmaninov's *Piano Concerto no. 2 op.18*, our annual Junior Production (*Lord of the Flies*), and Senior Production (*Let the Right One In*).

Charitable and service activities included the continuation of our Care.Do.Give.

We also continued to support the work of media organisations covering the story of the 6888th Central Postal Directory Battalion which was stationed on the campus during the Second World War, and a group of KEHS/KES pupils and staff attended the preview screening of Netflix's *The Six Triple Eight*.

4. Partnerships and Participation

Our Partnerships and Participation programme supports primary school teachers in raising aspirations, offering free activities and access to our facilities to complement and extend what children are doing in school. The 2024/25 programme culminated in the annual Summer School, delivered in conjunction with KES, which saw around 90 Year 4 pupils from local primary schools – predominantly those working at greater depth, with a focus on those who are disadvantaged – taking part in three days of enrichment activities, including geography, ceramics, creative writing, Mandarin and science.

In addition to our work with primary schools, we also continued to collaborate with other schools in the King Edward VI Foundation, Birmingham. With KES, we continued to support King Edward VI Balaam Wood Academy through Enquiring Minds - a specially-developed programme for extension and enrichment activities for its pupils, and we also hosted several Foundation-wide pupil events including the second Year 9 Higher Education Aspirations Programme event, a Philosothon, African and Caribbean Society (ACS) Conference and a variety of sports events. Our Year 7s attended a Foundation Ceremony with Year 7s from other schools, held at King Edward VI Five Ways School. Several of our staff were Highly Commended in various categories at the first Foundation Awards, and our Care.Do.Give. Team won the Community Spirit Award. We also participated in the second Foundation-wide staff training day and members of our Leadership Team attended a networking event with other leaders from across the Foundation.

A highlight from our work with other partner organisations was hosting, on behalf of the Foundation and utilising our Ruddock Performing Arts Centre, an exclusive Greater Birmingham Chambers of Commerce Patrons Event attended by 27 delegates from 16 GBCC Patron-level businesses and organisations based in the West Midlands.



5. The Future

It was planned that the school year of 2025/26 would begin with the launch of a Strategic Plan for KEHS and KES, to take the two schools through the years 2025/26 - 2027/28.

At Sixth Form, the launch of a new enrichment curriculum and some limited co-educational A Level teaching with KES pupils would all be implemented in September 2025.

Preparations for the growth of KEHS to take an additional form into the Thirds from September 2026 were also planned to continue apace throughout 2025/26.



KING EDWARD VI
HIGH SCHOOL FOR GIRLS



Statement of Governor's Responsibilities



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

The Governors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Charity Law, the Governors 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Governors on 10th December 2025 and signed on its behalf by:



Hynes Thomas

Prof, H Thomas
Chair of the Foundation Board



F. Kinkhabwala

Mr F Kinkhabwala
Bailiff

Opinion

We have audited the financial statements of The Schools of King Edward VI in Birmingham (the 'charity') for the year ended 31 August 2024 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2025 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 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

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, 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 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 where 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 financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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, the Trustees are responsible for the preparation of the financial statements which 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Governors



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 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.

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 identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and 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 noncompliance 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 located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report

Independent Auditor's Report to the Governors



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

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 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP.

Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 10 February 2026

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities

For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds 2025 £000	Total Funds 2024 £000
Income and endowments from:						
Donations and legacies	4	51	755	-	806	817
Charitable activities:						
Fees receivable	5	22,737	-	-	22,737	22,503
Ancillary trading income	6	3,173	-	-	3,173	2,792
Non-ancillary trading activities						
Lettings income	7	189	-	-	189	243
Investment income	8	3,907	31	49	3,988	3,671
Other income	9	1,303	-	-	1,303	1,112
Total income and endowments		31,360	787	49	32,196	31,137
Expenditure on:						
Raising funds	10	566	8	199	773	727
Charitable activities	11	32,092	796	1,120	34,008	32,687
Total expenditure		32,658	804	1,319	34,781	33,414
Net (expenditure) / income before net gains on investments		(1,298)	(17)	(1,270)	(2,585)	(2,277)
Net gains / (losses) on investments		-	70	3,326	3,396	13,345
Net (expenditure) / income		(1,298)	53	2,056	811	(11,068)
Transfers between funds		2,315	-	(2,315)	-	-
Net movements in funds before other recognised gains / (losses)		1,017	53	(259)	811	(11,068)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	30	539	-	-	539	(124)
NET MOVEMENT IN FUNDS		1,556	53	(259)	1,350	10,944
Reconciliation of funds:						
Total funds brought forward		3,616	2,249	181,066	186,932	175,988
Net movement of funds		1,556	53	(259)	1,350	10,944
Total funds carried forward		5,173	2,302	180,808	188,282	186,932

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 46 to 75 form part of these financial statements

Balance Sheet

As at 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

	Note	31 August 2025 £000	31 August 2024 £000
Fixed Assets			
Intangible assets	15	132	222
Tangible assets	16	27,464	28,544
Investment property	17	52,497	51,328
Investments	18	110,983	108,669
		<u>191,075</u>	<u>188,764</u>
Current Assets			
Debtors	19	10,343	1,013
Short term deposits		-	-
Cash at bank and in hand		4,145	4,746
		<u>14,489</u>	<u>5,759</u>
Creditors: amounts falling due within one year	20	<u>(14,927)</u>	<u>(4,427)</u>
Net Current Assets		(439)	1,331
Total Assets less Current Liabilities		190,637	190,095
Creditors: amounts falling due after more than on year	21	<u>(1,048)</u>	<u>(1,055)</u>
Net Assets excluding pension liability	30	189,589	189,040
Defined pension scheme liability		<u>(1,307)</u>	<u>(2,108)</u>
Total Net Assets		<u>188,282</u>	<u>186,932</u>
Charity Funds			
Endowment fund	25	180,808	181,066
Restricted funds	25	2,302	2,249
Unrestricted funds			
Unrestricted funds excluding pension asset	25	6,480	5,724
Pension reserve	25	<u>(1,307)</u>	<u>(2,108)</u>
Total unrestricted funds		<u>5,173</u>	<u>3,616</u>
Total funds		<u>188,282</u>	<u>186,932</u>

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

Hymel Thomas

Prof H. Thomas
Chair

F. Kinhabwala

Mr F. Kinhabwala
Bailliff

Date: 10 December 2025

The notes on pages 46 to 75 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

	31 August 2025 £000	31 August 2024 £000
Cashflow from operating activities		
Net cash used in operating activities	26 (2,424)	(3,209)
Cash flows from investing activities		
Interest received	30	98
Rent received from investment properties	2,429	2,022
Proceeds from the sale of investment in shares	36,612	27,728
Purchase of investments in shares	(32,516)	(27,174)
Purchase of tangible fixed assets	(520)	(1,008)
Purchase of investment properties	(2,825)	-
Movement in cash awaiting investment in shares	(1,386)	(113)
Net cash generated from investing activities	1,824	1,553
Change in cash and cash equivalents in the year	(601)	(1,656)
Cash and cash equivalents at the beginning of the year	4,746	6,402
Cash and cash equivalents at the end of the year	27 4,145	4,746

The notes on pages 46 to 75 form part of these financial statements.

1. General information

The Schools of King Edward VI in Birmingham (the "Foundation") is a charitable trust, registered in England and Wales and its Charity registration number is 529051. The registered office and principal place of business is Foundation Office, Edgbaston Park Road, Birmingham, B15 2UD. Its principal activity is the provision of schooling.

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) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Schools of King Edward VI in Birmingham meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Governors have assessed the charity's ability to continue as a going concern for a period of at least twelve months from the date of approval of these financial statements. This assessment has considered the charity's financial position, cash flow forecasts, budgetary plans, and the expected level of income and expenditure.

Based on this review, the Governors are satisfied that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Fees and Similar Income

Fees receivable and charges for the use of premises and facilities are accounted for in the year in which the service is provided. Fees receivable are stated after deducting bursaries, scholarships and other remissions allowed by the Schools. Provisions are made for fees that are considered difficult to recover.

Rents and Letting income

Rental and Letting income is recognised as received or receivable in respect of the financial year.

Lease Incentives

Lease incentives, such as up-front cash payments, received from the lessee are treated as deferred income and are released on a straight line basis over the life of the lease.

Sales of interest in land

Sales of interests in land are recognised as income in the year of receipt and credited to the Endowment Fund – Capital. The receipts are amortised over the length of the lease and transfers made to the Endowment Fund – Income.

Investment Income

Income, in the form of fixed interest and equity dividends, is earned from investments held during the year, and recognised when receivable.

Donations and legacies

Donations and legacies are accounted for on a receivable basis when receipt is probable and the amount can be reliably measured.

2.4 Expenditure

Liabilities are recognised when either a constructive or legal obligation exists. Expenditure is accounted for on an accruals basis. The irrecoverable element of VAT is included within the item of expense to which it relates.

Raising funds

The cost of generating funds consists of management costs and certain legal fees.

Grant making

Grant making costs shown on the Statement of Financial Activities include the costs associated with the activity and the support costs of the Foundation Office and are charged to the Endowment - Income Fund.

The Foundation provides annual grants to the two Independent Schools from the Endowment Fund – Income and small annual widening accessibility grants to all Academies where sufficient funds are available.

Grants awarded to the Independent Schools are shown as a transfer from the Endowment – Income Fund to the School's Fund on the Statement of Financial Activities.

Costs of the Foundation Office (both governance and grant making) are not allocated to any other fund.

2. Accounting policies (continued)

2.5 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life and charged to the Capital endowment fund.

The software relates to the new finance system (PS Financials Cloud software) and the new payroll system (iTrent) which is expected to be in use for at least five years.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £20,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method. Freehold land is not depreciated.

Depreciation is provided on the following bases:

Asset Group:	
Buildings (new)	50 years
Building (refurbished)	10 years
Leasehold property	Length of lease
Plant and equipment	10 years
Motor vehicles	5 years
IT equipment	3 years

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

Historic assets have been excluded from the balance sheet as reliable cost information is not available and the historic cost is not believed to be material to the accounts.

2. Accounting policies (continued)

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments held as fixed assets are shown at cost less provision for impairment.

Investment properties are initially measured at cost and subsequently measured at fair value. The investment properties are valued every five years in line with the Royal Institution of Chartered Surveyors Red Book guidance. An annual asset valuation is carried out on an annual basis.

No depreciation is charged on investment properties.

2.8 Financial instruments

The Charity 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.

Debtors

Fees and other debtors which are receivable within one year are initially recognised at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Trade creditors and other liabilities payable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

2.9 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

Rental income received are recognised in the Statement of Financial Activities on a straight-line basis over the lease term.

2. Accounting policies (continued)

2.10 Pensions

New teaching staff are eligible to join the Defined Contribution Scheme, with staff employed before 1st May 2025 being eligible to join the Teachers Pension Scheme. Eligible non-teaching staff may join the Defined Contribution Scheme. Contributions to the Teachers' Pension Scheme and the Defined Contribution Scheme are charged to the Statement of Financial Activities in the year they become payable.

Teachers' Pension Scheme (TPS)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over teachers' working lives, in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is a multi-employer scheme but there is insufficient information available to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments. The Governors began a process of phased withdrawal from this scheme during the year.

Governors' Defined Benefit scheme

The Governors' Defined Benefit Pension Scheme, which was closed to new members in 2010, is valued every three years by a professionally qualified independent actuary, who determines the rates of contribution payable. The pension charge in the accounts represents the regular charge adjusted by amortisation of the pension scheme surplus or deficit.

The net gain/loss on the net defined benefit liability is recognised in the Statement of Financial Activities. The difference between the scheme liabilities and the scheme assets is recognised in the unrestricted fund.

2.11 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 Charity and which have not been designated for other purposes. The general fund includes the surpluses arising from the activities of the two Schools.

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.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Endowment funds are donations required to be retained as capital in accordance with the donors' wishes – permanent or expendable according to the nature of the restrictions. The costs of raising and administering such funds are charged against the specific fund.

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:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Defined benefit pension scheme

The present value of the Governors' Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The key assumptions used in determining the net cost (income) for pensions include the discount rate, future inflation expectations and assumptions about mortality. Any changes in these assumptions, which are disclosed in note 30, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2024 has been used by the actuary in valuing the pensions liability at 31 August 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Donated services

The Foundation has included an estimated value of the cost of services (as disclosed in note 11) donated to the King Edward VI Academies. The value of services received by the Academies should be the value of the price that the Academy estimates it would pay in the open market. As it is not practical to measure the value of the services using an open market (fair value basis), SORP 2015 permits donated services received to be measured on the basis of the cost of the gift to the Academy from the Foundation. The cost has therefore been calculated based on an individual estimate of time spent by Foundation staff providing services to the school allocated across the salary costs (including provision for pension and national insurance) but excluding any provision for overheads. Support costs at the Foundation have therefore been allocated between educational support and grant making.

Investment property valuation

The investment property portfolio is externally valued once every five years, with an interim valuation each year. Property valuations are derived from the rental income received on the land or property owned together with the length of the lease. Other property transactions, such as lease incentives are treated in accordance with the relevant accounting policy.

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

4. Income from donations and legacies

	Unrestricted Funds 2025 £000	Restricted Funds 2025 £000	Endowment Funds 2025 £000	Total Funds 2025 £000	Total Funds 2024 £000
Donations	51	755	-	806	817
Total 2025	51	756	-	806	817
Total 2024	25	791	-	817	

5. Income from fees receivable

	2025 £000	2024 £000
Gross school fees (net of bad debts)	26,978	26,468
Less:		
Governors' Assisted Places Scheme	(2,860)	(2,592)
Scholarships, remission & staff concessions	(1,381)	(1,373)
	22,737	22,503

Scholarships, bursaries and other awards were made to 471 pupils (2024: 461). Within this means tested bursaries totalling £2.9m were paid to 217 pupils (2024: £2.6m to 253 pupils).

All fees receivable were unrestricted in both the current and prior year.

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

6. Income from ancillary trading

	Unrestricted Funds 2025 £000	Total Funds 2025 £000	Total Funds 2024 £000
Catering income	1,169	1,169	1,103
Extra-curricular activities	1,713	1,713	1,369
Registration fees	46	46	52
Other ancillary income	245	245	268
Total 2025	3,173	3,173	2,792
Total 2024	2,792	2,792	

7. Income from non-ancillary trading

	Unrestricted Funds 2025 £000	Total Funds 2025 £000	Total Funds 2024 £000
Lettings	189	189	243
Total 2025	189	189	243
Total 2024	243	243	

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

8. Investment income

	Unrestricted Funds 2025 £000	Restricted Funds 2025 £000	Endowment Funds 2025 £000	Total Funds 2025 £000	Total Funds 2024 £000
Rental income	2,429	-	-	2,429	2,022
Investment income	1,455	30	44	1,529	1,550
Bank and other interest	23	2	5	30	98
Total 2025	3,907	32	49	3,988	3,671
Total 2024	3,593	32	46	3,671	

9. Other incoming resources

	Unrestricted Funds 2025 £000	Total Funds 2025 £000	Total Funds 2024 £000
Other income	1,303	1,303	1,112
Total 2025	1,303	1,303	1,112
Total 2024	1,112	1,112	

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

10. Expenditure on raising funds

	Unrestricted Funds 2025 £000	Restricted Funds 2025 £000	Endowment Funds 2025 £000	Total Funds 2025 £000	Total Funds 2024 £000
Investment management	199	8	199	407	382
Property management	366	-	-	366	344
Total 2025	566	8	199	773	727
Total 2024	526	9	192	727	

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted Funds 2025 £000	Restricted Funds 2025 £000	Endowment Funds 2025 £000	Total Funds 2025 £000	Total Funds 2024 £000
Teaching	19,777	-	-	19,777	18,962
Welfare	821	-	-	821	819
Premises	3,798	-	1,076	4,873	4,963
Support costs and governance	6,422	-	-	6,422	6,023
Donated services to Academies	1,142	-	-	1,142	1,055
Grants, awards and prizes	2	796	45	843	864
Grant making	130	-	-	130	-
Total 2025	32,092	796	1,120	34,008	32,687
Total 2024	30,653	844	1,190	32,687	

Summary by expenditure type

	Staff Costs 2025 £000	Depreciation 2025 £000	Other costs 2025 £000	Total Funds 2025 £000	Total Funds 2024 £000
Teaching	14,097	-	5,680	19,777	18,962
Welfare	742	-	79	821	819
Premises	1,355	1,076	2,443	4,873	4,963
Support costs and governance	5,573	-	850	6,422	6,023
Donated services to Academies	1,142	-	-	1,142	1,055
Grants, awards and prizes	-	-	843	843	864
Grant making	-	-	130	130	-
Total 2025	22,908	1,076	10,024	34,008	32,687
Total 2024	21,452	1,172	10,062	32,687	

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

12. Auditor's remuneration

	2025 £000	2024 £000
Fees payable to the Charity's auditor and its associates for the audit of the Charity's annual accounts	49	47
Fees payable to the Charity's auditor and its associates in respect of: Other compliance services	7	8

13. Staff costs

	2025 £000	2024 £000
Wages and salaries	17,438	16,700
Social security costs	2,043	1,761
Contribution to defined contribution pension schemes	540	482
Contribution to defined benefit pension schemes	2,887	2,509
	22,908	21,452

Included in defined contribution pension scheme is £Nil (2024: £Nil) pension payments to former staff.

During the year, there were six settlement agreement payments made in the sum of £88k (2024: £179k) which is included in staff costs. There were no payments outstanding at the year-end.

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

	2025 No.	2024 No.
Teaching	173	176
Education support	68	62
Maintenance, cleaning, catering and grounds	82	83
Administration	123	119
	446	440

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

	2025 No.	2024 No.
£60,001 - £70,000	52	44
£70,001 - £80,000	13	9
£80,001 - £90,000	4	5
£90,001 - £100,000	5	2
£100,001 - £110,000	1	1
£110,001 - £120,000	1	-
£120,001 - £130,000	1	1
£190,001 - £200,000	-	1
£230,001 - £240,000	-	1
£250,001 - £260,000	2	-
£270,001 - £280,000	-	1

The total employee benefit including pension contributions paid to key management personnel was £1.3m (2024: £1.2m).

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

14. Trustees' remuneration and expenses

During the year, no trustees received any remuneration or other benefits (2024: £Nil).

During the year ended 31 August 2025, expenses totalling £1,130 were reimbursed or paid directly to four Trustees (2024: £1,695 to four Trustees) for travel expenses.

15. Intangible assets

Cost	Computer software £000
At 1 September 2024	1,013
Additions	104
	<hr/>
At 31 August 2025	1,117
	<hr/>
Depreciation	
At 1 September 2024	791
Additions	195
	<hr/>
At 31 August 2025	986
	<hr/>
Net book value	
At 31 August 2025	132
	<hr/>
At 31 August 2024	222
	<hr/>

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

16. Tangible fixed assets

	Freehold sites £000	Buildings £000	Plant and equipment £000	Total £000
Cost				
At 1 September 2024	647	41,862	1,429	43,938
Additions	-	188	227	415
Disposals	-	(615)	-	(615)
At 31 August 2025	647	41,435	1,656	43,739
Depreciation				
At 1 September 2024	-	14,835	559	15,394
Additions	-	779	164	944
Eliminated on disposal	-	(63)	-	(63)
At 31 August 2025	-	15,551	724	16,275
Net book value				
At 31 August 2025	647	25,884	932	27,464
At 31 August 2024	647	27,028	869	28,544

17. Investment Property

	Freehold investment property £000
Valuation	
At 1 September 2024	51,328
Additions at cost	2,825
Unrealised loss	(1,655)
Market value at 31 August 2025	52,497

An annual asset valuation was carried out at 31 August 2025 by Joseph Lang LaSalle Ltd, with the investment portfolio valued at £52.5m, based on open market value. The valuation was carried out in accordance with the guidelines set out by RICS.

It is not possible to provide an accurate historical cost of the property portfolio. A significant part of the portfolio was given as charter land at no cost, and costs are not available for acquisitions made some considerable time ago.

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

18. Fixed asset investments

	Listed investments £000	Cash £000	Total £000
Cost or valuation			
At 1 September 2024	108,546	123	108,669
Additions	32,516	(32,516)	-
Disposals	(36,612)	36,612	-
Revaluations	5,032	-	5,032
Net incomings/(outgoings)	-	(2,749)	(2,749)
Accrued interest and income	39	-	39
At 31 August 2025	109,513	1,470	110,983

Investment at market value comprise:

	2025 £000	2024 £000
United Kingdom Fixed Interest	28,194	24,544
United Kingdom Equities	4,729	2,947
Sub total	32,923	27,491
Overseas Equities	54,639	57,386
Overseas Bonds	6,889	8,878
Global Fund	4,355	6,023
Commodities	7,000	5,376
Hedge Funds	398	334
Alternatives	3,023	2,811
Sub total	109,227	108,300
Cash at bank awaiting Investment	1,470	123
Accrued Income and Interest	285	246
Total investment at market value	110,983	108,669
	2025 £000	2024 £000
Total investment (excl. cash) at cost	81,057	78,489

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

19. Debtors

	2025 £000	2024 £000
Due within one year:		
Fee debtors net of provision	7,971	119
Rents	229	171
Prepayments and accrued Income	2,143	723
	10,343	1,013

Fee debtors at 31 August 2025 include invoices raised in advance for the Autumn term beginning September 2025. In the prior year, the Autumn invoicing invoiced in advance was not included in debtors at the year end.

20. Creditors: Amounts falling due within one year

	2025 £000	2024 £000
Trade creditors	947	602
Other creditors	79	88
Accruals and deferred income	9,034	2,199
Pupil education deposits	592	623
Pensions	418	379
Taxation and social security	1,856	537
Bank loan	2,000	-
	14,927	4,427

Included within deferred income is the net fees invoiced in advance for the Autumn term beginning September 2025 with the related VAT on these invoices included in Social Security and Other Taxes. This is a change in presentation as a result of the introduction of VAT on school fees. In the prior year, fees from advanced Autumn invoicing were only included in deferred income where the invoice had been paid.

The bank loan is based on securities backed lending and is repayable on demand.

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

	2025 £000	2024 £000
Deferred Income (see note 22)	1,048	1,055

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

22. Deferred income

	2025 £000	2024 £000
Deferred Income at 1 September	2,631	2,326
Resources deferred during the year	8,100	1,568
Amounts released from previous periods	(1,583)	(1,263)
	9,147	2,631

Amounts deferred at 31 August 2025 relate to fees invoiced in advance of £7.4m (2024: £0.8m), rents/service charge received in advance of £0.1m (2024: £0.1m), trip/catering income received in advance from parents of £0.6m (2024: £0.7m), and upfront lease receipts of £1.0m (2024: £1m) which are being released over the life of the lease of 150 years.

23. Financial instruments

	2025 £000	2024 £000
Financial assets		
Financial assets measured at fair value through income and expenditure	109,513	108,546

Financial assets measured at fair value through income and expenditure comprise investments (see note 18).

The Foundation's income, expense, gains and losses in respect of financial instruments are summarised below:

	2025 £000	2024 £000
Total investment income for financial assets measured at fair value through income and expenditure	1,559	1,649
Net gains on financial assets measured at fair value through income and expenditure	5,023	12,743
Impairment losses on financial assets measured at amortised cost	9	31

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

24. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2025
	£000	£000	£000	£000
Tangible fixed assets	-	-	27,464	27,464
Intangible fixed assets	-	-	132	132
Fixed asset investments	-	2,148	108,834	110,983
Investment property	-	-	52,497	52,497
Current assets	21,407	153	(7,072)	14,489
Creditors due within one year	(14,927)	-	-	(14,927)
Creditors due in more than one year	-	-	(1,048)	(1,048)
Provisions for liabilities and charges	(1,307)	-	-	(1,307)
Total	5,173	2,302	180,808	188,282

Analysis of net assets between funds - prior period

	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2024
	£000	£000	£000	£000
Tangible fixed assets	-	-	28,544	28,544
Intangible fixed assets	-	-	222	222
Fixed asset investments	-	2,079	106,591	108,669
Investment property	-	-	51,328	51,328
Current assets	10,152	170	(4,563)	5,759
Creditors due within one year	(4,427)	-	-	(4,427)
Creditors due in more than one year	-	-	(1,055)	(1,055)
Provisions for liabilities and charges	(2,108)	-	-	(2,108)
Total	3,616	2,249	181,066	186,932

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

25. Statement of funds

Statement of funds - current year

	Balance at 1 September 2024 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2025 £000
General funds						
King Edward's School	716	15,026	(16,135)	1,950	-	1,556
King Edward VI High School for Girls	2,169	11,127	(11,353)	(403)	-	1,539
Endowment income fund	2,840	5,208	(5,432)	768	-	3,384
Pension reserve	(2,108)	-	262	-	539	(1,307)
	3,616	31,360	(32,658)	2,315	539	5,173

	Balance at 1 September 2024 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2025 £000
Endowment funds						
Capital endowment fund	169,912	-	(1,160)	(2,315)	3,167	169,605
Performing Arts centre fund	3,934	-	(101)	-	-	3,833
Other donations fund	7,220	49	(59)	-	159	7,370
	181,066	49	(1,319)	(2,315)	3,326	180,808

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

25. Statement of funds (continued)

Statement of funds - current year

	Balance at 1 September 2024 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2025 £000
Restricted funds						
Benjamin Cowie	596	9	(2)	-	20	623
The Webster Bequest	579	8	(2)	-	18	604
Brode Fund	692	7	-	-	22	721
The Margaret Davies Fund	176	3	(37)	-	4	146
Lee Childs Fund	5	-	(5)	-	-	1
Other small special funds	200	14	(13)	-	6	208
HSG & KES Trust Donor	-	746	(746)	-	-	-
	2,249	787	(804)	-	70	2,302
Total of funds	186,932	32,196	(34,781)	-	3,935	188,282

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**
In pursuit of educational excellence for all

25. Statement of funds

Statement of funds - prior year

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2024 £000
Unrestricted funds						
School minor works	746	-	-	(746)	-	-
Widening accessibility	259	-	-	(259)	-	-
Replacement equipment for performing Arts Centre	77	-	-	(77)	-	-
	1,083	-	-	(1,083)	-	

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2024 £000
General funds						
King Edward's School	2,240	15,071	(15,722)	(873)	-	716
King Edward VI High School for Girls	2,426	10,502	(10,731)	(29)	-	2,169
Endowment income fund	1,721	4,694	(5,096)	1,521	-	2,840
Pension reserve	(2,354)	-	370	-	(124)	(2,108)
	4,033	30,267	(31,179)	619	(124)	3,616

Total unrestricted funds	5,116	30,267	(31,179)	(463)	(124)	3,616
--------------------------	-------	--------	----------	-------	-------	-------

Notes to the Financial Statements For the year ended 31 August 2025



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

25. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2024 £000
Endowment funds						
Capital endowment fund	158,248	-	(1,249)	275	12,639	169,912
Performing Arts centre fund	4,036	-	(101)	-	-	3,934
Other donations fund	6,352	46	(31)	408	444	7,220
	168,637	46	(1,382)	683	13,082	181,066

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2024 £000
Restricted funds						
Benjamin Cowie	538	8	(8)	1	57	596
The Webster Bequest	521	7	(2)	1	52	579
Brode Fund	508	8	-	78	99	692
The Margaret Davies Fund	168	2	(45)	25	25	176
Lee Childs Fund	5	-	(1)	-	1	5
Other small special funds	496	7	(6)	(325)	29	200
HSG & KES Trust Donor	-	791	(791)	-	-	-
	2,235	824	(853)	(220)	262	2,249

Total of funds

	175,987	31,137	(33,414)	-	13,221	186,932
--	----------------	---------------	-----------------	----------	---------------	----------------

Notes to the Financial Statements For the year ended 31 August 2025



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

25. Statement of funds (continued)

Capital Endowment Fund

This is the accumulation of capital gains derived from its investments. This is not a permanent endowment fund.

Performing Arts Centre expendable endowment fund

This is a separately identifiable fund set up as part of the terms of the donation to the Independent Schools to part finance the construction of the Performing Arts Centre for the benefit of both Schools.

Other Donations Fund

This is a permanent endowment fund comprising of 350 individual funds, providing prizes, grants and scholarships to pupils at the schools of the Foundation.

Benjamin Cowie

The bequest, received in 1982, is used to support pupils in financial need, subsidise activities, and meet leadership training costs for both masters and boys at King Edward's School.

The Webster Bequest

The fund was bequeathed to King Edward's School in 2000 and is used for the purpose of funding scholarships in the school.

The Margaret Davis Funds

The fund was bequeathed to the Foundation to support an archiving project.

Brode Fund

Unspent part of a £2m donation to improve sporting facilities at the Boys' school

Lee Child's Fund

This was a donation to be used to purchase books.

25. Statement of funds (continued)

Transfers to/(from) funds - current year

	King Edward's School	King Edward VI High School for Girls	Endowment fund income fund	Capital endowment fund
	£000	£000	£000	£000
Revenue grant to the Schools from Endowment income fund	1,420	1,055	(2,474)	-
Loan repayments to Foundation	(344)	(148)	493	-
Fund drawdown	-	-	2,500	(2,500)
Transfer of Capital Expenditure	(144)	(250)	-	395
Contributions to the Foundation for services	(125)	(125)	250	-
Amortisation of the capital receipts arising from sales of interests in land	-	-	210	(210)
Transfer to correct opening balances	1,144	(934)	(210)	-
	1,950	(403)	768	(2,315)

Transfers to/(from) funds - prior year

	King Edward's School	King Edward VI High School for Girls	Endowment fund income fund	School minor works	Capital endowment fund	Permanent & Expendable	Restricted funds
	£000	£000	£000	£000	£000	£000	£000
Revenue grant to the Schools from Endowment income fund	1,465	1,060	(2,525)	-	-	-	-
Loan repayments to Foundation	(351)	(151)	503	-	-	-	-
Distribution of Designated Fund	155	631	296	(1,083)	-	-	-
Transfer of Capital Expenditure	(379)	(340)	-	-	719	-	-
Contributions to the Foundation for services	(88)	(88)	175	-	-	-	-
Special Funds corrections	-	-	46	-	-	173	(220)
Correct PE Fund Property gain	-	-	-	-	(235)	235	-
Amortisation of the capital receipts arising from sales of interests in land	-	-	210	-	(210)	-	-
Transfer to correct opening balances	(1,675)	(1,141)	2,816	-	-	-	-
	(873)	(29)	1,521	(1,083)	275	408	(220)

Notes to the Financial Statements For the year ended 31 August 2025



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

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

	2025 £000	2024 £000
Net income/expenditure for the period (as per Statement of Financial Activities)	811	11,068
Adjustments for:		
Depreciation charges	881	875
Amortisation charges	195	297
Net (gains)/loss on investments	(3,368)	(13,345)
Retirement Benefits Scheme costs less contributions paid	(262)	(370)
Rents received from investment properties	(2,429)	(2,022)
Interest received	(30)	(98)
Decrease/(increase) in debtors	(9,330)	361
Increase/(decrease) in creditors	10,492	(25)
Loss on disposal of fixed asset	615	50
Net cash used in operating activities	(2,424)	(3,209)

27. Analysis of cash and cash equivalents

	2025 £000	2024 £000
Cash in hand	4,145	4,746
Short term deposits	-	-
Total cash and cash equivalents	4,145	4,746

28. Analysis of changes in net debt

	At 1 September 2024 £000	Cash flows 2025 £000	At 31 August 2025 £000
Cash at bank and in hand	4,746	(601)	4,145
	4,746	(601)	4,145

29. Capital commitments

There were no capital commitments at the year end (2024: £Nil).

30. Pension commitments

Employees belong to two principal defined benefit pension schemes: The Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and The Schools of King Edwards the Sixth Retirement Benefit Scheme ("the Scheme") for non-teaching staff. Both are multi-employer benefit schemes. A further defined contribution pension scheme is in operation for non-teaching staff since April 2021 and new teaching staff from 1st May 2025.

In addition to the aforementioned Schemes, the Governors provide discretionary unfunded pensions out of general income. These amounted to £Nil in the year ended 31 August 2025 (2024: £Nil).

Defined contribution scheme

New staff, or those staff who had been eligible but had not joined the defined benefits scheme are eligible to participate in a defined contribution scheme, administered by Scottish Widows. By 31 August 2025, 203 members of staff has joined (2024: 180). The employer contributions for the defined contribution scheme totalled £0.5m (2024: £0.5m) based on rates of up to 8%. At year end £80,314 (2024: £72,128) was payable to the scheme and included within creditors.

Teachers' Pension Scheme

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 £2.8m (2024: £2.4m) and at the year-end £0.3m (2024: £0.3m) 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 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation has valued the 'greater value' benefits for groups of relevant members.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.6%. The scheme is now closed to new members from 1st May 2025, any new teaching staff will be enrolled into a Defined Contribution Scheme.

Notes to the Financial Statements For the year ended 31 August 2025



30. Pension commitments (continued)

The Schools of King Edward VI in Birmingham Retirement Benefit Scheme

The Charity operates a defined benefit pension scheme.

Other staff of the Independent Schools and Foundation Office have been eligible to join a defined benefits Scheme operated by the Governors of the Foundation. In March 2010 the Governors took the decision to close the Governors' Pension Scheme to new members.

The review of the Scheme as at 31 August 2024 showed a large improvement in the funding shortfall. The main reasons for the reduction in the deficit over the period can be summarised as follows:

- higher than expected investment returns; and
- the payment of deficit reduction contributions by the Foundation, which has increased the value of the Scheme's assets.

However, the above factors have been partially offset by: an increase in long-term inflation expectations which has increased the value placed on the Scheme's liabilities; and lower than expected investment returns have decreased the value of the Scheme's assets.

- reductions in corporate bond yields over the period; and
- unfavourable membership experience (such as retirements and mortality) which has resulted in a higher value being placed on the Scheme's liabilities

Contributions to be paid by the Foundation:

Period	Foundation contributions towards the shortfall
Monthly until 31 March 2025	£36,115 per month
1 April 2025 to 31 March 2026	£14,667 per month
1 April 2026 to 31 March 2027	£15,107 per month
1 April 2027 to 31 January 2028	£15,560 per month

From 1 April 2025, as a result of the 2024 valuation, the employer contributions rate was set at 15.5% with Scheme expenses being paid by the Foundation and not the Scheme Fund.

The Scheme is known as the Schools of King Edward VI in Birmingham Retirement Benefits Scheme (the Scheme). The Scheme provides benefits based on salary and length of service on retirement, leaving service or death. The following disclosures exclude any allowance for defined benefit schemes operated by the Foundation.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Foundation must agree with the Trustees of the Scheme the contributions to be paid to meet any shortfall against the Statutory Funding Objective and to pay for the future accrual of benefits.

The Foundation expects to contribute £257,000 to the Scheme during the year to 31 August 2026.

The Scheme is managed by a board of Trustees appointed in part by the Foundation and part from elections by members of the Scheme. The Trustees have responsibility for obtaining valuations of the fund, administering benefit payments and investing the Scheme's assets. The Trustees delegate some of these functions to their professional advisers where appropriate.

There were no plan amendments, curtailments or settlements during the period.

Notes to the Financial Statements For the year ended 31 August 2025



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

30. Pension commitments (continued)

Principle actuarial assumptions at the Balance sheet date (expressed as weighted averages)

	At 31 Aug 2025 % pa	At 31 Aug 2024 % pa
Discount rate	5.85	5.00
Future salary increases	3.25	3.35
Future pension increases (RPI capped at 5%)	2.85	2.95
Future pension increases (CPI capped at 5%)	3.00	3.00
Inflation (RPI)	3.25	3.35
Inflation (CPI)	2.85	2.95
Proportion of members with a spouse	80	80

Other assumptions used are:

- Mortality - S3PA tables with CMI 2022 projections using a long-term improvement rate of 1.25% pa and a 25% weighting to 2022 experience
- Commutation - 75% of members are assumed to take 25% of their pension as tax free cash
- Early retirement - 40% of active members who joined pre 2007 are assumed to retire at age 60

	At 31 Aug 2025 Years	At 31 Aug 2024 Years
Mortality rates (in years)		
• for a male aged 65 now	86.5	86.5
• at 65 for a male aged 45 now	87.9	87.8
• for a female aged 65 now	89.1	89.0
• at 65 for a female aged 45 now	90.5	90.4

The Charity's share of the assets in the scheme was:

	At 31 Aug 2025 £000	At 31 Aug 2024 £000
Equities	10,265	10,840
Cash	140	219
Total fair value of assets	10,405	11,059

The actual return on scheme assets was a loss of £0.5m (2024: £0.9m).

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

30. Pension commitments (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	2025 £000	2024 £000
Current service cost	85	90
Net interest	95	110
Total amount recognised in the Statement of Financial Activities	180	200

Movements in the present value of the defined benefit obligation were as follows:

	2025 £000	2024 £000
Opening defined benefit obligation	13,167	12,622
Contributions by scheme participants	29	32
Actuarial (gains)/losses	(1,554)	475
Benefits paid	(658)	(709)
Current service costs	85	90
Interest on liabilities	643	657
Closing defined benefit obligation	(11,712)	13,167

Movements in the fair value of the Charity's share of scheme assets were as follows:

	2025 £000	2024 £000
Opening fair value of scheme assets	11,059	10,268
Interest income	548	547
Actuarial (gains)/losses	(1,015)	351
Contributions by employer	442	570
Contributions by scheme participants	29	32
Benefits paid	(658)	(709)
Closing fair value of scheme assets	(10,405)	11,059

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**
In pursuit of educational excellence for all

31. Opening lease commitments

At 31 August 2025 the Charity had commitments to make future minimum lease payments under non- cancellable operating leases as follows:

	2025 £000	2024 £000
Not later than one year	38	35
Later than one year and not later than five years	87	56
Later than five years	33	36
	158	128

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2025 £000	2024 £000
Operating lease rentals	41	126

At 31 August 2025 the Charity had the following future minimum lease income from investment property rent under non-cancellable operating leases as follows:

	2025 £000	2024 £000
Within one year	2,337	2,059
Between two and five years	7,980	7,505
Over five years	164,681	162,247
	174,997	171,811

The following amount of rental income has been recognised as income in the Statement of financial activities:

	2025 £000	2024 £000
Operating lease rental income	2,429	2,022

Notes to the Financial Statements For the year ended 31 August 2025



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**
In pursuit of educational excellence for all

32. Related party transactions

The Foundation considers itself related to the King Edward VI Academy Trust Birmingham (Co. no.10654935). The Trust consists of twelve academies of which five were initially established as Voluntary Aided Grammar Schools by the Foundation. The Trust is considered a related party by virtue of the fact that the Foundation provides executive leadership, finance, accounting, payroll and personnel, operations and governance services to the academies and the Foundation owns the land and buildings at the academies. There is a licence to occupy the land and buildings between the Foundation and some of the schools of the Academy Trust rent free. There is a service level agreement for the services provided by the Foundation, whereby a contribution of £1.1m (2024: £1.1m) was received during the year.

Transactions with the Academy Trust during the year include:

	2025 £000	2024 £000
Income		
Costs incurred by Foundation and reimbursed by the Trust	4	5
Contributions to the Foundation for services	1,092	1,089
Expenditure		
Fees paid for KES Teachers training at KEC	8	13
Costs incurred by the Trust and reimbursed by the Foundation	123	59
Payments from restricted funds	25	10
Other income received and passed over to Trust	137	8

At the year-end there were the following balances held in the balance sheet:

	2025 £000	2024 £000
Debtor at year end	328	13
Creditor at year end	(9)	(8)
Grant recoverable at year end	318	5

The Chief Master and Principal is a trustee of The King Edward's School Birmingham Trust (Charity no: 1129776). The Trust provides King Edward's School with funding for Assisted Places. £0.4m (2024: £0.5m) was paid to cover Assisted Places supported by the Trust.

The Chief Master and Principal is also a trustee of The King Edward VI High School for Girls Birmingham Trust (Charity no: 1159413). The Trust was set up during 2014/15 to provide King Edward VI High School for Girls with funding for Assisted Places. £0.3m (2024: £0.3m) was paid to cover Assisted Places supported by the Trust.

There were no outstanding balances due at the year end.

Ms E Conway is Chief Financial Officer of the University of Birmingham. During the year £2,019 (2024: £20,577) was paid to the organisation and £19,851 (2024: £20,167) lease rentals were invoiced to the organisation. There were no amounts outstanding at the end of the year (2024: £Nil).

Development Funding and Finance services are also provided by King Edward's School to the two Trusts. No charge is made for the services provided. The cost of the Development Team for the year at King Edward's School was £0.1m (2024: £0.1m) and £0.1m (2024: £0.1m) at King Edward VI High School for Girls.

None of the Governors received any remuneration during the year.

There are no other related party transactions.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

England & Wales - Charity number 529051

Accounts



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

Annual Report and Financial Statements

Year End August 2024





Chair's Statement	1
Mission, Principles and Objectives	2
Reference and Administrative Information	7
Governors' Report	8
Statement of Governors' Responsibilities	36
Independent Auditor's Report	37
Statement of Financial Activities	40
Balance Sheet	42
Statement of Cash Flows	43
Notes to the Financial Statements	44

Fundamental to our purpose as a Foundation is that the children in our schools access a broad and balanced curriculum. A range of data are an expression of how we achieve that goal: Ofsted grades; examination results; non-formal activities; and the professional preparation of our staff.

Several of our schools were inspected by Ofsted in the last year. All achieved grades of Outstanding or Good, a performance unequalled by comparable Academy Trusts. The strength of the Ofsted process is its range of view, the final grade being a judgment on the quality of education, behaviour and attitudes, personal development and leadership and management. As a Foundation, we take particular satisfaction in the outcome of the inspection at Balaam Wood Academy. Rated Inadequate when it joined the Foundation and Academy Trust, a judgement of Good was a jump of two classifications, a step change secured by only 18% of schools. It also means the community served by Balaam Wood has an Ofsted-rated Good school for the first time in 18 years.

Examination results at A-level and the International Baccalaureate (IB) show solid improvement in all schools. Illustratively, 41.3% of A-level grades were grade A or A*, an increase of 4.78% compared with 2023; nationally, the increase was a more modest 1.1%. Across almost all our 14 schools, GCSE results also improved.

No less important as a preparation for life after school is the wide range of sporting and cultural activities provided in each school. Access to these opportunities is supported by the strength of our inter-school collaboration, enabling children to share activities being provided in schools other than their own.

Finally, the quality of our educational provision rests on the quality of our teaching and support staff. A landmark event this year was a day devoted to on-line provision of continuing professional development (CPD). The format allowed a huge range of opportunities to be accessible by all our staff with the benefit that it was recorded and could be accessed through an on-line archive. Throughout the year, the quality of provision is supported by the work of staff appointed as Foundation Leaders in Education. Funded to work across the Foundation's schools, the FLEs support educational improvements across our curriculum areas.

Underpinning these aspects of educational quality are improvements to our management and governance structures. On management, a streamlining of our HR systems continues and is contributing to a more efficient management system. The Education Committee is also benefiting from enhanced data systems, adding to its powers of scrutiny.

The creation of the Academy Trust led to a requirement to have a more elaborate committee structure. A review of that structure has led to its simplification without loss of accountability. We have also secured the engagement of members of School Governing Bodies on some of our central advisory groups, strengthening expertise and improving communication between the centre and our schools.

Finally, we continue to grow, Kings Norton Boys' School joined the Academy Trust and Foundation in January 2024. Alongside our expansion in size is continuing growth in collaboration with other schools in Birmingham. Our mission of making Birmingham the best place to be educated in the United Kingdom can only be achieved in partnership.

Prof. H Thomas
Chair of the Foundation Board



Charitable Objects

The objects of the Foundation are set out in the 1900 Act as amended by a scheme agreed with the Charity Commission on 7 March 2012 and relate to the advancement of education for the public benefit principally through the activities of the fourteen schools.

Mission

The Foundation's overarching mission is to make Birmingham the best place to be educated in the UK. The Foundation recognises that in order to do so it needs to provide access to a diverse range of schools: independent as well as academies, selective and also comprehensive. It also believes that those schools need to be accessible to all, regardless of ethnic, religious and social background. As the nature of the pupil community that the Foundation serves has changed, so has the social context within which this mission sits, and consequently so too have the resources required to deliver that mission. The Foundation's strategy sets out the objectives of the Foundation, 'the ends', along with the structures and resources required to meet them, 'the means'.

Strategy

The purpose of the strategy is to ensure that we can deliver our values to:

- Raise aspirations, providing opportunities and giving confidence alongside excellent academic standards.
- Widen access and transform lives for all young people, no matter their background.
- Encourage open-mindedness, equality for all, honesty, fairness, understanding and accepting the views of others.
- Create a love of learning, which will foster creativity, imagination and the capacity to communicate. Instil
- a sense of community and the desire to support and work with others.
- Build character and relationships, along with a sense of morality, care and respect for others.
- Ensure successful transition to the world of further study and work through strong academic outcomes.

The Foundation Strategy seeks to put education firmly at the heart of all of the decisions we make: strategic, operational and financial. It is based on the spirit that the Foundation has often been a force for change and moved with the times while retaining its core principles. To achieve our bold mission, it sets out how we can work genuinely towards an ethos of one organisation in which collaboration and efficiencies lead to a better education for the children and young people whom the Foundation serves. While there is excellence in all our schools, we recognise that every school can also improve and that working together and sharing our resources and ideas is the most effective way of doing that.





Objectives

The following strategic objectives are for the whole organisation and can only be achieved by schools and the Foundation Office working closely together with shared responsibility. Each objective is underpinned by a set of key performance indicators.

Strategic Objective 1 (SO1): Learning with us

SO1.1 Academic Outcomes and Progress

Learners within the Foundation should benefit from an excellent quality of education in all of its schools and gain high quality outcomes. Learners should make excellent progress and leave the Foundation with better educational outcomes compared to other areas of the country.

SO1.2 Access and Impact

A Foundation education should be available to the widest range of learners possible. Disadvantaged learners should receive support to have a meaningful impact on their education. They should benefit from the same opportunities as their peers when they leave the Foundation's schools and achieve similar success.

SO1.3 Pathways in Birmingham and Beyond

Learners should access a range of destinations nationally and internationally in terms of further education, higher education, training and employment. At the same time, learners should contribute to the success of the Birmingham community. Wherever learners go, they should make the most of their opportunities and be successful. Foundation alumni should be able to contribute to civic life in Birmingham through the skills, knowledge and character they have gained in the course of their experience.

SO1.4 Well-being, Character and Learning Skills

Learners within the Foundation should be well-rounded and resilient individuals thanks to a focus on character education and well-being. They should feel safe and happy attending school and in their everyday lives. They should have an appreciation of culture, compassion, critical thinking skills and a love of learning, being ready to embrace innovation.

SO1.5 Curriculum and Resources

Learners should follow a curriculum which is broad, balanced and diverse for both academic and vocational education and which is supported by excellent resources. At the same time, learners should have the opportunity to access specialist provision in other Foundation schools. They should access and enjoy a wide-ranging extra-curricular programme.

SO1.6 Foundation Identity

At transition points, learners should have the flexibility to move between Foundation institutions where appropriate. They should feel part of one organisation and be proud of being a member of the Foundation.



Strategic Objective 2 (SO2): Working with us

SO2.1 Collaborative Working and Learning

Colleagues within the Foundation should benefit from opportunities for collaborative learning and networking in a modern educational environment. Opportunities should exist for all those who wish to progress and to engage in work with a strong moral purpose.

SO2.2 Innovation, Research and Performance

Colleagues within the Foundation should have the opportunity and encouragement to think innovatively in their working lives. Appraisal of performance should lead to professional learning opportunities.

SO2.3 Modern Strategy for People

The Foundation should be an exceptional place to work, supported by a range of interconnected people strategies designed to attract, develop and retain talented and committed staff. Its HR function should be a credible provider of transactional, advisory and strategic service and a key contributor to the organisation's success. Colleagues should be attracted to join the Foundation because they see working in the UK's second city as a positive prospect and because the Foundation itself is a pre-eminent organisation for educational excellence.

SO2.4 Equality, Diversity and Inclusion

Colleagues within the Foundation should demonstrably understand, clearly represent and actively promote the diversity of the people of Birmingham with a strong employer commitment to equal opportunity for all. The Foundation should promote equality, inclusion and the understanding of diversity among themselves and learners.

SO2.5 Efficient Systems and Data Analytics

Colleagues within the Foundation at all levels (including leadership, teaching, school-based support and central staff), should have at their disposal highly effective, modern, secure and integrated digital systems for managing their work and communicating with each other. Digital systems should be selected and implemented to deliver maximum impact for all colleagues and learners, aggregate and make data accessible to inform central and local decisions, as well as modernise and standardise support services.

SO2.6 Work Environment, Resources and Sustainability

Colleagues should benefit from estates and procurement strategies which allow them to work in comfortable and inspiring environments supporting collaboration with the best possible resources at hand. The Foundation should have an exemplary sustainability strategy.



Strategic Objective 3 (SO3): Learning with us

SO3.1 Growth and Reputation

The Foundation, and its Academy Trust, should be an attractive proposition for schools looking to join a Multi Academy Trust because of its excellent reputation as a unique group of schools. The Foundation's voice and expertise should be sought in the development of educational and other policy and strategy nationally.

SO3.2 Educational Partners

The Foundation should partner with the primary, other secondary, alternative provision, further education and higher education sectors and be seen as a national and international, outward-focused model for education. The Foundation should be a hub for collaboration, networking and the sharing of best practice.

SO3.3 Civic and Corporate Partners

The Foundation should engage locally and beyond on a civic and corporate level, offering specialist advice, resources and governance. Organisations should see the Foundation as a willing and beneficial partner, appreciating the quality and extent of its offer. Partners should speak of admiration for and a love of Birmingham and its heritage.

SO3.4 Fund-raising and Support

The Foundation should benefit from strong links with alumni, parents and relatives of alumni, corporate donors and a range of other partners. Donations provided by individuals, families, corporations or other organisations should have hypothecated uses for key strategic projects such as assisted places, capital builds, heritage work and co-curricular and enrichment programmes. The Foundation should benefit from pro-bono offers of support for these projects from its extensive wider community.

SO3.5 Excellence in Governance and Compliance

Governor and Trustee opportunities at the Foundation should be sought after, and the successful candidates should contribute to the success of the organisation. The views of Governors and Trustees, and the Foundation's model of governance, should be seen as examples by others. The Foundation's compliance work should be exemplary.

SO3.6 Heritage

The Foundation's historical richness and impact on the life of Birmingham, manifested in its Archive, should be a heritage resource for the City as a living and growing historical artefact, further raising the Foundation's profile and generating interest in the organisation.

Activities undertaken to deliver Objectives and Public Benefit

Under the Charities Act 2011, a charity must be established for charitable purposes only. A charitable purpose is a purpose that falls within section 3 (1) of the 2011 Act and which is for public benefit. The list in section 3 (1) includes the advancement of education.

The Governors recognise their responsibilities as charity trustees. In 2023/24, the principal activities carried out to further the charitable purposes of the Foundation for the public benefit and to meet the objectives set out above include:

- The Foundation gifting, under the terms of licences, private land and buildings to the Academy Trust. Within the Academy Trust where the Foundation is the landowner this provides schools with the land and buildings they need to provide education to their pupils.
- The Foundation continuing to support the means-tested Assisted Places scheme at the Independent Schools. Both Independent Schools have also raised funds aimed at providing further means-tested assistance to lower income families. This greatly enhances the accessibility of King Edward's School and King Edward VI High School for Girls to a range of pupils, irrespective of background;
- The Foundation providing support services to the Academy Trust in the form of donated services. These services include strategic support, finance, procurement, human resources, payroll, governance, estates, marketing and communications, educational support and, for the selective schools within the Academy Trust, an admissions service. This support enables the Academies to focus their resources and management time on the education of their pupils;
- The Foundation playing an active role as a patron of the Greater Birmingham Chamber of Commerce, providing a platform for being a voice that is listened to on key educational issues. We are already nationally recognised for our work in ensuring that our selective schools are accessible to all. We have augmented this by maintaining and enhancing the Assisted Places scheme at the Independent Schools and by redesigning the Academy Trust admissions strategy to increase the percentage of disadvantaged children attending the selective schools, further ensuring those schools are rooted in the communities they serve;
- King Edward's School (KES) and King Edward VI High School for Girls (KEHS) providing a wide range of activities and facilities for the benefit of neighbouring schools and community groups.





The Governors of the Schools of King Edward VI in Birmingham is a corporate body established by Royal Charter in 1552 and is regulated by the Birmingham (King Edward the Sixth) Schools Act 1900 together with subsequent Schemes of the Board of Education and Charity Commissioners. The Schools of King Edward VI in Birmingham is a registered charity, number 529051.

Registered Office and Principal Address of Charity:

Foundation Office
Edgbaston Park Road
BIRMINGHAM B15
2UD

The Foundation is comprised of:

Independent Schools:

King Edward's School
King Edward VI High School for Girls

The Foundation also sponsors the King Edward VI Academy Trust Birmingham. Although this is a separate legal entity with its own accounts, the Academy Trust schools are all required to be formally designated as part of the Foundation in line with the provisions of the Birmingham (King Edward VI Schools) Act 1900, as amended. These schools are considered, therefore, to be part of the Foundation and may be referred to as such in the Governors' Report. The Academy Trust financial statements are available on our website: www.schoolsofkingedwardvi.co.uk

Academies:

King Edward VI Aston School
King Edward VI Balaam Wood Academy
King Edward VI Camp Hill School for Boys
King Edward VI Camp Hill School for Girls
King Edward VI Five Ways School
King Edward VI Handsworth School for Girls
King Edward VI Handsworth Grammar School for Boys
King Edward VI Handsworth Wood Girls' Academy
King Edward VI King's Norton School for Boys
King Edward VI Lordwood School for Girls
King Edward VI Northfield School for Girls
King Edward VI Sheldon Heath Academy



The Governors, who are also trustees of the charity, who were in office at the date of approval of the accounts and served on the Board throughout the period are set out below, together with their membership of Committees:

Membership of Committees

	ES	IC	FO	GN	HR	ARC	R	ISGB
Professor H Thomas BA, Med, PhD (Chair)	●	●		●	●		●	●
Mrs L Williams BA, MSc (Term ended 5 July 2024)				●			●	●
Mr J Crawford MRICS		●						
Professor B Lenon CBE, MA	●							●
Ms E Conway BA, FCA (Deputy Chair)				●		●	●	●
Mr F Kinkhabwala BEM	●				●	●		
Mr D Wheeldon	●		●	●	●	●		●
Mr I Metcalfe OBE (Term ended 31 March 2024)								●
Mr G Chahal BSc, PGDip (Pharm)		●	●					
Mr B J Matthews BSc, FCA		●	●				●	
Mr M Lee BSc, FCA		●						
Mr R Paranandi (appointed 22 May 2024)								

The following Governors resigned in 2024; Mr I Metcalfe on 31 March 2024 and L Williams on 5 July 2024.

In addition to the above, the Independent Schools' Governing Body has appointed several Non-Board Governors who are not Trustees of the Foundation. They are Mrs Olivera Raraty, Mrs Katherine Coates, Dr Simon Bird and Mr Nandan Gautam.

Committee Key:

Education & Safeguarding	ES
Investment Committee	IC
Finance & Operations	FO
Governance & Nominations	GN
Human Resources	HR
Audit, Risk & Compliance	ARC
Remuneration	R
Independent Schools' Governing Body	ISGB



Office and Advisors

Chief Executive Officer:	Mr Jodh Dhesi
Director of Operations:	Mr Thomas Rowland (resigned October 2023)
Chief Finance Officer:	Mr Gregory Langston
Principal Address:	The Schools of King Edward VI in Birmingham Foundation Office Edgbaston Park Road Birmingham B15 2UD
Banker:	Lloyds Bank plc PO Box 908 125 Colmore Row Birmingham B3 2SD
Legal Advisor:	Veale Warborough Vizards LLP 3 Brindley Place Birmingham B1 2JB
Auditors:	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
Property Advisor:	Avison Young 3 Brindley Place Birmingham B1 2JB
Investment Manager:	Barclays Wealth 1 Churchill Place London E14 5HP



Key Management Personnel

Chief Master:	Dr Katy Ricks MA, DPhil
Principal	Mrs Kirsty Von Malaise MA (Cantab), PGCE
Chief Executive Officer:	Mr Jodh Dhesi MA (Cantab), NPQEL, PGCE
Director of Operations:	Mr Thomas Rowland BA, MA
Chief Finance Officer:	Mr Gregory Langston
School Bursar:	Mrs Zoe Robinson BSc, ACA

Procedure for Recruitment, Induction and Training of Trustees

The Foundation Board comprises eleven Governors appointed by the Foundation (the maximum is 12). Regard is given to the skills mix of the Governors to ensure that the Foundation Board has all the necessary skills required to contribute to the objects of the Charity. The Governance and Nominations Committee oversees recruitment.

The term of office for any Governor is four years. Subject to remaining eligible to be a particular type of Governor, any Governor may be reappointed or re-elected. The Governors who were in office at the date of approval of the accounts and served throughout the period, except where shown, are listed on page 8. During the period under review the Foundation Board held 6 meetings.

The induction and training of Governors is important to the Foundation. Specific steps are taken as follows:

- Advice is offered on appointments for Governors who are appointed by external bodies. Appointments of co-opted Governors are guided by the fullest possible consideration of a Governance and Nominations Committee which meets regularly to consider the skills, attributes, and balance of Members. All appointment procedures are formal, rigorous, and transparent.
- All Governors receive a welcome pack and personal briefing.
- Documents relating to current developments are circulated to Governors together with DfE guidance and Charity Commission documents. At meetings Governors have the benefit of specialist advice.
- Periodic conferences and focussed training sessions are organised.

Organisation

The Governors, guided by the reports of various Committees, determine the general policy of the Foundation and are responsible for the governance of the two Independent Schools. The Foundation, as a Member of the Academy Trust, appoints a number of Trustees to the Academy Trust Board. The management of the Independent Schools is delegated to the Chief Master and Principal, and management of the Foundation to the Chief Executive Officer.

Prof H Thomas was the Chair of the Board and Ms E Conway was the Deputy Chair of the Board in the prior and current year.

Mr F Kinkhabwala held office as Bailiff and Mr B Matthews Deputy Bailiff for the year to 31 August 2023. In the current year Mr B Matthews is Bailiff and Mr D Wheeldon Deputy Bailiff.

The Board of Governors meets at least six times per year and receives reports from the following Committees, membership of which is determined annually by the Governors.



All of the above committees are Foundation wide apart from the Independent Schools' Governing Body which relates to the two Independent Schools.

The Chair and Deputy Chair of Committees during the year were as follows:

Committee	Chair	Deputy Chair
Education & Safeguarding	Mr D J Wheeldon	Mr F Kinkhabwala
Investment	Mr M Lee	Mr J Crawford
Finance & Operations	Mr B J Matthews	Mr D Wheeldon
Governance & Nominations	Prof H. Thomas	Ms E Conway
Human Resources	Mr F Kinkhabwala	Prof H. Thomas
Audit Risk & Compliance	Ms E Conway	Mr D J Wheeldon
Remuneration	Ms E Conway	Prof H Thomas
ISGB	Ms L Williams	Mrs A Smith

All Governors give of their time freely and there is no remuneration policy for Governors. Governors can claim travel expenses. No Governor or person connected with a Governor received any benefit from either means-tested Assisted Places or scholarships awarded to our pupils.

Education & Safeguarding Committee is focused on ensuring high standards of provision educationally in all the schools. This includes interrogating data, ratifying plans and processes and holding the central education team to account. In addition, safeguarding data is reviewed with any trends or anomalies discussed and planned for as part of the cyclical meetings.

Investment Committee oversees the management of the endowment and investments of the Foundation (including stocks and shares, investment property, lands, and hereditaments of the Foundation).

Finance & Operations Committee advises upon how financial resources will be allocated and aligned with strategic priorities and charitable objects, including the allocation of endowment funds made available on the recommendation of the Investment Committee.

Governance Nominations Committee makes recommendations about the membership of the Foundation Board and its Standing Committees.

Human Resources Committee ensures there is a relevant HR strategy in place and approves all policies that support the employee lifecycle.

Audit Risk & Compliance Committee deals with internal control, risk management and internal and external audit.

Remuneration Committee reviews the Foundation Executive Team performance and remuneration.

Independent Schools' Governing Body (ISGB) deals with matters relating to the two Independent Schools, known as King Edward's School (KES) and King Edward VI High School for Girls (KEHS). The ISGB has several sub-committees which report into it, including those relating to Finance & Estates, Risk and Compliance, Education and a Chairs Committee.

Foundation

The Foundation provides a central support services function supplying executive leadership, financial, human resources and various other operational and administrative services to the Independent Schools and the Academy Trust. This enables the Schools to reduce their cost base and concentrate more resources and management time on teaching and learning. It also enables the Independent Schools to keep fees as low as possible.

The Foundation is an equal opportunities employer and is committed to regular communication with all staff. Staff promotions are based on merit.

Arrangements for setting pay and remuneration of Key Management Personnel

Salaries of Executive personnel in the Independent Schools and the Foundation Office are reviewed by the Foundation's Remuneration Committee. Salaries are based on a review of annual performance and with reference to affordability and the local employment market.

Grants

The Foundation allocates annual grants from the expected income of the Endowment – Income Fund to the Independent Schools, in order to widen accessibility to the Schools by funding means-tested assisted places, merit-based scholarships and a staff remission scheme. The grant for Assisted Places is paid from the Foundation to the Independent Schools, who in turn then award the grants to individuals.

Fundraising

The Foundation in its own right does not carry out fundraising activities. As stated in note 11, the cost of fundraising activities is charged to the School's Fund but the activities are carried out on behalf of King Edward's School Birmingham Trust (the KES Trust, RCN 1129776) and The King Edward VI High School for Girls Birmingham Trust (the KEHS Trust, RCN 1159413). The KES Trust and The KEHS Trust exist separately to the Foundation and to support the advancement of education at each school, and particularly to raise funds actively for Assisted Places to widen access to the Schools for all those with the talent to make the most of a King Edward's education.

The Development Director reports to each group of Trustees on a termly basis, to ensure activities are properly monitored. Each Trust is a verified member of the Fundraising Regulator. Only one suppression request has been received to date, which was handled immediately. Neither Trust has received complaints regarding their activities.

Around 53% of the support to Pupils is funded by the Foundation, with the balance coming from the King Edward VI Birmingham Trusts.

A further 216 pupils received scholarships, 6 pupils received a sibling discount (for being the third child) and 35 pupils benefited from the staff concession scheme; the cost of which was £1,279,839 to the schools.

Therefore, the full benefit provided by the Governors' means-tested Assisted Places, hardship payments, scholarships, sibling discounts and staff concession for both schools, as shown in Note 5, for the year was £3,964,788 representing 15% of gross fees. Further information on fees assistance is provided by each school in their respective reports.

In comparison with other independent schools (both locally and nationally), fees are relatively low. Further details of the activities and educational achievements of the schools can be found on pages 26 to 35.

Assisted Places (AP) – means-tested bursaries

The Independent Schools offer assistance to a significant number of pupils, in the form of means-tested assisted places and scholarships which are funded primarily by the income from the Foundation's capital endowment fund.

Both means-tested assisted places and scholarships are awarded on the basis of academic ability, assessed as part of the admissions process at 11+ and 16+. The funding for assistance is made by the Governors on the recommendations of the Chief Master and Principal of the Schools.

Independent Schools	2024	2023
Number of AP holders	232	230
Number of pupils in receipt of assistance	229	225
As a % of total pupils at the Schools	15%	14%
% of AP pupils receiving an AP covering 90% of the fees	38%	63%
Pupils receiving a 90% or over AP	146	141
Pupils receiving a 100% AP	107	94
Annual cost of AP / Benefit to Parent	3.5m	£3.0m
Annual cost to the Schools (Note 5)	£2.6m	£2.3m
Grant to the Schools from the Foundation	£2.5m	£2.4m
Contribution from King Edward VI Birmingham Trust	£418,701	£425,832
Contribution from King Edward's High School for Girls Trust	£326,874	£280,116

“Opening Doors” for bright, disadvantaged children

The King Edward VI Foundation is open to pupils from all backgrounds. Most Foundation schools are free to attend, and our two independent schools offer fully and partially funded places for the most able pupils.

The Access and Participation Department is focused on widening access to the Foundation in terms of schools, partnerships, and pupil applications, particularly from disadvantaged backgrounds.

Working with target primary schools across the city of Birmingham, the team delivers and facilitates a range of activities across three strands: pupil recruitment, enrichment activity, and strategic partnerships development. All these activities are designed to encourage greater take-up of the entrance test by disadvantaged pupils and to secure high levels of local demand for all our comprehensive academies.

Impact measurement is an important part of our work, and we utilise national benchmarks to monitor progress against traditionally less quantifiable measures such as motivation, grit, resilience, and goal orientation, amongst others.

To encourage greater representation of children from lower income families in our grammar schools, the Foundation provides a free programme of online resources designed to help children become familiar with the topics on the entrance test. This programme is open to children who are eligible for the Pupil Premium. This provision is being relaunched this year with more advanced technology to support learners.

Financial Results

The results for the year are broadly similar to the prior year and in line with budget. In the current year, there is an operating surplus predominantly due to gains on the financial portfolio.

The Foundation had funds at 31 August 2024 of £186,931,667 (2023: £175,987,700) representing a 6.2% increase of £10,943,967. The funds comprise £3,616,455 (2023: £5,115,547) of Unrestricted Funds, a Permanent and Expendable Endowment Fund of £11,154,180 (2023: £10,388,211), Restricted Funds of £2,248,829 (2023: £2,235,603) and the Fund – Capital of £169,912,203 (2023: £158,248,339).

Statement of Financial Activities (SoFA) Summary

	2024 £m	2023 £m	Variance £m
Total Income	31.1	28.2	3.0
Total Expenditure	(33.4)	(30.2)	(3.2)
Net Income / Expenditure	(2.3)	(2.0)	(0.2)
Net Gains / (Losses) on Investments	12.7	1.9	10.8
Net Gains / (Losses) on Investment Properties	0.6	(0.2)	0.8
Gains on Defined Benefit Scheme	(0.1)	0.1	(0.2)
Net Movement in Funds	10.9	(0.3)	11.2

The total net income (before transfers) and other recognised gains and losses of all funds of the Foundation amounted to £11,067,967 (2023 deficit £331,661).

Overall, total income across all Funds increased by £2,977,596 to £31,137,140. Total expenditure increased during the year by £3,221,622 to £33,413,815. Net gain on the listed investment portfolio was £12,742,681 in 2024; £1,919,172 in 2023. Net gain on the investment property portfolio was £601,960 in 2024 and a net loss of £218,183 in 2023.

Independent Schools' Fund – School fee income (net of assisted places and scholarships) increased by £2,123,997 (10.0%) and is in line with our plans.

The gains were offset by investment costs, depreciation charged to the Fund and the FRS 102 pension deficit.

The transactions during the year in the Fund Capital were as shown below:

	2024	2023
	£	£
Balance at 1 September	158,248,338	157,973,979
Net gains/(losses) on Investments	12,061,741	1,822,094
Net gains/(losses) on Investment Properties	576,960	(278,292)
Expenditure (investment costs and depreciation)	(1,249,440)	(1,120,016)
Transfers from Other Funds:		
- Transfer to Endowment Income Funds	484,139	-
- Amortisation of Sale of Interest in Land	(209,536)	(209,536)
- Net gains/(losses) on Sale of Investment Properties	-	60,109
Balance at 31 August	169,912,202	158,248,338

Pensions

The teaching staff of the Independent Schools are eligible to join the Teachers' Pension Scheme (TPS) to which the Governors contributed 28.68% of salaries. This is an unfunded scheme open to the teaching profession. It is not managed by the Governors.

Non-teaching staff of the Independent Schools and the Foundation Office have previously been eligible to join a pension scheme operated by the Governors. This is known as the Schools of King Edward VI in Birmingham Retirement Benefits Scheme (the Defined Benefit Scheme). As detailed in Note 30 to the accounts, this Defined Benefit Scheme was closed to new members from April 2010, and a new defined contribution scheme became operational.

The triennial actuarial valuation of the Retired Benefit Scheme liability was as at 31 March 2024 and has been considered by Governors. Since 2012 Governors have made additional contributions as part of a pension recovery plan in 2018/19. During 2023/24 this amounted to £426,016 (2022/23: £413,609).

Governors received the FRS 102 pension report on the Defined Benefit Scheme which showed a reduction in the pension liability from £2,354,000 to £2,108,000. This reduction is largely driven by higher investment returns combined with the deficit payments which increased the values assets. There has also been a small increase in longer term inflation.

Charity Governance Code

The Charities Governance Code explains the minimum standards you should meet to effectively manage and control your Charity. Good governance involves putting in place systems and processes to ensure that your Charity achieves its charitable objectives with integrity and is managed in an effective, efficient, accountable and transparent way. The below sets out the way the Foundation has adopted the six core principles of this code:

Principle 1. Advancing charitable purpose

The Board is clear about the Charity's aims and ensures that these are being delivered effectively and sustainably. This was enhanced in 2021 by the creation of a new Foundation Strategy. During the 2021/22 financial year, a series of key performance indicators were developed to drive and monitor progress against the strategic priorities and objectives set out in the Foundation Strategy. The Board receives regular progress reports in relation to these objectives. Work is underway to develop a new Foundation Strategy to start in September 2026.

Principle 2. Acting with integrity

The Board acts with integrity, adopting values and creating a culture which help achieve the organisation's charitable purposes. The Board is aware of the importance of the public's confidence and trust in charities, and trustees undertake their duties accordingly. The Board ensures that appropriate risk management processes are in place, ensures that appropriate safeguarding training and procedures are in place, is cognisant of the Foundation's Equality, Diversity and Inclusion policy and is working with the senior executive team to develop an action plan for delivering the Foundation's sustainability strategy.

Principle 3. Leading people

The Charity is led by an effective Board that provides strategic leadership in line with the Charity's aims and values. This will be further enhanced by a revised set of governance arrangements which the Charity has introduced in September 2022. The Foundation Strategy clearly sets out a range of strategic priorities and objectives that are in line with the Charity's aims and values and against which the Board can hold the senior executive team to account.

Principle 4. Exercising control

The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored. This is further enhanced by work from our third-party internal audit provider. The Board describes the Charity's approach to risk in its annual report and in line with regulatory requirements. The Board and all its committees have clear terms of reference which are reviewed and signed off on a periodic basis. The Foundation's Scheme of Financial Delegation clearly sets out the specific resourcing decisions which can be taken at committee level and reported to Board.

Principle 5. Working effectively

The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions. This has been further enhanced by a revised set of governance arrangements which the Charity introduced in September 2022. The Board has a Nominations Committee, regularly considers whether the appropriate mix of knowledge and skills are in place, ensures that Governor induction processes and training and development opportunities are in place and arranges an annual Governor Conference where issues relating to Board effectiveness can be discussed.



Principle 6. Being accountable and transparent

The Board leads the organisation in being transparent and accountable. The Charity is open in its work, unless there is good reason for it not to be. The Foundation has developed a high-level external relations strategy and will be working over the coming months to increase capacity and focus in this area, including the production of a detailed action plan. The Board maintains a register of interests for Governors and senior staff to ensure that any potential conflicts of interest are identified and appropriately managed.

In addition to the above the Foundation recognises the importance and value in equality, diversity and inclusion. The following sets out the Foundation's approach.

Equality, diversity and inclusion - The Board's approach to diversity supports its effectiveness, leadership and decision-making. This was enhanced by the establishment of an Equality, Diversity and Inclusion Committee in October 2020. The Committee has established a clear set of objectives and associated key performance indicators and has undertaken both staff and governor surveys. This has provided a baseline for perceptions of equality, diversity and inclusion issues across the organisation and will support decision making moving forward. Training has also been a key area of focus for the committee to ensure that staff and governors are aware of equality, diversity and inclusion issues.

Risk Management Policy and Systems

The objectives of the Foundation's Risk Management Policy and Strategy are to:

- Integrate risk management into the culture of the Foundation.
- Manage risk in accordance with best practice.
- Anticipate and respond to changing social, environmental, and legislative requirements.
- Prevent loss, disruption, damage, and injury and reduce the cost of risk, thereby maximising resources.
- Inform policy and operational decisions by identifying risks and their likely impact.
- Raise awareness of the need for risk management.

These objectives will be achieved by:

- Using the control attestations and risk event logging to identify, manage, and report on our risk management and compliance.
- Establishing clear roles, responsibilities, and reporting lines within the Foundation for risk management.
- At the Foundation level; termly risk reporting to the Audit, Risk and Compliance Committee.
- At the Foundation level; annual risk reporting to the Foundation and Academy Trust Boards.
- At a school level; termly risk reporting to the School Governing Body.
- Incorporating risk management considerations into the decision-making process within the Foundation; this is achieved through the Head of Risk and Compliance participation in the Foundation Leadership Group. Maintaining Risk Registers for all significant projects.
- Using the Risk Registers to inform the School Development Plan, School strategies, and budgetary considerations.

Our risk methodology looks at threats to fifteen areas across the Foundation known as 'risk categories' – each category has a pre-mitigation risk score; determined by assessing the likelihood and impact of risks in those categories if no mitigating factor was applied.

Risk categories are the areas of the organisation which are exposed to risk, each has a description of what impact a risk could pose in that area. Controls have been mapped against each risk category and these serve to mitigate any potential risks.

Below is the list of risk categories and their mapped controls:



Risk category	Description	Controls
<i>Areas of the organisation that could be exposed to a risk</i>	<i>What risks could occur in this area?</i>	<i>What internal controls you have in place to mitigate this risk</i>
Risk and Compliance	As public authorities our schools must comply with regulatory standards, failure to do so could result in a failed inspection or in serious situations legal action.	Policy Management Risk Register Website compliance
Safeguarding	Safeguarding is one of the main priorities of a school, failure to have appropriate safeguarding controls in place can lead to the death, injury or abuse of a student or staff member. This could result in litigation, regulatory action, and Ofsted inadequate rating.	Access Safer recruitment KCSIE Training DSL Training Single Central Record Safeguarding audits Safeguarding governor
Data Protection	Data protection failures can lead to disruption in learning, complaints or regulatory investigation which can result in fines.	Data Protection Policies and Privacy Notices up to date and on website. GDPR training Breach/SAR/FOI reporting Data Mapping Internal Data Audit
Educational Outcomes	Without appropriate measures the quality of education at the school could decline which will have an impact on rating, student numbers, staff retention and finances.	Lesson observations Internal Quality Assurance External Quality Assurance
Behaviour and Attendance	Significant loss of reputation, censure from regulators such as deemed to be requiring special measures due to failing to give its pupils an acceptable standard of education.	Behaviour Monitoring Attendance Monitoring
SEND Delivery	Disabled pupils and/or those with special educational needs and/or those for whom the pupil premium provides support, are under achieving.	EHCP Mid-term reviews Qualified SENDCO SEND Local Offer on Website SENDCO Governor Accessibility Plans
HR	The school has insufficient or inadequate staffing to meet education expectations.	Performance Management Recruitment Planning
Reputation	Reputation of school and/or its relationship with local community declines and this impacts PAN.	Student recruitment Communication with parents/local community



Risk category	Description	Controls
<i>Areas of the organisation that could be exposed to a risk</i>	<i>What risks could occur in this area?</i>	<i>What internal controls you have in place to mitigate this risk</i>
Admissions	Our schools should have appropriate admission arrangements that comply with regulatory responsibilities and align with our charity's mission statement.	<ul style="list-style-type: none"> Compliance with the School Admissions Code and School Admission Appeals Code Entrance test contract Appeals panel arrangements (grammar schools) Invigilation Special arrangements panel Appeals presenting service contract (comprehensive schools)
Growth	Without new comprehensive schools in the pipeline, we will not meet our strategic objectives and fulfil our charity mission statement.	<ul style="list-style-type: none"> Due diligence Project plan Pipeline of potential joiner schools
Estates and Sustainability	The school estate is in a state of disrepair which presents a health + safety risk to the staff, students and visitors. Insurance provision is not adequate to protect the organisational liability.	<ul style="list-style-type: none"> Health and Safety Contract LBCT Return Health and Safety Audit Insurance
Governance	The school either does not have sufficient governance in place to ensure its effective operation or suffers from a severe governance failure.	<ul style="list-style-type: none"> Recruitment Training/ Knowledge/ Skills Engagement & Commitment Succession Planning Conflicts of Interest Clerks Recruitment Clerks Training/ Knowledge/ Skills
Cyber Security	Without cyber protections schools are at risk of attack with could have financial, regulatory consequences and disruption to teaching.	<ul style="list-style-type: none"> Have Offline Back-Ups Undertake NCSC Cyber Security Training Register with Police Cyber Alarm Cyber Response Plan



Risk category	Description	Controls
<i>Areas of the organisation that could be exposed to a risk</i>	<i>What risks could occur in this area?</i>	<i>What internal controls you have in place to mitigate this risk</i>
Finance	The school does not have sufficient funds to maintain staffing and education standards, if not resolved could result in debt and bankruptcy.	Segregation of duties Access controls Approval and authorisation Physical Controls Record Keeping Reconciliation Independent audits Compliance Treasury and Endowment Management Financial Reporting Budgeting Asset Management Procurement controls
Digital and Technology	The IT arrangements in a school are not robust and expose the organisation to potential failures which could have a detriment on educational outcomes.	Daily Back-ups Disaster Recovery Plan Physical Network Wi-Fi & Servers Third Party System Support Governor IT Provision

Reserves Policy

Governors recognise that the Foundation's endowment cannot be regarded as entirely free funds given the degree of dependence upon the income from it. Governors seek to maximise the return from this endowment within the context of acceptable risk to capital and apply a total return approach in the strategic management of the investment portfolio.

The Governors will endeavour to generate a sufficient level of total return from the Endowment to enable its capital value to be maintained in real terms in perpetuity and a growing level of annual expenditure to be distributed to support the charitable objectives in the year of receipt or subsequently. For the purposes of assessing whether the Foundation is meeting its objectives, performance over the six year period of the existing strategic plan (2021/22 to 2026/27) is the primary focus. When the investment objective is exceeded, Governors balance the desirability and value of immediate expenditure with the alternative of increasing the Endowment Fund and future long-term sustainable income. Where the investment objective is not met, Governors will seek to reduce expenditure. However, they seldom envisage spending the capital endowment fund and will do so only in exceptional circumstances.

As stated above, the Foundation policy is to generate sufficient income to provide support for the Foundation and its constituent schools in accordance with the Foundation strategic plan whilst maintaining the real value of the capital endowment fund for the long term. Governors recognise that over the short to medium term, as the Foundation delivers its strategic objectives on widening accessibility and continues to focus on reducing the defined benefit pension scheme deficit, additional financial resources will be required. Hence until the end of the financial year 2025/26 the spend rate has been set at a level above the best estimate of the long term sustainable spend rate.

The Foundation has set a target for annual expenditure to be no more than 3.5% of the value of the endowment with the current level of expenditure hitting this target. The Board has agreed to exceed this over the next few years in order to support the delivery of the Foundation Strategy and the five-year financial forecast shows a positive direction of travel, with the 3.5% target being achieved by the end of the five-year forecasting period. The Governors calculate that the free reserves available to the Foundation, comprising the Unrestricted Funds and the Endowment Fund – Capital, amount to £173,528,661 (2023: £163,363,885, although in practice the Endowment Fund - Capital is managed as if it is a Permanently Endowed Fund with all spending from the Fund carefully considered. The amount of funding that could be realised by disposing of tangible fixed assets is £28,544,120 (2023: £28,633,764).

It is possible that in the short term, as withdrawals are made from capital, the value of the property and listed investment portfolio will not keep pace with inflation. The amount of funds that are held by the Foundation which are restricted and not available for the general purposes of the charity are those funds held within the Permanent and Expendable Endowment Fund and the Restricted Fund of £13,403,012 (2023: £12,623,815).

Going Concern

The Governors assess whether the use of the going concern basis for preparing the financial statements is appropriate and whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

The Governors have considered the principal risks and uncertainties facing the Charity (for example, whether the economic climate particularly during the current cost of living crisis, has affected the ability of some parents to pay School fees which, alongside the value of the Foundation's endowment and the income derived from it, is an important factor in long term financial planning). The management team also carefully monitor the level of scholarships and bursaries to ensure that the grant commitments are maintained at a sustainable level.

The Governors believe that the preparation of these accounts under the going concern basis remains appropriate, and they have made this assessment in respect of a period of one year from the date of approval of the financial statements.

Investment Powers and Policy

Investment Powers are governed by the 1900 Act as amended by the Scheme of 2012 and the Trustee Act 2000. The investments comprise the property portfolio and narrow and wide range quoted investments.

The policy of the Foundation is to manage the Foundation assets in accordance with statutory constraints, with a view to achieving an income that will allow it to further its educational objectives immediately, whilst at the same time bearing in mind that the assets must be invested in such a manner that they produce appropriate future income. The Foundation has delegated the day-to-day management of the listed investment portfolio to Barclays Wealth.

The investments have continued to be managed in line with the Governors' policy and instructions. Portfolio performance is measured regularly against a custom benchmark, comprising an appropriate market index selected for each asset class as agreed between the Investment Managers and the Governors. The overall total return performance achieved on the main portfolio for the year to 31 August 2024 was 14.54% (2023: 3.11%) net of fees, against a composite benchmark of 13.43%.

Ethical Investment Policy

The Foundation's overarching responsibility is to maximise its returns on investments in order to pursue its charitable objectives. Specific investments are made in properties and listed investments in accordance with an overall strategic investment asset allocation policy approved by the Investment Committee. This Committee regularly reviews the investments and engages in pragmatic dialogue with the Foundation's Investment Manager and Property Advisor about any areas of ethical concern which they have identified.

The Foundation will, after a full evaluation of the known facts, consider disinvesting or refraining from investing in specific securities, assets or businesses that are associated with activities perceived to be unethical. The Foundation believes that this ethical investment policy will not result in any significant financial detriment, with the balance of all impartial research indicating that an ethical investment policy neither adds to nor detracts from investment performance.

Auditors

Crowe U.K. LLP are the external auditors for the 2023/24 financial year.

The Governors are not aware of any relevant audit information of which the auditors are unaware. The Governors have taken all steps they consider necessary to make themselves aware of any relevant information and to establish that the auditors are aware of that information.

In order to meet their aims and objectives, Governors have planned the following activities:

- Governors will continue to keep a close watch on the financial and property markets and wider economic climate to ensure that they maximise opportunities for growth of the current portfolios and income, whilst being aware of the potential long-term headwinds which may result from the volatility of the external environment, including the global recovery from the pandemic, the war in Ukraine and the impact of continued levels of high inflation.
- A long-term masterplan to develop the Edgbaston campus was completed in 2024 and will be considered alongside the educational vision for the two independent schools towards the KES 500-year anniversary in 2052.
- Governors will continue to work with the Trustees of the Academy Trust to increase the number of children in Birmingham that can benefit from an education supported by the Foundation. An overarching principle will be that such growth is manageable and targeted at more disadvantaged areas of the city. King Edward VI Kings Norton School for Boys formally joined the Academy Trust, and the Foundation in early 2024 and conversations are ongoing with the Heads of other comprehensive schools that have expressed an initial interest in joining the Academy Trust and Foundation.
- There will be further development and implementation of an approach to school improvement that can harness the best talent already working in our schools, as well as partnering with other schools, Multi Academy Trusts, Charities, and stakeholders. To enable this, we created an Educational Support and Growth team in 2019/20 and developed a Foundation strategy in 2021 centred around learning with us, working with us and partnering with us. In April 2022 a new Director of Education took up post and has continued to extend our programme of school improvement and collaborative activities to benefit staff and students across and beyond the Foundation's schools. A particular focus will continue to be placed on remote and blended learning utilising technology, supporting disadvantaged pupils, and engaging in meaningful 'catch up' initiatives to counteract the impacts of lost learning during the Covid 19 pandemic.
- Continued implementation of an HR strategy will improve the recruitment, development, deployment, and retention of staff across our schools. This will be supported by a new integrated HR and Payroll system that will reduce the level of manual processing and enhance efficiency as new schools join.
- Having effective governance structures has been identified as a priority. The creation of the Academy Trust led to a proliferation of committees and meetings, with many Governors expected to serve on multiple overlapping committees. In September 2022 we adopted a new structure that streamlines our governance whilst simultaneously providing more strategic oversight of our legal entities and schools. This has been enormously successful and will continue to be evaluated and evolved where necessary.
- In order to continue to develop and improve our support services, we will focus in particular on developing and implementing a unified digital strategy, creating an enhanced estates function, increasing our external relations capacity and capability and further developing and implementing our sustainability strategy and approaches to equality, diversity and inclusion.

King Edward's School, Birmingham

1. Aims and ethos

King Edward's School, Birmingham was founded in 1552 by King Edward VI and is one of the leading independent schools in the UK. Based in Edgbaston, the school shares a 50-acre campus with King Edward VI High School for Girls, which provides extensive space and facilities matched by few day schools in the country. King Edward's School is a boys' day school having around 900 pupils aged from 11 to 18 in 2023/24. Most of our pupils join at age 11 and continue through until they are 18 but some join us at other stages, including entering our Sixth Form.

School aims

We aim to educate and inspire the cleverest boys in the region to take on the challenges the world presents, to make a significant contribution to that world and, most of all, to enjoy doing so. We seek to achieve this through the three primary areas of school life.

Academic

We develop the things that matter most: liveliness of mind, critical thinking, and humanity. These qualities manifest themselves in our pupils' curiosity, their open-mindedness, their focus on interconnectivity, transfer of knowledge and understanding, and their boldness in the pursuit of discovery. We provide them with the means, freedom and opportunities to feed these instincts.

Co-curriculum

We understand that the most important lessons are not only learned in the classroom. It is through the complementary co-curricular life of the school that we seek to enable our pupils to become well-rounded, exceptional, thoughtful and caring young men who are ready both to make the most of the modern world and to make it better for us all. It is about building an awareness and appreciation of the world beyond ourselves.

Pastoral

The lived experience of pupils at King Edward's should provide them with a pastoral education that develops the attributes and attitudes to empower them to live balanced lives with meaning and purpose. We aim to shape pupils of sound character and strong personal resource, allowing them to approach life's uncertainties with forethought and determination. We want pupils to be prepared to learn the value of looking outwards, providing them with opportunities to serve their school and local communities. The breadth of our pastoral education enables pupils to balance the intellectual, physical and emotional aspects of life to achieve a holistic wellness.

We were delighted to be short listed in the Boys' School category in the Independent School of the Year Awards, a fitting acknowledgment of our staff's commitment to bringing all parts of school life together to offer an outstanding educational experience for our pupils. The winners will be announced in the autumn term of 2024/25.





2. Review of activities

Academic activities and results

School for Thought, a ground-breaking initiative that reimagines the role of Religion and Philosophy in our curriculum, entered its second year following a successful inaugural year. It serves as the intellectual core of our Lower School curriculum, fostering, critical integrative thinking, and equips pupils with the skills to think critically, imaginatively, and ethically about our complex world.

International Baccalaureate (IB) Diploma results 2024

With an average IB Diploma score of 36.7 points, which is more than six points higher than the global average of 30.32, our pupils demonstrated solid academic performance.

Two pupils achieved the maximum score of 45 points, a feat accomplished by less than 0.5% of pupils worldwide. In addition, five pupils scored 44 points, and twelve pupils scored 43 points.

Scores of 40 points or above were attained by 30% of the cohort.

	Average score	40+ points
2024	36.7	30%
2023	35.6	20%
2022	39.6	60%
2021	40.3	62%

GCSE results 2024

Our pupils once again achieved excellent GCSE results.

Top grades achieved by Fifth form pupils were all above those recorded in 2019.

Grade	2024	2023	2019
9	43%	44%	40%
9/8	69%	69%	68%
9/8/7	86%	88%	85%

Of the cohort of 132 pupils, 95% took at least 10 GCSEs. Thirteen pupils achieved at least ten straight 9s of whom three achieved eleven straight 9s across their GCSEs.

Assisted Places

King Edward's School aims to provide education for able boys, regardless of the financial circumstances of their families. Funding for Assisted Places is provided thanks to a substantial grant from the Governors of the King Edward VI Foundation and generous donations from Old Edwardians.

An Assisted Place is awarded on academic merit based on the school's own entrance examination at 11+ and academic interview at 16+. Assisted Places are means-tested, based on family income and assets.

A three-week telethon delivered by current pupils during the summer holidays of 2024 raised more than £100,000, plus £30,000 in pledges, for Assisted Places, from around 200 donors.

Co-curricular activities

Part of what gives King Edward's School its unique character is the exciting and diverse range of co-curricular opportunities on offer. We strive to have the widest range of activities so that every pupil can find at least one thing that enlivens and enriches his life.

Sport

Among our sporting accolades for 2023/24, we were once again named in The Cricketer's top 100 senior schools for cricket, our under-14 badminton team and under-14 squash team were runners-up in their respective national finals, and our under-13 and under-18 water polo teams made the national finals.

Performing Arts

We delivered a full programme of concerts, recitals, performances and large-scale productions in conjunction with KEHS, including our biennial concert at Birmingham Symphony Hall, which featured Symphony Orchestra performing Stravinsky's The Rite of Spring, our annual Junior Production (Little Women), and Senior Production (A Midsummer Night's Dream).

Clubs and societies

Clubs and societies are an integral part of school life. With around 50 to choose from, there is an opportunity for everyone and an increasing number are run jointly with KEHS. Among the year's highlights was our Intermediate School's Challenge Team being runners-up in the national final.

Friday afternoon activities

Friday afternoons are entirely set aside for such activities as the Combined Cadet Force (CCF), the Leadership programme and a wide range of Service and Partnership activities such as music and sports coaching and visits to primary schools, care homes, hospitals, animal sanctuaries and organisations supporting refugees.

Trips

The variety of trips on offer at the school are an important part of our co-curricular life and contribute enormously to the school's appeal and reputation. We delivered a full programme of trips – around 140 in total – during 2023/24, many of which were in the UK but also including an overseas cricket tour to Barbados, a joint KES/KEHS German trip to the Rhineland, an outdoor activities week in the South of France, a ski trip to Canada and the ever-popular Lapland trip.

Also during the year, we were delighted to unveil our Burne-Jones stained glass window, generously gifted to the school by two Old Edwardians, which serves to celebrate one of our most prominent former pupils and will inspire responses by current and future generations of pupils. We also supported the work of media organisations covering the story of the 6888th Battalion which was stationed at KES during the Second World War.

3. Partnerships and Participation

Our Partnerships and Participation programme supports primary school teachers in raising aspirations, offering free activities and access to our facilities to complement and extend what children are doing in school. The 2023/24 programme culminated in the annual Summer School, delivered in conjunction with KEHS, which saw nearly 90 Year 4 pupils from local primary schools –predominantly those working at greater depth, with a focus on those who are disadvantaged –taking part in three days of enrichment activities, including geography, ceramics, creative writing, Mandarin and science.

In addition to our work with primary schools, we also collaborate with other schools in the King Edward VI Foundation, Birmingham. With KEHS, we continued to support King Edward VI Balaam Wood Academy through Enquiring Minds - a specially-developed programme for extension and enrichment activities for its pupils, and we also hosted several Foundation-wide pupil events including the first Year 9 Summer School, which was attended by 140 pupils and aimed to raise aspirations around higher education, a Model United Nations Conference, US universities event, African and Caribbean Society (ACS) Conference, a talk on Berlin by author, broadcaster and commentator John Kampfner and the first KES v Foundation cricket match. Some of our Year 9 pupils were among nearly 100 from across the Foundation who participated in the Qur'an in the City Study Day, held at KES/KEHS as part of the University of Birmingham's Culture Forward programme, and we were also delighted to attend one of five Foundation Ceremonies for all new Year 7s, joining with the new intakes from King Edward VI Handsworth School for Girls, King Edward VI Handsworth Wood Girls' Academy and King Edward VI Handsworth Grammar School for Boys.

Several of our staff were Highly Commended in various categories at the first Foundation Awards, with the Values Award: Accessibility category being won by a KES teacher in recognition of her work with the joint KES/KEHS ACS and the Community Spirit Award being won by a staff member in recognition of his work delivering music partnerships with local primary schools. We also participated in the first Foundation-wide staff training day and members of our Leadership Team attended a networking event with other leaders from across the Foundation.



4. The Future

Following last year's announcement of the first fused Chief Master & Principal role and restructured Leadership Teams for KES and KEHS, to take effect from September 2024, much preparatory work has been undertaken.

A series of strategic reviews also began across both KES and KEHS during the summer term. The first reviews were around four parts of school life that relate to the earliest phase of our pupils' experience with us: from admissions; through the settling-in process of induction; to the Lower School curriculum they study; and around school culture, which underpins everything we do and contributes hugely to how our pupils thrive. Potential developments that flow from these reviews will be considered in the next phase of our strategic review, which will take shape in the autumn term of 2024/25, when a review of Sixth Form curriculum will also be undertaken.

We will continue to monitor developments around the VAT to be applied to independent school fees and champion KES, KEHS and the wider sector.

Work on the Masterplan project continued throughout the year, and we look forward to exploring the various options it has identified.



King Edward VI High School for Girls

1. Aims and ethos

King Edward VI High School for Girls was founded in 1883 and is today a wonderful blend of tradition and innovation. It is one of the leading independent schools in the UK and shares its 50-acre campus in Edgbaston with King Edward's School. Its emphasis on liberal learning, established when it was founded, continues through a broad and balanced academic curriculum, which promotes intellectual freedom and discovery coupled with a wide range of co-curricular activities, all delivered in a supportive and nurturing environment. KEHS is a girls' day school having around 660 pupils aged from 11 to 18 in 2023/24. Most of our pupils join at age 11 and continue through until they are 18 but some join us at other stages, including entering our Sixth Form.

School aims

KEHS is a school synonymous with intellectual ambition. With a mission to offer an unrivalled education to the brightest girls in the West Midlands, irrespective of their social or economic background, KEHS is a leading voice in the educational life of the UK.

We aim:

- To impart the joy of learning and enquiry together with intellectual courage, with the resilience and adaptability requisite for this
- To develop integrity, resolve, self-knowledge, compassion, and respect for others
- To inspire the confidence and purpose to make a difference to our community and beyond.

To realise these aims:

- We provide outstanding teaching through a forward-looking and challenging curriculum and a culture of scholarship, going beyond the confines of the exam specifications, and making connections across disciplines
- We provide proactive pastoral support which promotes the development of balanced, self-reflective and assertive pupils with a strong moral compass
- We offer an education rich in extra-curricular opportunities, which develop leadership and wider skills, as well as character and perspective
- We provide high-quality training for staff to ensure ongoing professional and institutional development, building on a long tradition of our staff nourishing the intellectual life of the school through their own interests
- We offer means-tested Assisted Places and help those outside the school with a strong outreach and community service programme.

We marked our 140th anniversary on 18 September 2023, with special guest speaker Joanne Johnson (OE 1995, a geologist for the British Antarctic Survey, and a celebratory festival for current pupils. Our anniversary celebrations, which began during the 2022/23 school year, concluded with a lecture for the whole school community entitled "Equality: What is it? Where is it? Can we have it? And do we want it?" delivered by Dr Rosalind Miles (OE 1960, historian, critic, novelist, journalist, broadcaster, traveller, lecturer, magistrate and social activist. Our 140th Anniversary Assisted Places Appeal drew to a close, having raised £145,885.

We were inspected by the Independent Schools Inspectorate (ISI) during the autumn term, receiving a glowing report across all areas of school life and which identified our co-curricular programme as a "significant strength". The ISI rarely designates a significant strength and so all parts of the school community were rightly proud of this achievement.

We were also thrilled to receive the news that KEHS had been short listed in the Girls' School category in the Independent School of the Year Awards, a fitting acknowledgment of our staff's commitment to providing an outstanding educational experience for our pupils. The winners will be announced in the autumn term of 2024/25.



2. Review of activities

The Sunday Times once again named KEHS the top independent secondary school for academic performance in the West Midlands, and the 10th nationally. Our Athena programme, which promotes curiosity and independent study, continued to flourish in its third year. We were delighted to launch A Level Politics and to enter the second year of our provision of GCSE Computer Science and GCSE DT.

GCSE results 2024

Pupils at KEHS continued to demonstrate exceptional academic performance, with remarkable GCSE results across a diverse, and broadening, range of subjects. In 2024, the proportion of results at grade 9 reached 60% for the first time.

Of the total cohort of 95 pupils, 85 pupils (89%) took 10 GCSEs. Fifteen pupils achieved 10 straight grade 9s.

Grade	2024	2023	2019
9	60%	59%	59%
9/8	84%	85%	82%
9/8/7	95%	97%	93%

A Levels

Upper Sixth pupils at KEHS celebrated a stellar set of A Level results with individual stories of academic and co-curricular success being prominent among the achievements of this year's cohort.

Grade	2024	2023	2019
A*	40%	43%	36%
A*/A	80%	78%	77%
A*-B	95%	95%	95%

Of the Upper Sixth cohort of 100 pupils, 11 achieved straight A*s.

Reflecting the breadth of pupils' intellectual curiosity, a quarter of the cohort took four or more A Levels and a third took the Level 3 Extended Project Qualification, an independent research project which extends and develops pupils' abilities beyond the traditional A Level syllabus.

Assisted Places

King Edward VI High School for Girls aims to offer an exceptional education to the brightest girls in the Birmingham area, irrespective of their parents' ability to pay fees. Funding for Assisted Places is provided thanks to a substantial grant from the Governors of the King Edward VI Foundation and generous donations from Old Edwardians.

An Assisted Place is awarded on academic merit based on the school's own entrance examination at 11+ and academic interview at 16+. Assisted Places are means-tested, based on family income and assets.

In addition to the £145,885 for Assisted Places raised throughout the calendar year of 2023 to mark our 140th anniversary, a three-week telethon delivered by current pupils during the summer holidays of 2024 raised more than £45,000, plus £17,000 in pledges, for Assisted Places, from around 150 donors.

Co-curricular activities

At KEHS, we believe co-curricular activities are vital in developing rounded, balanced pupils who enrich the life of the school as well as fulfilling their academic potential. We offer more than 70 clubs and societies per week for girls to sample exciting experiences.

The wide variety of trips on offer –around 100 each year –is an important part of school life and contributes enormously to our appeal and reputation. Many of our 2023/24 trips were in the UK but they also included a joint KEHS/KES German trip to the Rhineland, a Spanish trip to Barcelona and a ski trip to the Italian Alps.

In Sport, we continued to offer world-class coaching and outstanding facilities across multiple sports, with all abilities catered for including students on national development pathways. More than 300 pupils represented the school in a total of 280 fixtures, we reached five national finals in three different sports and hosted another successful dance production. We were thrilled to open our indoor cricket nets, which had a tremendous impact on our cricketing success, including our under-13 team finishing joint third on points at the ECB Indoor National Finals, and with our first hardball matches played on our sports field at the front of school.

In the Performing Arts, we delivered a full programme of concerts, recitals, performances and large-scale productions in conjunction with KES, including our biennial concert at Birmingham Symphony Hall, which featured Symphony Orchestra performing Stravinsky's The Rite of Spring, our annual Junior Production (Little Women), and Senior Production (A Midsummer Night's Dream).

Charitable and service activities included the re-energising of our service programme as Care.Do.Give.

3. Partnerships and Participation

Our Partnerships and Participation programme supports primary school teachers in raising aspirations, offering free activities and access to our facilities to complement and extend what children are doing in school. The 2023/24 programme culminated in the annual Summer School, delivered in conjunction with KES, which saw nearly 90 Year 4 pupils from local primary schools – predominantly those working at greater depth, with a focus on those who are disadvantaged – taking part in three days of enrichment activities, including geography, ceramics, creative writing, Mandarin and science.

In addition to our work with primary schools, we also collaborate with other schools in the King Edward VI Foundation, Birmingham. With KES, we continued to support King Edward VI Balaam Wood Academy through Enquiring Minds - a specially-developed programme for extension and enrichment activities for its pupils, and we also hosted several Foundation-wide events including the first Year 9 Summer School, which was attended by 140 pupils and aimed to raise aspirations around higher education, an Enterprise Day, Philosothon and African and Caribbean Society (ACS) Conference. Some of our Year 9 pupils were among nearly 100 from across the Foundation who participated in the Qur'an in the City Study Day, held at KES/KEHS as part of the University of Birmingham's Culture Forward programme, and we were also delighted to host one of five Foundation Ceremonies for all new Year 7s, welcoming the new intake from King Edward VI Lordwood School for Girls as well as our own.

Several of our staff were Highly Commended in various categories at the first Foundation Awards, and the Values Award: Accessibility was presented to a KES teacher in recognition of her work with the joint KEHS/KES ACS. We also participated in the first Foundation-wide staff training day and members of our Leadership Team attended a networking event with other leaders from across the Foundation.



4. The Future

Following last year's announcement of the first fused Chief Master & Principal role and restructured Leadership Teams for KEHS and KES, to take effect from September 2024, much preparatory work has been undertaken.

A series of strategic reviews also began across both KEHS and KES during the summer term. The first reviews were around four parts of school life that relate to the earliest phase of our pupils' experience with us: from admissions; through the settling-in process of induction; to the Lower School curriculum they study; and around school culture, which underpins everything we do and contributes hugely to how our pupils thrive. Potential developments that flow from these reviews will be considered in the next phase of our strategic review, which will take shape in the autumn term of 2024/25, when a review of Sixth Form curriculum will also be undertaken.

We will continue to monitor developments around the VAT to be applied to independent school fees and champion KES, KEHS and the wider sector.

Work on the Masterplan project continued throughout the year, and we look forward to exploring the various options it has identified.



Statement of Governors' Responsibilities



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

The Governors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Charity Law, the Governors 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Governors on 11th December 2024, and signed on 6th February 2025 on its behalf by:

Handwritten signature of Prof H Thomas in black ink.

Prof H Thomas
Chair

Handwritten signature of Mr B Matthews in black ink.

Mr B Matthews
Bailliff

Opinion

We have audited the financial statements of The Schools of King Edward VI in Birmingham (the 'charity') for the year ended 31 August 2024 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2024 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 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

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, 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 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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, the Trustees are responsible for the preparation of the financial statements which 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 liquidate the charity or 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 144 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.

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 identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and 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 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 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 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 10 February 2025

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities

For the year ended 31 August 2024



**KING EDWARD VI
FOUNDATION
BIRMINGHAM**
Educational excellence for our City

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:						
Donations and legacies	4	25,000	791,370	150	816,520	250
Charitable activities:						
Fees receivable	5 6	22,502,754	-	-	22,502,754	20,378,757
Ancillary trading income		2,792,004	-	-	2,792,004	2,689,955
Non-ancillary trading activities	7	243,102	-	-	243,102	219,083
Investment income	8	3,592,614	32,299	46,041	3,670,954	3,687,583
Other income	9	1,111,806	-	-	1,111,806	1,183,916
Total income and endowments		30,267,280	823,669	46,191	31,137,140	28,159,544
Expenditure on:						
Raising funds	10	525,888	8,940	191,756	726,584	704,698
Charitable activities	11	30,653,116	844,112	1,190,003	32,687,231	29,487,495
Total expenditure		31,179,004	853,052	1,381,759	33,413,815	30,192,193
Net expenditure before net gains on investments		(911,724)	(29,383)	(1,335,568)	(2,276,675)	(2,032,649)
Net gains on investments		-	262,256	13,082,386	13,344,642	1,700,988
Net (expenditure)/income		(911,724)	232,873	11,746,818	11,067,967	(331,661)
Transfers between funds	25	(463,368)	(219,647)	683,015	-	-
Net movement in funds before other recognised gains/(losses)		(1,375,092)	13,226	12,429,833	11,067,967	(331,661)
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined 30 benefit pension schemes		(124,000)	-	-	(124,000)	78,000
Net movement in funds		(1,499,092)	13,226	12,429,833	10,943,967	(253,661)

Statement of Financial Activities For the year ended 31 August 2024



**KING EDWARD VI
FOUNDATION
BIRMINGHAM**

Educational excellence for our City

Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
Reconciliation of funds:					
Total funds brought forward	5,115,547	2,235,603	168,636,550	175,987,700	176,241,361
Net movement in funds	(1,499,092)	13,226	12,429,833	10,943,967	(253,661)
Total funds carried forward	3,616,455	2,248,829	181,066,383	186,931,667	175,987,700

The Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 44 to 78 form part of these financial statements.

Balance Sheet as at 31 August 2024



**KING EDWARD VI
FOUNDATION
BIRMINGHAM**

Educational excellence for our City

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	15	222,082	346,700
Tangible assets	16	28,544,120	28,633,764
Investment property	17	51,327,980	50,726,020
Investments	18	108,669,330	96,367,337
		<u>188,763,512</u>	<u>176,073,821</u>
Current assets			
Debtors	19	1,013,159	1,374,109
Short term deposits		-	864,034
Cash at bank and in hand		4,745,587	5,537,473
		<u>5,758,746</u>	<u>7,775,616</u>
Creditors: amounts falling due within one year			
Net current assets	20	<u>(4,427,450)</u>	<u>(4,445,091)</u>
Total assets less current liabilities		<u>1,331,296</u>	<u>3,330,525</u>
		<u>190,094,808</u>	<u>179,404,346</u>
Creditors: amounts falling due after more than one year	21	(1,055,141)	(1,062,646)
		<u>189,039,667</u>	<u>178,341,700</u>
Net assets excluding pension liability		<u>189,039,667</u>	<u>178,341,700</u>
Defined benefit pension scheme liability	30	(2,108,000)	(2,354,000)
		<u>186,931,667</u>	<u>175,987,700</u>
Total net assets		<u><u>186,931,667</u></u>	<u><u>175,987,700</u></u>
Charity funds			
Endowment funds	25	181,066,383	168,636,550
Restricted funds	25	2,248,829	2,235,603
Unrestricted funds			
Unrestricted funds excluding pension asset	25	5,724,455	7,469,547
Pension reserve	25	(2,108,000)	(2,354,000)
		<u>3,616,455</u>	<u>5,115,547</u>
Total unrestricted funds	25		
		<u>3,616,455</u>	<u>5,115,547</u>
Total funds		<u><u>186,931,667</u></u>	<u><u>175,987,700</u></u>

The financial statements were approved on 11th December 2024 and signed on their behalf by:

Professor H Thomas
Chair

Mr B Matthews
Bailliff

Date: 6th February 2025

The notes on pages 44 to 78 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 August 2024



**KING EDWARD VI
FOUNDATION
BIRMINGHAM**

Educational excellence for our City

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	26	(3,209,271)	(3,394,653)
Cash flows from investing activities			
Interest received		98,444	97,958
Rent received from investment properties		2,022,131	2,068,512
Proceeds from the sale of investment properties		-	871,410
Proceeds from the sale of investments in shares		27,727,898	21,615,966
Purchase of investments in shares		(27,173,869)	(22,337,810)
Purchase of tangible fixed assets		(1,008,197)	(1,666,214)
Purchase of investment properties		-	(2,236,773)
Movement in cash awaiting investment in shares		(113,055)	(256,238)
Net cash provided by/(used in) investing activities		1,553,352	(1,843,189)
Change in cash and cash equivalents in the year		(1,655,919)	(5,237,842)
Cash and cash equivalents at the beginning of the year		6,401,506	11,639,348
Cash and cash equivalents at the end of the year	27	4,745,587	6,401,507

The notes on pages 44 to 78 form part of these financial statements

Notes to the Financial Statements

For the year ended 31 August 2024



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM
In pursuit of educational excellence for all

1. General information

The Schools of King Edward VI in Birmingham (the "Foundation") is a charitable trust, registered in England and Wales and its Charity registration number is 529051. The registered office and principal place of business is Foundation Office, Edgbaston Park Road, Birmingham, B15 2UD. Its principal activity is the provision of schooling.

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) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Schools of King Edward VI in Birmingham meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Governors assess whether the use of the going concern basis for preparing the financial statements is appropriate and whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Governors have made this assessment in respect of a period of one year from the date of approval of the financial statements.

The Foundation has updated the budgets and the forecasts have been stress tested to assess how the Schools could cope under different scenarios. The Governors have concluded that the Foundation is well placed to cope with the continuing uncertainties and has adequate resources to continue providing educational excellence to its pupils for the foreseeable future.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Fees and Similar Income

Fees receivable and charges for the use of premises and facilities are accounted for in the year in which the service is provided. Fees receivable are stated after deducting bursaries, scholarships and other remissions allowed by the Schools. Provisions are made for fees that are considered difficult to recover.

2. Accounting policies (continued)

2.3 Income (continued)

Rents and Letting income

Rental and Letting income is recognised as received or receivable in respect of the financial year.

Lease Incentives

Lease incentives, such as up-front cash payments, received from the lessee are treated as deferred income and are released on a straight line basis over the life of the lease.

Sales of interest in land

Sales of interests in land are recognised as income in the year of receipt and credited to the Endowment Fund – Capital. The receipts are amortised over the length of the lease and transfers made to the Endowment Fund – Income.

Investment Income

Income, in the form of fixed interest and equity dividends, is earned from investments held during the year, and recognised when receivable.

Donations and legacies

Donations and legacies are accounted for on a receivable basis when receipt is probable and the amount can be reliably measured.

2.4 Expenditure

Liabilities are recognised when either a constructive or legal obligation exists. Expenditure is accounted for on an accruals basis. The irrecoverable element of VAT is included within the item of expense to which it relates.

Raising funds

The cost of generating funds consists of management costs and certain legal fees.

Grant making

Grant making costs shown on the Statement of Financial Activities include the costs associated with the activity and the support costs of the Foundation Office and are charged to the Endowment -Income Fund.

The Foundation provides annual grants to the two Independent Schools from the Endowment Fund – Income and small annual widening accessibility grants to all Academies where sufficient funds are available.

Grants awarded to the Independent Schools are shown as a transfer from the Endowment – Income Fund to the School's Fund on the Statement of Financial Activities.

Costs of the Foundation Office (both governance and grant making) are not allocated to any other fund.

2.5 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on



2. Accounting policies (continued)

2.5 Intangible assets and amortisation (continued)

a straight-line basis over its expected useful life and charged to the Capital endowment fund.

The intangible assets is software related to the new finance system (PS Financials Cloud software) and the new payroll system (iTrent) which is expected to be in use for at least five years.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £20,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition are included in the measurement of cost.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method. Freehold land is not depreciated.

Depreciation is provided on the following bases:

Buildings - new	- 50 years
Buildings - refurbished	- 10 years
Leasehold property	- length of lease
Plant and equipment	- 10 years
Motor vehicles	- 5 years
IT equipment	- 3 years

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

Historic assets have been excluded from the balance sheet as reliable cost information is not available and the historic cost is not believed to be material to the accounts.

2. Accounting policies (continued)

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments held as fixed assets are shown at cost less provision for impairment.

Investment properties are initially measured at cost and subsequently measured at fair value. The investment properties are valued every year in line with the Royal Institution of Chartered Surveyors Red Book guidance. An annual asset valuation is carried out on an annual basis.

No depreciation is charged on investment properties.

2.8 Financial instruments

The Charity 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.

Debtors

Fees and other debtors which are receivable within one year are initially recognised at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Trade creditors and other liabilities payable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

2.9 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

Rental income received is recognised in the Statement of financial activities on a straight-line basis over the lease term.

2. Accounting policies (continued)

2.10 Pensions

Teaching staff are eligible to join the Teachers' Pension Scheme administered by the Department for Education. Eligible non-teaching staff may join the Defined Contribution Scheme. Contributions to the Teachers' Pension Scheme and the Defined Contribution Scheme are charged to the Statement of Financial Activities in the year they become payable.

Teachers' Pension Scheme (TPS)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over teachers' working lives, in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is a multi-employer scheme but there is insufficient information available to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Governors' Defined Benefit scheme

The Governors' Defined Benefit Pension Scheme, which was closed to new members in 2010, is valued every three years by a professionally qualified independent actuary, who determines the rates of contribution payable. The pension charge in the accounts represents the regular charge adjusted by amortisation of the pension scheme surplus or deficit.

The net gain/loss on the net defined benefit liability is recognised in the Statement of Financial Activities. The difference between the scheme liabilities and the scheme assets is recognised in the unrestricted fund.

2.11 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 Charity and which have not been designated for other purposes. The general fund includes the surpluses arising from the activities of the two Schools.

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.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Endowment funds are donations required to be retained as capital in accordance with the donors' wishes – permanent or expendable according to the nature of the restrictions. The costs of raising and administering such funds are charged against the specific fund.



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

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

We have sought advice in relation to group consolidation with the Academy Trust and concluded that consolidation is not appropriate or required due to legal and governance structures currently in place.

Defined benefit pension scheme

The present value of the Governors' Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 30, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest review performed at 31 August 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Donated services

The Foundation has included an estimated value of the cost of services (as disclosed in note 11) donated to the King Edward VI Academies. The value of services received by the Academies should be the value of the price that the Academy estimates it would pay in the open market. As it is not practical to measure the value of the services using an open market (fair value basis), SORP 2015 permits donated services received to be measured on the basis of the cost of the gift to the Academy from the Foundation. The cost has therefore been calculated based on an individual estimate of time spent by Foundation staff providing services to the school allocated across the salary costs (including provision for pension and national insurance) but excluding any provision for overheads. Support costs at the Foundation have therefore been allocated between educational support and grant making.

Investment property valuation

The investment property portfolio is externally valued once every year. Property valuations are derived from the rental income received on the land or property owned together with the length of the lease. Other property transactions, such as lease incentives are treated in accordance with the relevant accounting policy.

Notes to the Financial Statements For the year ended 31 August 2024



4. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	25,000	791,370	150	816,520	250
Total 2024	25,000	791,370	150	816,520	250
<i>Total 2023</i>	<i>100</i>	<i>150</i>	<i>-</i>	<i>250</i>	

5. Income from fees receivable

	2024 £	2023 £
Gross school fees (net of bad debts)	26,467,543	24,012,817
Less:		
Governors' Assisted Places Scheme	(2,591,996)	(2,368,430)
Scholarships, remission & staff concessions	(1,372,793)	(1,265,630)
	22,502,754	20,378,757

Scholarships, bursaries and other awards were made to 461 pupils (2023: 485). Within this means tested bursaries totalling £2,591,996 were paid to 253 pupils (2023: £2,368,430 to 224 pupils).

In 2024 and 2023 all fees receivable were unrestricted.

Notes to the Financial Statements

For the year ended 31 August 2024



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

6. Income from ancillary trading income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Catering income	1,102,987	1,102,987	1,025,670
Extra-curricular activities	1,369,278	1,369,278	1,469,020
Registration fees	51,845	51,845	41,453
Other ancillary income	267,894	267,894	153,812
Total 2024	2,792,004	2,792,004	2,689,955
<i>Total 2023</i>	<i>2,689,955</i>	<i>2,689,955</i>	

7. Income from non-ancillary trading

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Lettings	243,102	243,102	219,083
Total 2024	243,102	243,102	219,083
<i>Total 2023</i>	<i>219,083</i>	<i>219,083</i>	

Notes to the Financial Statements For the year ended 31 August 2024



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

8. Investment income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
Rental income	2,022,026	-	105	2,022,131	2,068,512
Investment income	1,485,620	28,629	36,130	1,550,379	1,521,113
Bank and other interest	84,968	3,670	9,806	98,444	97,958
Total 2024	3,592,614	32,299	46,041	3,670,954	3,687,583
<i>Total 2023</i>	<i>3,614,228</i>	<i>20,417</i>	<i>52,938</i>	<i>3,687,583</i>	

9. Other incoming resources

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Other income	1,111,806	1,111,806	1,183,916
Total 2024	1,111,806	1,111,806	1,183,916
<i>Total 2023</i>	<i>1,183,916</i>	<i>1,183,916</i>	

Notes to the Financial Statements

For the year ended 31 August 2024



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**
In pursuit of educational excellence for all

10. Expenditure on raising funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
Investment management	181,732	8,940	191,756	382,428	338,421
Estate management	344,156	-	-	344,156	366,277
Total 2024	525,888	8,940	191,756	726,584	704,698
<i>Total 2023</i>	<i>535,487</i>	<i>-</i>	<i>169,211</i>	<i>704,698</i>	

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £	Total 2023 £
Teaching	18,962,010	-	-	18,962,010	16,855,698
Welfare	819,386	-	-	819,386	718,689
Premises	3,791,220	-	1,172,269	4,963,489	5,108,239
Support costs and governance	4,967,710	-	-	4,967,710	4,377,424
Donated services to Academies	1,055,459	-	-	1,055,459	1,156,202
Awards and prizes	1,874	844,112	17,734	863,720	48,122
Grant making	1,055,457	-	-	1,055,457	1,223,121
Total 2024	30,653,116	844,112	1,190,003	32,687,231	29,487,495
<i>Total 2023</i>	<i>28,392,503</i>	<i>40,312</i>	<i>1,054,680</i>	<i>29,487,495</i>	

Notes to the Financial Statements For the year ended 31 August 2024



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

11. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2024	Depreciation 2024	Other costs 2024	Total 2024	Total 2023
	£	£	£	£	£
Teaching	13,228,007	-	5,734,003	18,962,010	16,855,698
Welfare	707,591	-	111,795	819,386	718,689
Premises	1,258,288	1,172,269	2,532,932	4,963,489	5,108,239
Support costs and governance	5,203,143	-	(235,433)	4,967,710	4,377,424
Donated services to Academies	1,055,459	-	-	1,055,459	1,156,202
Grants, awards and prizes	-	-	863,720	863,720	48,122
Grant making	-	-	1,055,457	1,055,457	1,223,121
Total 2024	21,452,488	1,172,269	10,062,474	32,687,231	29,487,495
<i>Total 2023</i>	<i>19,389,437</i>	<i>1,052,067</i>	<i>9,045,991</i>	<i>29,487,495</i>	

12. Auditor's remuneration

	2024 £	2023 £
Fees payable to the Charity's auditor and its associates for the audit of the Charity's annual accounts	46,620	43,560
Fees payable to the Charity's auditor and its associates in respect of: Other compliance services	7,800	20,984

Notes to the Financial Statements For the year ended 31 August 2024



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

13. Staff costs

	2024 £	2023 £
Wages and salaries	16,700,172	15,192,341
Social security costs	1,761,000	1,600,560
Contribution to defined contribution pension schemes	481,852	389,749
Contribution to defined benefit pension schemes	2,509,464	2,206,787
	21,452,488	19,389,437

Included in defined contribution pension scheme is £Nil (2023: £30) pension payments to former staff.

During the year there were six settlement agreement payments made in the sum of £179,335 (2023: £20,709, two) which is included in staff costs. There were no payments outstanding at the year-end.

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

	2024 No.	2023 No.
Teaching	176	171
Education support	62	53
Maintenance, cleaning, catering and grounds	83	81
Administration	119	117
	440	422



13. Staff costs (continued)

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

	2024 No.	2023 No.
In the band £60,001 - £70,000	44	16
In the band £70,001 - £80,000	9	2
In the band £80,001 - £90,000	5	8
In the band £90,001 - £100,000	2	1
In the band £100,001 - £110,000	1	1
In the band £120,001 - £130,000	1	-
In the band £180,001 - £190,000	-	1
In the band £190,001 - £200,000	1	-
In the band £220,001 - £230,000	-	1
In the band £230,001 - £240,000	1	-
In the band £260,001 - £270,000	-	1
In the band £270,001 - £280,000	1	-

The total employee benefit including pension contributions paid to key management personnel was £1,203,787 (2023: £1,164,796).

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023: £Nil).

During the year ended 31 August 2024, expenses totalling £1,695 were reimbursed or paid directly to 4 Trustees (2023 - £834 to 3 Trustees) for travel expenses.

Notes to the Financial Statements For the year ended 31 August 2024



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

15. Intangible assets

	Computer software £
Cost	
At 1 September 2023	840,750
Additions	172,231
	<hr/>
At 31 August 2024	1,012,981
	<hr/>
Amortisation	
At 1 September 2023	494,050
Charge for the year	296,849
	<hr/>
At 31 August 2024	790,899
	<hr/>
Net book value	
At 31 August 2024	222,082
	<hr/> <hr/>
At 31 August 2023	346,700
	<hr/> <hr/>

Notes to the Financial Statements For the year ended 31 August 2024



16. Tangible fixed assets

	Freehold sites £	Buildings £	Plant and equipment £	Total £
Cost or valuation				
At 1 September 2023	604,365	41,649,173	898,896	43,152,434
Additions Disposals	42,830	263,381	529,755	835,966
	-	(50,190)	-	(50,190)
At 31 August 2024	<u>647,195</u>	<u>41,862,364</u>	<u>1,428,651</u>	<u>43,938,210</u>
Depreciation				
At 1 September 2023	-	14,041,868	476,802	14,518,670
Charge for the year	-	792,850	82,570	875,420
At 31 August 2024	-	<u>14,834,718</u>	<u>559,372</u>	<u>15,394,090</u>
Net book value				
At 31 August 2024	<u>647,195</u>	<u>27,027,646</u>	<u>869,279</u>	<u>28,544,120</u>
At 31 August 2023	<u>604,365</u>	<u>27,607,305</u>	<u>422,094</u>	<u>28,633,764</u>

Notes to the Financial Statements For the year ended 31 August 2024



17. Investment property

	Freehold investment property £
Valuation	
At 1 September	50,726,020
2024 Unrealised gain	601,960
	<hr/>
At 31 August 2024	51,327,980
	<hr/> <hr/>

An annual asset valuation was carried out at 31 August 2024 by Joseph Lang LaSalle Ltd, with the investment portfolio valued at open market value. The valuation was carried out in accordance with the guidelines set out by RICS.

It is not possible to provide an accurate historical cost of the property portfolio. A significant part of the portfolio was given as charter land at no cost, and costs are not available for acquisitions made some considerable time ago.

Notes to the Financial Statements

For the year ended 31 August 2024



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM
In pursuit of educational excellence for all

18. Fixed asset investments

	investments £	Cash £	Total £
Cost or valuation			
At 1 September 2023	96,297,356	69,981	96,367,337
Additions	27,173,869	(27,173,869)	-
Disposals	(27,727,898)	27,727,898	-
Revaluations	12,742,969	-	12,742,969
Net incomings/(outgoings)	-	(501,089)	(501,089)
Accrued Interest & Income	60,113	-	60,113
	<u>108,546,409</u>	<u>122,921</u>	<u>108,669,330</u>

Investments at market value comprise:

	2024 £	2023 £
United Kingdom Fixed Interest	24,544,190	12,729,070
United Kingdom Equities	2,946,900	4,144,970
	<u>27,491,090</u>	<u>16,874,040</u>
Overseas Equities	57,386,244	55,171,336
Overseas Bonds	8,878,020	7,650,427
Global Fund	6,023,455	6,392,718
Commodities	5,376,268	4,590,182
Hedge Funds	334,415	2,650,186
Alternatives	2,810,544	2,782,209
	<u>108,300,036</u>	<u>96,111,098</u>
Shares at market value		
Cash at bank awaiting investment	122,921	69,979
Accrued Interest & Income	246,373	186,260
	<u>108,669,330</u>	<u>96,367,337</u>

Notes to the Financial Statements

For the year ended 31 August 2024



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

19. Debtors

	2024	2023
	£	£
Due within one year		
Fee debtors net of provision	119,334	216,673
Rents	171,271	177,436
Prepayments and accrued income	722,554	980,000
	<u>1,013,159</u>	<u>1,374,109</u>

20. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	602,053	613,768
Other creditors	87,928	334,821
Accruals and deferred income (see note 22)	2,198,766	1,975,418
Pupil education deposits	622,570	664,463
Pensions	378,645	301,783
Taxation and social security	537,488	554,838
	<u>4,427,450</u>	<u>4,445,091</u>

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

	2024	2023
	£	£
Deferred income	<u>1,055,141</u>	<u>1,062,646</u>

Notes to the Financial Statements

For the year ended 31 August 2024



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**
In pursuit of educational excellence for all

22. Deferred income

	2024 £	2023 £
Deferred income at 1 September	2,325,703	1,907,791
Resources deferred during the year	1,568,358	1,255,553
Amounts released	(1,263,057)	(837,641)
Deferred income at 31 August	2,631,004	2,325,703

Amounts deferred at 31 August 2024 relate to fees received in advance of £800,905 (2023: £661,136), rents/service charge received in advance of £108,226 (2023: £132,775), trip/catering income received in advance from parents of £659,227 (2023: £461,642) and upfront lease receipts of £1,062,646 (2023: £1,070,151) which are being released over the life of the lease of 150 years.

23. Financial instruments

	2024 £	2023 £
Financial assets		
Financial assets measured at fair value through income and expenditure	108,546,409	96,297,356

Financial assets measured at fair value through income and expenditure comprise investments (see note 18).

The Foundation's income, expense, gains and losses in respect of financial instruments are summarised below:

	2024 £	2023 £
Total investment income for financial assets measured at fair value through income and expenditure	1,648,823	1,619,071
Net gains on financial assets measured at fair value through income and expenditure	12,742,681	1,914,171
Impairment losses on financial assets measured at amortised cost	30,534	17,415

Notes to the Financial Statements

For the year ended 31 August 2024



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM
In pursuit of educational excellence for all

24. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	-	28,544,120	28,544,120
Intangible fixed assets	-	-	222,082	222,082
Fixed asset investments	-	2,078,569	106,590,761	108,669,330
Investment property	-	-	51,327,980	51,327,980
Current assets	10,151,905	170,260	(4,563,419)	5,758,746
Creditors due within one year	(4,427,450)	-	-	(4,427,450)
Creditors due in more than one year	-	-	(1,055,141)	(1,055,141)
Provisions for liabilities and charges	(2,108,000)	-	-	(2,108,000)
Total	3,616,455	2,248,829	181,066,383	186,931,667

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	28,633,764	28,633,764
Intangible fixed assets	-	-	346,700	346,700
Fixed asset investments	-	-	95,882,258	96,367,337
Investment property	-	-	50,726,020	50,726,020
Current assets	11,914,638	1,750,524	(5,889,546)	7,775,616
Creditors due within one year	(4,445,091)	-	-	(4,445,091)
Creditors due in more than one year	-	-	(1,062,646)	(1,062,646)
Provisions for liabilities and charges	(2,354,000)	-	-	(2,354,000)
Total	5,115,547	2,235,603	168,636,550	175,987,700

Notes to the Financial Statements For the year ended 31 August 2024



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**
In pursuit of educational excellence for all

25. Statement of funds

Statement of funds - current year

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
Designated funds						
School minor works	746,418	-	-	(746,418)	-	-
Widening accessibility	259,083	-	-	(259,083)	-	-
Replacement equipment for Performing Arts centre	77,025	-	-	(77,025)	-	-
	1,082,526	-	-	(1,082,526)	-	-
General funds						
King Edwards School	2,240,322	15,071,015	(15,722,323)	(872,942)	-	716,072
King Edward VI High School for Girls	2,426,023	10,502,216	(10,730,524)	(28,902)	-	2,168,813
Endowment fund income fund	1,720,676	4,694,049	(5,096,157)	1,521,002	-	2,839,570
Pension reserve	(2,354,000)	-	370,000	-	(124,000)	(2,108,000)
	4,033,021	30,267,280	(31,179,004)	619,158	(124,000)	3,616,455
Total Unrestricted funds	5,115,547	30,267,280	(31,179,004)	(463,368)	(124,000)	3,616,455

Notes to the Financial Statements For the year ended 31 August 2024



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**
In pursuit of educational excellence for all

25. Statement of funds (continued)

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2024 £
Endowment funds						
Capital endowment fund	158,248,339	-	(1,249,440)	274,603	12,638,701	169,912,203
Performing Arts Centre fund	4,035,742	-	(101,261)	-	-	3,934,481
Other donations fund	6,352,469	46,191	(31,058)	408,412	443,685	7,219,699
	<u>168,636,550</u>	<u>46,191</u>	<u>(1,381,759)</u>	<u>683,015</u>	<u>13,082,386</u>	<u>181,066,383</u>
Restricted funds						
Benjamin Cowie	537,670	8,133	(8,497)	942	57,262	595,510
Webster Bequest	521,328	7,342	(1,925)	848	51,656	579,249
Brode Fund	507,675	7,701	-	78,243	98,861	692,480
Margaret Davies Fund	168,155	1,955	(44,552)	25,117	25,093	175,768
Lee Childs Fund	4,772	60	(679)	493	774	5,420
Other small special funds	496,003	7,108	(6,029)	(325,290)	28,610	200,402
HSG & KES Trust Donor	-	791,370	(791,370)	-	-	-
	<u>2,235,603</u>	<u>823,669</u>	<u>(853,052)</u>	<u>(219,647)</u>	<u>262,256</u>	<u>2,248,829</u>
Total of funds	<u><u>175,987,700</u></u>	<u><u>31,137,140</u></u>	<u><u>(33,413,815)</u></u>	<u><u>-</u></u>	<u><u>13,220,642</u></u>	<u><u>186,931,667</u></u>

Notes to the Financial Statements For the year ended 31 August 2024



25. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2022</i>			<i>Transfers in/(out)</i>		<i>Balance at 31 August 2023</i>
	£	<i>Income</i>	<i>Expenditure</i>	£	<i>Gains/ (Losses)</i>	£
		£	£		£	
Unrestricted funds						
Designated funds						
School minor works	696,418	-	-	50,000	-	746,418
Widening accessibility	259,083	-	-	-	-	259,083
Replacement equipment for Performing Arts centre	77,025	-	-	-	-	77,025
	<u>1,032,526</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>1,082,526</u>
General funds						
King Edwards School	1,502,642	13,827,187	(14,325,801)	1,236,294	-	2,240,322
King Edward VI High School for Girls	1,791,970	9,464,136	(9,704,029)	873,946	-	2,426,023
Endowment fund income fund	4,115,824	4,794,716	(5,239,160)	(1,950,704)	-	1,720,676
Pension reserve	(2,773,000)	-	341,000	-	78,000	(2,354,000)
	<u>4,637,436</u>	<u>28,086,039</u>	<u>(28,927,990)</u>	<u>159,536</u>	<u>78,000</u>	<u>4,033,021</u>
Total Unrestricted funds	<u>5,669,962</u>	<u>28,086,039</u>	<u>(28,927,990)</u>	<u>209,536</u>	<u>78,000</u>	<u>5,115,547</u>

Notes to the Financial Statements For the year ended 31 August 2024



25. Statement of funds (continued)

	<i>Balance at 1 September 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/(out)</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2023</i>
	£	£	£	£	£	£
Endowment funds						
Capital endowment fund	157,973,979	-	(1,120,016)	(209,536)	1,603,912	158,248,339
Performing Arts Centre fund	4,137,003	-	(101,261)	-	-	4,035,742
Other donations fund	6,252,571	52,938	(2,614)	-	49,574	6,352,469
	<u>168,363,553</u>	<u>52,938</u>	<u>(1,223,891)</u>	<u>(209,536)</u>	<u>1,653,486</u>	<u>168,636,550</u>
Restricted funds						
Benjamin Cowie The Webster Bequest	538,018	4,829	(24,663)	-	19,486	537,670
Brode Fund	499,486	4,360	-	-	17,482	521,328
The Margaret Davies Fund	498,407	4,782	-	-	4,486	507,675
Lee Childs Fund	181,686	1,743	(16,909)	-	1,635	168,155
Other small special funds	5,248	50	(573)	-	47	4,772
	485,001	4,803	1,833	-	4,366	496,003
	<u>2,207,846</u>	<u>20,567</u>	<u>(40,312)</u>	<u>-</u>	<u>47,502</u>	<u>2,235,603</u>
Total of funds	<u><u>176,241,361</u></u>	<u><u>28,159,544</u></u>	<u><u>(30,192,193)</u></u>	<u><u>-</u></u>	<u><u>1,778,988</u></u>	<u><u>175,987,700</u></u>



25. Statement of funds (continued)

Designated Funds

Each designated fund represented a fund where the Governors had exercised their discretion to make provision for future expenditure on specific projects of a non-recurring nature. During this year the Governors made the decision to allocate these funds across the two general school funds in order to pool all ringfenced school funds together.

Capital Endowment Fund

This is the accumulation of capital gains derived from its investments. This is not a permanent endowment fund.

This is a separately identifiable fund set up as part of the terms of the donation to the Independent Schools to part finance the construction of the Performing Arts Centre for the benefit of both Schools.

Other Donations Fund

This is a permanent endowment fund comprising of 350 individual funds, providing prizes, grants and scholarships to pupils at the schools of the Foundation.

Benjamin Cowie

The bequest, received in 1982, is used to support pupils in financial need, subsidise activities, and meet leadership training costs for both masters and boys at King Edward's School.

The Webster Bequest

The fund was bequeathed to King Edward's School in 2000 and is used for the purpose of funding scholarships in the school.

The Margaret Davis Funds

The fund was bequeathed to the Foundation to support an archiving project.

Brode Fund

Part of a £2m donation to improve sporting facilities at the Boys' school

Lee Child's Fund

This was a donation to be used to purchase books.

Notes to the Financial Statements

For the year ended 31 August 2024



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

Transfers to/(from) funds - current year

	King Edwards School	King Edward VI High School for Girls	Endowment fund income fund	Designated funds	Capital endowment fund	Permanent & Expendable	Restricted funds
Revenue grant to the Schools from Endowment income fund	1,465,311	1,059,727	(2,525,038)	-	-	-	-
Interest paid to Foundation	(351,478)	(151,344)	502,822	-	-	-	-
Distribution of Designated Fund	155,187	630,891	296,448	(1,082,526)	-	-	-
Transfer of Capital Expenditure	(379,101)	(340,038)	-	-	719,139	-	-
Contributions to the Foundation for services	(87,500)	(87,500)	175,000	-	-	-	-
Special Funds corrections	-	-	46,235	-	-	173,412	(219,647)
Correct PE Fund Property gain	-	-	-	-	(235,000)	235,000	-
Amortisation of the capital receipts arising from sales of interests in land	-	-	209,536	-	(209,536)	-	-
Transfer to correct opening balances	<u>(1,675,361)</u>	<u>(1,140,638)</u>	<u>2,815,999</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>(872,942)</u></u>	<u><u>(28,902)</u></u>	<u><u>1,521,002</u></u>	<u><u>(1,082,526)</u></u>	<u><u>274,603</u></u>	<u><u>408,412</u></u>	<u><u>(219,647)</u></u>

Notes to the Financial Statements

For the year ended 31 August 2024



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

Transfers to/(from) funds - prior year

	<i>King Edwards School</i>	<i>King Edward VI High School for Girls</i>	<i>Endowment fund income fund</i>	<i>School minor works</i>	<i>Capital endowment fund</i>
Revenue grant to the Schools from Endowment income fund	1,380,231	988,202	(2,368,433)	-	-
Interest paid to Foundation	(78,919)	(29,274)	108,193	-	-
Funds sets aside for specific projects	(15,000)	(35,000)	-	50,000	-
Contributions to the Foundation for services	(50,018)	(49,982)	100,000	-	-
Amortisation of the capital receipts arising from sales of interests in land	-	-	209,536	-	(209,536)
	<u>1,236,294</u>	<u>873,946</u>	<u>(1,950,704)</u>	<u>50,000</u>	<u>(209,536)</u>

Notes to the Financial Statements For the year ended 31 August 2024



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**
In pursuit of educational excellence for all

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

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	11,067,967	(331,661)
Adjustments for:		
Depreciation charges	875,420	812,901
Amortisation charges	296,849	239,166
Net (gains)/loss on investments	(13,344,929)	(1,636,570)
Retirement Benefits Scheme costs less contributions paid	(370,000)	(341,000)
Rents received from investment properties	(2,022,131)	(2,068,512)
Interest received	(98,444)	(97,958)
Decrease/(increase) in debtors	360,950	(214,776)
Increase/(decrease) in creditors	(25,146)	138,505
Loss on disposal of fixed asset	50,190	105,252
Net cash used in operating activities	<u>(3,209,271)</u>	<u>(3,394,653)</u>

27. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	4,745,587	5,537,473
Short term deposits	-	864,033
Total cash and cash equivalents	<u>4,745,587</u>	<u>6,401,507</u>

28. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	6,401,507	(1,655,920)	4,745,587
	<u>6,401,507</u>	<u>(1,655,920)</u>	<u>4,745,587</u>



29. Capital commitments

There were no capital commitments at the year end (2023: £Nil).

30. Pension commitments

Employees belong to two principal defined benefit pension schemes: The Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and The Schools of King Edwards the Sixth Retirement Benefit Scheme ("the Scheme") for non-teaching staff. Both are multi-employer benefit schemes. A further defined contribution pension scheme is in operation for non-teaching staff since April 2021. In addition to the aforementioned Schemes, the Governors provide discretionary unfunded pensions out of general income. These amounted to £Nil in the year ended 31 August 2024 (2023: £30)

Defined contribution scheme

New staff, or those staff who had been eligible but had not joined the defined benefits scheme are eligible to participate in a defined contribution scheme, administered by Scottish Widows. By 31 August 2024, 193 members of staff has joined (2023: 180). The employer contributions for the defined contribution scheme totalled £480,765 (2023: £389,720) based on rates of up to 8%. At year end £66,483 (2023: £59,112) was payable to the scheme and included within creditors.

Teachers' Pension Scheme

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 £2,358,718 (2023: £2,031,667) and at the year-end £288,803 (2023: £238,732) 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 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation has valued the 'greater value' benefits for groups of relevant members.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.



30. Pension commitments(continued) The Schools of King Edward VI in Birmingham Retirement Benefit Scheme

The Charity operates a defined benefit pension scheme.

Other staff of the Independent Schools and Foundation have been eligible to join a defined benefits Scheme operated by the Governors of the Foundation. In March 2010 the Governors took the decision to close the Governors' Pension Scheme to new members.

31.

The review of the Scheme as at 31 August 2024 showed a large improvement in the funding shortfall. The main reasons for the reduction in the deficit over the period can be summarised as follows:

- higher than expected investment returns; and
- the payment of deficit reduction contributions by the Foundation, which has increased the value of the Scheme's assets.

However, the above factors have been partially offset by:

- reductions in corporate bond yields over the period; and
- unfavourable membership experience (such as retirements and mortality) which has resulted in a higher value being placed on the Scheme's liabilities

Contributions to be paid by the Foundation:

Period	Foundation Contributions towards the shortfall
1 April 2024 to 31 March 2025	£36,167 per month
1 April 2025 to 31 March 2026	£14,667 per month
1 April 2026 to 31 March 2027	£15,107 per month
1 April 2027 to 31 January 2028	£15,560 per month

From 1 April 2022, as a result of the 2021 valuation, the employer contributions rate was set at 27.3% with Scheme expenses being paid by the Foundation and not the Scheme Fund.

The Scheme is known as the Schools of King Edward VI in Birmingham Retirement Benefits Scheme (the Scheme). The Scheme provides benefits based on salary and length of service on retirement, leaving service or death. The following disclosures exclude any allowance for defined benefit schemes operated by the Foundation.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Foundation must agree with the Trustees of the Scheme the contributions to be paid to meet any shortfall against the Statutory Funding Objective and to pay for the future accrual of benefits.

The Foundation expects to contribute £587,000 to the Scheme during the year to 31 August 2025.

The Scheme is managed by a board of Trustees appointed in part by the Foundation and part from elections by members of the Scheme. The Trustees have responsibility for obtaining valuations of the fund, administering benefit payments and investing the Scheme's assets. The Trustees delegate some of these functions to their professional advisers where appropriate.

There were no plan amendments, curtailments or settlements during the period.

Notes to the Financial Statements For the year ended 31 August 2024



THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM

In pursuit of educational excellence for all

30. Pension commitments (continued)

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 August 2024	At 31 August 2023
	%	%
Discount rate	5.00	5.35
Future salary increases	3.00	3.00
Future pension increases (RPI capped at 5%)	3.35	3.45
Future pension increases (CPI capped at 5%)	2.95	3.05
Inflation (RPI)	3.35	3.45
Inflation (CPI)	2.95	3.05
Proportion of members with a spouse	80	80

Other assumptions used are:

Mortality - S3PA tables with CMI 2022 projections using a long-term improvement rate of 1.25% pa and a 25% weighting to 2022 experience

Commutation - 75% of members are assumed to take 25% of their pension as tax free cash

Early retirement - 40% of active members who joined pre 2007 are assumed to retire at age 60

	At 31 August 2024 Years	At 31 August 2023 Years
Mortality rates (in years)		
- for a male aged 65 now	86.5	87.4
- at 65 for a male aged 45 now	87.8	88.8
- for a female aged 65 now	89.0	89.8
- at 65 for a female aged 45 now	90.4	91.2

The Charity's share of the assets in the scheme was:

	At 31 August 2024	At 31 August 2023
	£	£
Equities	10,840,000	9,987,000
Cash	219,000	281,000
Total fair value of assets	11,059,000	10,268,000

The actual return on scheme assets was a gain of £898,000 (2023 - £1,878,000).

Notes to the Financial Statements

For the year ended 31 August 2024



30. Pension commitments (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	2024 £	2023 £
Current service cost	90,000	144,000
Net interest	110,000	105,000
Total amount recognised in the Statement of Financial Activities	200,000	249,000

Movements in the present value of the defined benefit obligation were as follows:

	2024 £	2023 £
Opening defined benefit obligation	12,622,000	14,770,000
Contributions by scheme participants	32,000	39,000
Actuarial losses/(gains)	475,000	(2,469,000)
Benefits paid	(709,000)	(480,000)
Current service costs	90,000	144,000
Interest cost	657,000	618,000
Closing defined benefit obligation	13,167,000	12,622,000

Movements in the fair value of the Charity's share of scheme assets were as follows:

	2024 £	2023 £
Opening fair value of scheme assets	10,268,000	11,997,000
Interest income	547,000	513,000
Actuarial gains/(losses)	351,000	(2,391,000)
Contributions by employer	570,000	590,000
Contributions by scheme participants	32,000	39,000
Benefits paid	(709,000)	(480,000)
Closing fair value of scheme assets	11,059,000	10,268,000

Notes to the Financial Statements

For the year ended 31 August 2024



31. Operating lease commitments

At 31 August 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	35,387	88,605
Later than 1 year and not later than 5 years	56,350	58,582
Later than 5 years	36,111	30,089
	<u>127,848</u>	<u>177,276</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2024 £	2023 £
Operating lease rentals	<u>126,349</u>	<u>95,487</u>

Operating lease commitments (continued)

At 31 August 2024 the Charity had the following future minimum lease income from investment property rent under non-cancellable operating leases as follows:

	2024 £	2023 £
Within one year	2,059,420	1,882,311
Between two and five years	7,505,177	6,253,455
Over five years	162,246,604	163,756,671
	<u>171,811,201</u>	<u>171,892,437</u>

The following amount of rental income has been recognised as income in the Statement of financial activities:

	2024 £	2023 £
Operating lease rental income	<u>2,022,131</u>	<u>2,068,512</u>

Notes to the Financial Statements

For the year ended 31 August 2024



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**
In pursuit of educational excellence for all

32. Related party transactions

The Foundation considers itself related to the King Edward VI Academy Trust Birmingham (Co. no.10654935). The Trust consists of twelve academies of which five were initially established as Voluntary Aided Grammar Schools by the Foundation. The Trust is considered a related party by virtue of the fact that the Foundation provides executive leadership, finance, accounting, payroll and personnel, operations and governance services to the academies and the Foundation owns the land and buildings at the academies. There is a licence to occupy the land and buildings between the Foundation and some of the schools of the Academy Trust rent free. There is a service level agreement for the services provided by the Foundation, whereby a contribution of £1,088,566 (2023: £1,074,744) was received during the year.

Transactions with the Trust during the year include:

	2024 £	2023 £
Income		
Costs incurred by Foundation and reimbursed by the Trust	4,867	10,196
Contributions to the Foundation for services	1,088,566	1,074,744
Expenditure		
Grants paid/payable	-	5,613
Fees paid for KES Teachers training at KEC	13,000	1,200
Costs incurred by the Trust and reimbursed by the Foundation	58,817	83,818
Payments from restricted funds	9,928	2,391
Other income received and passed over to the Trust	7,939	45,717
	<u> </u>	<u> </u>

At the year-end there were the following balances held in the balance sheet:

	2024 £	2023 £
Debtor at year end	13,379	315,151
Creditor at year end	(8,291)	(62,080)
	<u> </u>	<u> </u>
	<u>5,088</u>	<u>253,071</u>



Related party transactions (continued)

The Chief Master and Deputy Chief Master are trustees of The King Edward's School Birmingham Trust (Charity no: 1129776). The Trust provides King Edward's School with funding for Assisted Places. £418,701 (2023: £425,832) was paid to cover Assisted Places supported by the Trust.

The Principal and a Governor are also trustees of The King Edward VI High School for Girls Birmingham Trust (Charity no: 1159413). The Trust was set up during 2014/15 to provide King Edward VI High School for Girls with funding for Assisted Places. £326,874 (2023: £280,116) was paid to cover Assisted Places supported by the Trust.

Ms E Conway is Chief Financial Officer of the University of Birmingham. During the year £20,577 (2023: £2,754) was paid to the organisation and £20,167 (2023: £16,000) lease rentals were invoiced to the organisation. There were no amounts outstanding at the end of the year (2023: £Nil).

Development Funding and Finance services are also provided by King Edward's School to the two Trusts. No charge is made for the services provided. The cost of the Development Team for the year at King Edward's School was £127,595 (2023: £117,112) and £122,210 (2023: £101,001) at King Edward VI High School for Girls.

None of the Governors received any remuneration during the year.

There are no other related party transactions.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

England & Wales - Charity number 529051

Accounts



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

**ANNUAL REPORT AND
FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2023**

The Schools of King Edward VI in Birmingham
Contents of the Financial Statements
For the year ended 31 August 2023

Chair's Statement.....	1
Mission, Principles and Objectives	2
Reference and Administrative Information	5
Governor's Report	6
Statement of Governors' Responsibilities	29
Independent Auditor's Report	30
Statement of Financial Activities	33
Balance Sheet.....	35
Statement of Cash Flows	37
Notes to the Financial Statements	38

The Schools of King Edward VI in Birmingham

Chair's Statement

For the year ended 31 August 2023

Key measures of the academic performance of our state schools are the attainment scores in the examination results published each year in August. Those published in August 2023 represented a return to 'normality' in that the grade boundaries applied would mean results are best compared with those reported in 2019. Nationally, it was to be expected that the proportion of high grades would decline. Counter to this expectation, GCSE outcomes in many of our schools exceeded the 2019 results and are significantly above national benchmarks, almost all showing an increase in grades 7-9. While results like these are what we seek in our mission of making Birmingham the best place to be educated in the United Kingdom, further work is needed to ensure that more of our lower achieving learners reach the floor standard (Grade 4) in Maths and English. No child should be left behind.

We also want more, however, as we want our schools to be places where pupils can enjoy and achieve in a wide range of activities. We do so by giving access to a wide range of sports and a rich and diverse range of cultural activities. The good fortune of a committed staff and high-quality facilities enables us to fulfil these goals.

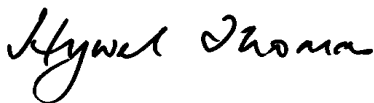
Achieving these goals is a collective effort and the Foundation is steadily building its cooperative capacity. In the last year, more than 250 staff days have been earmarked for our Foundation Leaders in Education and Subject Research Leaders to share their expertise with schools in need of greatest support. Our early career teachers have had the opportunity to meet for shared training, and next year there will be cross school training opportunities for all teaching staff.

Across all groups of staff, we have surveyed opinion on their expectations as employees and their sense of well-being. Data from these surveys are analysed to identify priority areas for action. Achieving our mission relies above all on the quality and commitment of staff and our concern is to meet their needs and aspirations as fully as possible. Fortunately, the disruption caused by Covid-19 appears to be behind us, but strike action over teachers' pay has disrupted six days in the year. As I write, there is optimism that the dispute is now settled.

The end of the year completes the first full cycle working within our new governance structure. The slimmed down membership of the Foundation Board and the Academy Trust Board meets as a Joint Strategy Advisory Group and makes recommendations to the Boards who then make their own determinations within the scope of their duties and responsibilities. The structure is working well and was complemented by our first strategy away day, where we began to consider ideas for our next Strategic Plan.

Data received by our committees and by the Boards continues to improve in range and quality. A new Director of Finance has enhanced the range and analytical quality of the financial information provided and the same can also be said following the earlier appointment of a new Director of Education.

Estate management has benefitted from our new governance structure with a committee responsible for overseeing the estate, including our sustainability strategy. The committee also liaises with the Master Planning Group working on the estate of the independent schools. Architects have been appointed to work on a Master Plan to take the schools forward to 2052. Reflecting an approach towards greater collaboration between King Edward's School and King Edward VI High School for Girls, the Foundation and its Independent Schools' Governing Body has announced the appointment of one head across both schools. Dr Katy Ricks has announced her intention to retire in September 2024 and governors have appointed Mrs. Kirsty von Malaise as Headmaster, Principal and Chief Master from that date. An historic change, it illustrates the vibrancy of the Foundation and its schools, aware of our heritage but not imprisoned by it, making changes when required in order effectively to continue serving our pupils and wider community in providing the highest quality education.



Prof. H Thomas
Chair

The Schools of King Edward VI in Birmingham

Mission, Principles and Objectives

For the year ended 31 August 2023

Charitable Objects

The objects of the Foundation are set out in the 1900 Act as amended by a scheme agreed with the Charity Commission on 7 March 2012 and relate to the advancement of education for the public benefit principally through the activities of the thirteen Schools.

Mission

The Foundation's overarching mission is to make Birmingham the best place to be educated in the UK.

The Foundation recognises that in order to do so it needs to provide access to a diverse range of schools: independent as well as academies, selective and also comprehensive. It also believes that those schools need to be accessible to all, regardless of ethnic, religious and social background. As the nature of the pupil community that the Foundation serves has changed, so has the social context within which this mission sits, and consequently so too have the resources required to deliver that mission. The Foundation's strategy sets out the objectives of the Foundation, 'the ends', along with the structures and resources required to meet them, 'the means'.

Strategy

The purpose of the strategy is to ensure that we can deliver our values to:

- Raise aspirations, providing opportunities and giving confidence alongside excellent academic standards.
- Widen access and transform lives for all young people, no matter their background.
- Encourage open-mindedness, equality for all, honesty, fairness, understanding and accepting the views of others.
- Create a love of learning, which will foster creativity, imagination and the capacity to communicate.
- Instil a sense of community and the desire to support and work with others.
- Build character and relationships, along with a sense of morality, care and respect for others.
- Ensure successful transition to the world of further study and work through strong academic outcomes.

The Foundation Strategy seeks to put education firmly at the heart of all of the decisions we make: strategic, operational and financial. It is based on the spirit that the Foundation has often been a force for change and moved with the times while retaining its core principles. To achieve our bold mission, it sets out how we can work genuinely towards an ethos of 'one organisation' in which collaboration and efficiencies lead to a better education for the children and young people whom the Foundation serves. While there is excellence in all our schools, we recognise that every school can also improve and that working together and sharing our resources and ideas is the most effective way of doing that.

Objectives

The following strategic objectives are for the whole organisation and can only be achieved by schools and the Foundation Office working closely together with shared responsibility. Each objective is underpinned by a set of key performance indicators.

Strategic Objective 1 (SO1): Learning with us

SO1.1 Academic Outcomes and Progress

Learners within the Foundation should benefit from an excellent quality of education in all of its schools and gain high quality outcomes. Learners should make excellent progress and leave the Foundation with better educational outcomes compared to other areas of the country.

SO1.2 Access and Impact

A Foundation education should be available to the widest range of learners possible. Disadvantaged learners should receive support to have a meaningful impact on their education. They should benefit from the same opportunities as their peers when they leave the Foundation's schools and achieve similar success.

SO1.3 Pathways in Birmingham and Beyond

Learners should access a range of destinations nationally and internationally in terms of further education, higher education, training and employment. At the same time, learners should contribute to the success of the Birmingham community. Wherever learners go, they should make the most of their opportunities and be successful. Foundation alumni should contribute to civic life in Birmingham through the skills, knowledge and character they have gained in the course of their experience.

SO1.4 Well-being, Character and Learning Skills

Learners within the Foundation should be well-rounded and resilient individuals thanks to a focus on character education and well-being. They should feel safe and happy attending school and in their everyday lives. They should have an appreciation of culture, compassion, critical thinking skills and a love of learning, being ready to embrace innovation.

SO1.5 Curriculum and Resources

Learners should follow a curriculum which is broad, balanced and diverse for both academic and vocational education and which is supported by excellent resources. At the same time, learners should have the opportunity to access specialist provision in other Foundation schools. They should access and enjoy a wide-ranging extra-curricular programme.

SO1.6 Foundation Identity

At transition points, learners should have the flexibility to move between Foundation institutions where appropriate. They should feel part of one organisation and be proud of being a member of the Foundation.

The Schools of King Edward VI in Birmingham

Mission, Principles and Objectives

For the year ended 31 August 2023

Strategic Objective 2 (SO2): Working with us

SO2.1 Collaborative Working and Learning

Colleagues within the Foundation should benefit from opportunities for collaborative learning and networking in a modern educational environment. Opportunities should exist for all those who wish to progress and to engage in work with a strong moral purpose.

SO2.2 Innovation, Research and Performance

Colleagues within the Foundation should have the opportunity and encouragement to think innovatively in their working lives. Appraisal of performance should lead to professional learning opportunities.

SO2.3 Modern Strategy for People

The Foundation should be an exceptional place to work, supported by a range of interconnected people strategies designed to attract, develop and retain talented and committed staff. Its HR function should be a credible provider of transactional, advisory and strategic service and a key contributor to the organisation's success. Colleagues should be attracted to join the Foundation because they see working in the UK's second city as a positive prospect and because the Foundation itself is a pre-eminent organisation for educational excellence.

SO2.4 Equality, Diversity and Inclusion

Colleagues within the Foundation should demonstrably understand, clearly represent and actively promote the diversity of the people of Birmingham with a strong employer commitment to equal opportunity for all. The Foundation should promote equality, inclusion and the understanding of diversity among themselves and learners.

SO2.5 Efficient Systems and Data Analytics

Colleagues within the Foundation at all levels (including leadership, teaching, school-based support and central staff), should have at their disposal highly effective, modern, secure and integrated digital systems for managing their work and communicating with each other. Digital systems should be selected and implemented to deliver maximum impact for all colleagues and learners, aggregate and make data accessible to inform central and local decisions, as well as modernise and standardise support services.

SO2.6 Work Environment, Resources and Sustainability

Colleagues should benefit from estates and procurement strategies which allow them to work in comfortable and inspiring environments supporting collaboration with the best possible resources at hand. The Foundation should have an exemplary sustainability strategy.

Strategic Objective 3 (SO3): Partnering with us

SO3.1 Growth and Reputation

The Foundation, and its Academy Trust, should be an attractive proposition for schools looking to join a Multi Academy Trust because of its excellent reputation as a unique group of schools. The Foundation's voice and expertise should be sought in the development of educational and other policy and strategy nationally.

SO3.2 Educational Partners

The Foundation should partner with the primary, other secondary, alternative provision, further education and higher education sectors and be seen as a national and international, outward-focused model for education. The Foundation should be a hub for collaboration, networking and the sharing of best practice.

SO3.3 Civic and Corporate Partners

The Foundation should engage locally and beyond on a civic and corporate level, offering specialist advice, resources and governance. Organisations should see the Foundation as a willing and beneficial partner, appreciating the quality and extent of its offer. Partners should speak of admiration for and a love of Birmingham and its heritage.

SO3.4 Fund-raising and Support

The Foundation should benefit from strong links with alumni, parents and relatives of alumni, corporate donors and a range of other partners. Donations provided by individuals, families, corporations or other organisations should have hypothecated uses for key strategic projects such as assisted places, capital builds, heritage work and co-curricular and enrichment programmes. The Foundation should benefit from pro-bono offers of support for these projects from its extensive wider community.

SO3.5 Excellence in Governance and Compliance

Governor and Trustee opportunities at the Foundation should be sought after, and the successful candidates should contribute to the success of the organisation. The views of Governors and Trustees, and the Foundation's model of governance, should be seen as examples by others. The Foundation's compliance work should be exemplary.

SO3.6 Heritage

The Foundation's historical richness and impact on the life of Birmingham, manifested in its Archive, should be a heritage resource for the City as a living and growing historical artefact, further raising the Foundation's profile and generating interest in the organisation.

The Schools of King Edward VI in Birmingham

Mission, Principles and Objectives

For the year ended 31 August 2023

Activities undertaken to deliver Objectives and Public Benefit

Under the Charities Act 2011, a charity must be established for charitable purposes only. A charitable purpose is a purpose that falls within section 3 (1) of the 2011 Act and which is for public benefit. The list in section 3 (1) includes the advancement of education.

The Governors recognise their responsibilities as charity trustees. In 2022/23, the principal activities carried out to further the charitable purposes of the Foundation for the public benefit and to meet the objectives set out above include:

- The Foundation gifting, under the terms of licences, private land and buildings to the Academy Trust. Within the Academy Trust where the Foundation is the landowner this provides schools with the land and buildings they need to provide education to their pupils.
- The Foundation continuing to support the means-tested Assisted Places scheme at the Independent Schools. Both Independent Schools have also raised funds aimed at providing further means-tested assistance to lower income families. This greatly enhances the accessibility of King Edward's School and King Edward VI High School for Girls to a range of pupils, irrespective of background;
- The Foundation providing support services to the Academy Trust in the form of donated services. These services include strategic support, finance, procurement, human resources, payroll, governance, estates, marketing and communications, educational support and, for the selective schools within the Academy Trust, an admissions service. This support enables the Academies to focus their resources and management time on the education of their pupils;
- The Foundation playing an active role as a patron of the Greater Birmingham Chamber of Commerce, providing a platform for being a voice that is listened to on key educational issues. We are already nationally recognised for our work in ensuring that our selective schools are accessible to all. We have augmented this by maintaining and enhancing the Assisted Places scheme at the Independent Schools and by redesigning the Academy Trust admissions strategy to increase the percentage of disadvantaged children attending the selective schools, further ensuring those schools are rooted in the communities they serve;
- King Edward's School (KES) and King Edward VI High School for Girls (KEHS) providing a wide range of activities and facilities for the benefit of neighbouring schools and community groups.

The Schools of King Edward VI in Birmingham

Reference and Administrative Information

For the year ended 31 August 2023

The Governors of the Schools of King Edward VI in Birmingham is a corporate body established by Royal Charter in 1552 and is regulated by the Birmingham (King Edward the Sixth) Schools Act 1900 together with subsequent Schemes of the Board of Education and Charity Commissioners. The Schools of King Edward VI in Birmingham is a registered charity, number 529051. It is VAT registered, number 487399769.

**Registered Office and
Principle Address of Charity:**

Foundation Office
Edgbaston Park Road
BIRMINGHAM
B15 2UD

The Foundation is comprised of:

Independent Schools:

King Edward's School
King Edward VI High School for Girls

The Foundation also sponsors the King Edward VI Academy Trust Birmingham. Although this is a separate legal entity with its own accounts, the Academy Trust schools are all required to be formally designated as part of the Foundation in line with the provisions of the Birmingham (King Edward VI Schools) Act 1900, as amended. These schools are considered, therefore, to be part of the Foundation and may be referred to as such in the Governors' Report. The Academy Trust financial statements are available on our website: www.schoolsofkingedwardvi.co.uk/

Academies:

King Edward VI Aston School
King Edward VI Balaam Wood Academy
King Edward VI Camp Hill School for Boys
King Edward VI Camp Hill School for Girls
King Edward VI Five Ways School
King Edward VI Handsworth School for Girls
King Edward VI Handsworth Grammar School for Boys
King Edward VI Handsworth Wood Girls' Academy
King Edward VI Sheldon Heath Academy
King Edward VI Northfield School for Girls
King Edward VI Lordswood School for Girls

**The Schools of King Edward VI in Birmingham
Governor's Report
For the year ended 31 August 2023**

The Governors, who are also trustees of the charity, who were in office at the date of approval of the accounts and served on the Board throughout the period are set out below, together with their membership of Committees:

Membership of Committees								
	ES	IC	FO	GN	HR	ARC	R	ISGB
Professor H Thomas BA, Med, PhD (Chair)		•		•			•	•
Ms L Williams BA, MSc				•			•	•
Mr J Crawford MRICS		•						
Professor B Lenon CBE, MA	•							•
Mr D J Wheeldon BA, MSc, AdDip EdMan, FRSA (Bailiff)	•		•		•	•		
Ms E Conway BA, FCA (Deputy Chair) (University of Birmingham)				•		•	•	
Mr F Kinkhabwala BEM	•				•	•		
Mr I Metcalfe OBE (Chamber of Commerce & Industry)								•
Mr G Chahal BSc, PGDip (Pharm)		•	•					
Mrs S Roberts BSc, FCA, FCIS (Deputy Bailiff) (Grammar Schools' Parents)		•	•	•		•	•	•
Mr B J Matthews BSc, FCA		•	•					
Mr M Lee BSc, FCA - July 2023		•						
Mr G Marsh MBE, TD, DL, FICE - resigned 5 Jul 23				•			•	•

The following Governors resigned in September 2022; Mrs G Ball, Mr R Alden, Mr N Shastri-Hurst and Mrs C Hosty.

In addition to the above, the Independent Schools' Governing Body has appointed several Non-Board Governors who are not Trustees of the Foundation. They are – Professor S West; Ms G Sehdev; Mrs A Smith; Mr N Shastri-Hurst; Ms P Eddie, Mr Q Riaz and Mrs C Hosty.

Committee Key:	
Education & Safeguarding	ES
Investment Committee	IC
Finance & Operations	FO
Governance & Nominations	GN
Human Resources	HR
Audit, Risk & Compliance	ARC
Remuneration	R
Independent Schools' Governing Body	ISGB

**The Schools of King Edward VI in Birmingham
Governor's Report – Officers and Advisers
For the year ended 31 August 2023**

Officers and Advisers

Chief Executive Officer:	Mr Jodh Dhesi
Director of Operations:	Mr Thomas Rowland
Director of Finance:	Mr Greg Langston
Principal Address:	The Schools of King Edward VI in Birmingham Foundation Office Edgbaston Park Road BIRMINGHAM B15 2UD www.schoolsofkingedwardvi.co.uk
Banker	Lloyds Bank plc PO Box 908 125 Colmore Row BIRMINGHAM B3 2SD
Legal Adviser	Veale Warborough Vizards LLP 3 Brindley Place BIRMINGHAM B1 2JB
Auditors	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
Property Adviser	Avison Young 3 Brindley Place BIRMINGHAM B1 2JB
Investment Manager	Barclays Wealth 1 Churchill Place London E14 5HP

Key Management Personnel

Chief Master:	Dr Katy Ricks MA, DPhil
Principal:	Mrs Kirsty Von Malaise MA (Cantab), PGCE
Chief Executive Officer:	Mr Jodh Dhesi MA (Cantab), NPQEL, PGCE
Director of Operations:	Mr Thomas Rowland BA, MA
Director of Finance:	Mr Greg Langston
School Bursar:	Mrs Zoe Robinson BSc, ACA

The Schools of King Edward VI in Birmingham

Governor's Report – Structure, Governance and Management

For the year ended 31 August 2023

Procedure for Recruitment, Induction and Training of Trustees

The Foundation Board comprises ten Governors appointed by the Foundation (the maximum is 12) Regard is given to the skills mix of the Governors to ensure that the Foundation Board has all the necessary skills required to contribute to the objects of the Charity. The Governance and Nominations Committee oversees recruitment.

The term of office for any Governor is five years. Subject to remaining eligible to be a particular type of Governor, any Governor may be reappointed or re-elected. The Governors who were in office at the date of approval of the accounts and served throughout the period, except where shown, are listed on page 5. During the period under review the Foundation Board held 6 meetings.

The induction and training of Governors is important to the Foundation. Specific steps are taken as follows:

1. Advice is offered on appointments for Governors who are appointed by external bodies. Appointments of co-opted Governors are guided by the fullest possible consideration of a Governance and Nominations Committee which meets regularly to consider the skills, attributes, and balance of Members. All appointment procedures are formal, rigorous, and transparent.
2. All Governors receive a welcome pack and personal briefing.
3. Documents relating to current developments are circulated to Governors together with DfE guidance and Charity Commission documents. At meetings Governors have the benefit of specialist advice.
4. Periodic conferences and focussed training sessions are organised.

Subscriptions are made to appropriate organisations and publications.

Organisation

The Governors, guided by the reports of various Committees, determine the general policy of the Foundation and are responsible for the governance of the two Independent Schools. The Foundation, as a Member of the Academy Trust, appoints a number of Trustees to the Academy Trust Board. The management of the Independent Schools is delegated to the Chief Master and Principal, and management of the Foundation to the Chief Executive Officer.

Prof H Thomas was the Chair of the Board and Ms E Conway was the Deputy Chair of the Board until 31 August 2023. In the current year this remains unchanged.

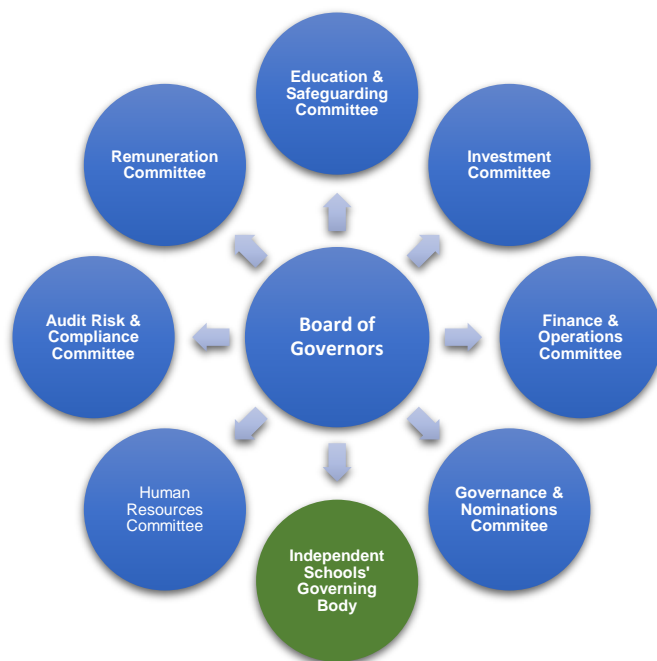
Mr D Wheeldon held office as Bailiff and Mrs S Roberts Deputy Bailiff for the year to 31 August 2023. In the current year Mr F K Kinkhabwala as Bailiff and Mr B Matthews Deputy Bailiff.

The Schools of King Edward VI in Birmingham

Governor's Report – Structure, Governance and Management

For the year ended 31 August 2023

The Board of Governors meets at least six times per year and receives reports from the following Committees, membership of which is determined annually by the Governors.



All of the above committees are Foundation wide apart from the Independent Schools' Governing Body which relates to the two Independent Schools.

The Chair and Deputy Chair of Committees during the year were as follows.

Committee	Chair	Deputy Chair
Education & Safeguarding	Mr D J Wheeldon	Mr F Kinkhabwala
Investment	Mr G Marsh	Mr M Lee
Finance & Operations	Mr B J Matthews	None appointed
Governance & Nominations	Ms E Conway	Prof H Thomas
Human Resources	Mr F Kinkhabwala	Mr D J Wheeldon
Audit Risk & Compliance	Ms E Conway	Mr D J Wheeldon
Remuneration	Ms E Conway	Prof H Thomas
Independent Schools' Governing Body	Ms L Williams	Mrs A Smith

All Governors give of their time freely and there is no remuneration policy for Governors. Governors can claim travel expenses. No Governor or person connected with a Governor received any benefit from either means-tested Assisted Places or scholarships awarded to our pupils.

Education & Safeguarding Committee

is focused on ensuring high standards of provision educationally in all the schools. This includes interrogating data, ratifying plans and processes and holding the central education team to account. In addition, safeguarding data is reviewed with any trends or anomalies discussed and planned for as part of the cyclical meetings.

Investment Committee oversees the management of the endowment and investments of the Foundation (including stocks and shares, investment property, lands, and hereditaments of the Foundation).

Finance & Operations Committee advise upon how financial resources will be allocated and aligned with strategic priorities and charitable objects, including the allocation of endowment funds made available on the recommendation of the Investment Committee.

Governance & Nominations Committee makes recommendations about the membership of the Foundation Board and its Standing Committees.

Human Resources Committee ensure there is a relevant HR strategy in place and approves all policies that support the employee lifecycle.

Audit Risk & Compliance Committee deals with internal control, risk management and internal and external audit.

Remuneration Committee reviews the Foundation Executive Team performance and remuneration.

Independent Schools' Governing Body (ISGB) deals with matters relating to the two Independent Schools, known as King Edward's School (KES) and King Edward VI High School for Girls (KEHS). The ISGB has several sub-committees which report into it, including those relating to Finance & Estates, Risk and Compliance, Education and a Chairs Committee.

The Schools of King Edward VI in Birmingham

Governor's Report – Structure, Governance and Management

For the year ended 31 August 2023

Foundation

The Foundation provides a central support services function supplying executive leadership, financial, human resources and various other operational and administrative services to the Independent Schools and the Academy Trust. This enables the Schools to reduce their cost base and concentrate more resources and management time on teaching and learning. It also enables the Independent Schools to keep fees as low as possible.

The Foundation is an equal opportunities employer and is committed to regular communication with all staff. Staff promotions are based on merit.

Arrangements for setting pay and remuneration of Key Management Personnel

Salaries of Executive personnel in the Independent Schools and the Foundation Office are reviewed by the Foundation's Remuneration Committee. Salaries are based on a review of annual performance and with reference to affordability and the local employment market.

Grants

The Foundation allocates annual grants from the expected income of the Endowment – Income Fund to the Independent Schools, in order to widen accessibility to the Schools by funding means-tested assisted places, merit-based scholarships and a staff remission scheme. The grant for Assisted Places is paid from the Foundation to the Independent Schools, who in turn then award the grants to individuals.

Fundraising

The Foundation in its own right does not carry out fundraising activities. As stated in note 18 the cost of fundraising activities is charged to the School's Fund but the activities are carried out on behalf of King Edward's School Birmingham Trust (the KES Trust, RCN 1129776) and The King Edward VI High School for Girls Birmingham Trust (the KEHS Trust, RCN 1159413). The KES Trust and The KEHS Trust exist separately to the Foundation and to support the advancement of education at each school, and particularly to raise funds actively for Assisted Places to widen access to the Schools for all those with the talent to make the most of a King Edward's education.

The Development Director reports to each group of Trustees on a termly basis, to ensure activities are properly monitored. Each Trust is a verified member of the Fundraising Regulator. Only one suppression request has been received to date, which was handled immediately. Neither Trust has received complaints regarding their activities.

Around 77% of the support to Pupils is funded by the Foundation, with the balance coming from the King Edward VI Birmingham Trusts.

A further 212 pupils received scholarships, 12 pupils received a sibling discount (for being the third child) and 36 pupils benefited from the staff concession scheme; the cost of which was £1,298,934 to the schools.

Therefore, the full benefit provided by the Governors' means-tested Assisted Places, hardship payments, scholarships, sibling discounts and staff concession for both schools, as shown in Note 3, for the year was £3,643,592 representing 15% of gross fees. Further information on fees assistance is provided by each school in their respective reports.

In comparison with other independent schools (both locally and nationally), fees are relatively low.

Further details of the activities and educational achievements of the schools can be found on pages 22 to 28.

The Schools of King Edward VI in Birmingham

Governor's Report – Structure, Governance and Management

For the year ended 31 August 2023

Assisted Places (AP) – means-tested bursaries

The Independent Schools offer assistance to a significant number of pupils, in the form of means-tested assisted places and scholarships which are funded primarily by the income from the Foundation's capital endowment fund.

Both means-tested assisted places and scholarships are awarded on the basis of academic ability, assessed as part of the admissions process at 11+ and 16+. The funding for assistance is made by the Governors on the recommendations of the Chief Master and Principal of the Schools.

Independent Schools	2023	2022
Number of AP holders	230	232
Number of pupils in receipt of assistance	225	227
As a % of total pupils at the Schools	14%	15%
% of AP pupils receiving an AP covering 90% of the fees	63%	71%
Pupils receiving a 90% or over AP	141	161
Pupils receiving a 100% AP	94	116
Annual cost of AP/Benefit to Parent	£3.0m	£3.4m
Annual cost to the Schools (Note 3)	£2.3m	£2.2m
Grant to the Schools from the Foundation	£2.4m	£2.3m
Contribution from King Edward VI Birmingham Trust	£425,832	£509,520
Contribution from King Edward 's High School for Girls Trust	£280,116	£309,981

“Opening Doors” for bright, disadvantaged children

The King Edward VI Foundation is open to pupils from all backgrounds. Most Foundation schools are free to attend, and our two independent schools offer fully and partially funded places for the most able pupils.

The Access and Participation Department is focused on widening access to the Foundation in terms of schools, partnerships, and pupil applications, particularly from disadvantaged backgrounds.

Working with target primary schools across the city of Birmingham, the team delivers and facilitates a range of activities across three strands: pupil recruitment, enrichment activity, and strategic partnerships development. All these activities are designed to encourage greater take-up of the entrance test by disadvantaged pupils and to secure high levels of local demand for all our comprehensive academies.

Impact measurement is an important part of our work, and we utilise national benchmarks to monitor progress against traditionally less quantifiable measures such as motivation, grit, resilience, and goal orientation, amongst others.

To encourage greater representation of children from lower income families in our grammar schools, the Foundation provides a free programme of online resources designed to help children become familiar with the topics on the entrance test. This programme is open to children who are eligible for the Pupil Premium. This provision is being relaunched this year with more advanced technology to support learners.

**The Schools of King Edward VI in Birmingham
Governor's Report – Financial Review
For the year ended 31 August 2023**

Financial Results

After two years of disruption caused by Covid-19, the 2022/23 academic and financial year was characterised by changed but much more familiar school and working environments. Caution and care with respect to health-related issues remained more salient, but classrooms, laboratories, offices and playgrounds all had a greater degree of normality with pupils and staff adjusting again to working more closely together.

Statement of Financial Activities (SoFA) Summary

	2023	2022	Variance
	£m	£m	£m
Total Income	28.2	24.6	3.5
Total Expenditure	(30.2)	(27.3)	(2.9)
Net Inc/Exp	(2.0)	(2.6)	0.6
Net gains/(losses) on Investments	1.9	(7.1)	9.0
Net gains/(losses) on Investment Properties	(0.2)	3.3	(3.5)
Gains on Defined Benefit Scheme	0.1	3.4	(3.4)
Net Movement in Funds	(0.3)	(3.0)	2.8

The Foundation had funds at 31 August 2023 of £175,987,700 (2022: £176,241,361) representing a 0.14% reduction of £253,661. The funds comprise £5,115,547 (2022: £5,669,962) of Unrestricted Funds, a Permanent and Expendable Endowment Fund of £10,388,211 (2022: £10,389,574), Restricted Funds of £2,235,603 (2022: £2,207,846) and the Fund – Capital of £158,248,339 (2022: £157,973,979).

The total net income (before transfers) and other recognised gains and losses of all funds of the Foundation amounted to a deficit of £253,661 (2022 £3,048,490).

Overall, total income across all Funds increased by £3,527,590 to £28,159,544. Total expenditure increased during the year by £2,921,465 to £30,192,193. Net gain on the listed investment portfolio was £1,919,171 in 2023; net loss of £7,107,903 in 2022. Net loss on the investment property portfolio was £218,183 in 2023 and a net gain of £3,251,184 in 2022.

Independent Schools' Fund – School fee income (net of assisted places and scholarships) increased by £1,679,642 (9.0%) and is in line with our plans.

Income in the **Fund - Income** increased by 22% to £4,794,716 during the year.

The **Endowment Fund - Capital** received the proceeds from the sale of freehold properties owned by the Foundation and realised a gain of £60,109. Following the valuation there was an unrealised net loss of £218,183 from the investment property portfolio and £1,822,094 net gain in the listed investment portfolio.

**The Schools of King Edward VI in Birmingham
Governor's Report – Financial Review
For the year ended 31 August 2023**

The gains were offset by investments costs, depreciation charged to the Fund and the FRS 102 pension deficit.

The transactions during the year in the Fund Capital were as shown below:

	2023	2022
	£	£
Balance at 1 September	157,973,979	162,539,622
Net gains/(losses) on Investments	1,822,094	3,420,899
Net gains/(losses) on Investment Properties	(278,292)	(6,686,402)
Expenditure (investment costs and depreciation)	(1,120,016)	(920,890)
Transfers from Other Funds:		
- Transfer to Endowment Income Funds	-	-
- Amortisation of Sale of Interest in land	(209,536)	(209,536)
- Net gains/(losses) on sale of Investment Properties	60,109	(169,715)
Balance at 31 August	158,248,338	157,973,979

Pensions

The teaching staff of the Independent Schools are eligible to join the Teachers' Pension Scheme (TPS) to which the Governors contributed 23.68% of salaries. This is an unfunded scheme open to the teaching profession. It is not managed by the Governors.

Non-teaching staff of the Independent Schools and the Foundation Office have previously been eligible to join a pension scheme operated by the Governors. This is known as the Schools of King Edward VI in Birmingham Retirement Benefits Scheme (the Defined Benefit Scheme). As detailed in Note 21 to the accounts, this Defined Benefit Scheme was closed to new members from April 2010, and a new defined contribution scheme became operational.

The last triennial actuarial valuation of the Retired Benefit Scheme liability was as at 31 March 2021 and has been considered by Governors. Since 2012 Governors have made additional contributions as part of a pension recovery plan in 2018/19. During 2022/23 this amounted to £413,609 (2021/22: £395,870).

Governors received the FRS 102 pension report on the Governors' Defined Benefit Pension Scheme which showed a reduction in the pension liability from £2,773,000 to £2,354,000. This reduction is largely driven by a reduction in the value of scheme liabilities due to significant increases in corporate bond yields over the period, which is partially offset by an increase in long term inflation expectations.

The Schools of King Edward VI in Birmingham

Governor's Report – Structure, Governance and Management

For the year ended 31 August 2023

Charity Governance Code

The Charities Governance Code explains the minimum standards you should meet to effectively manage and control your Charity. Good governance involves putting in place systems and processes to ensure that your Charity achieves its charitable objectives with integrity and is managed in an effective, efficient, accountable and transparent way. The below sets out the way the Foundation has adopted the six core principles of this code:

Principle 1. Advancing charitable purpose

The Board is clear about the Charity's aims and ensures that these are being delivered effectively and sustainably. This was enhanced in 2021 by the creation of a new Foundation Strategy. During the 2021/22 financial year, a series of key performance indicators were developed to drive and monitor progress against the strategic priorities and objectives set out in the Foundation Strategy. The Board receives regular progress reports in relation to these objectives.

Principle 2. Acting with integrity

The Board acts with integrity, adopting values and creating a culture which help achieve the organisation's charitable purposes. The Board is aware of the importance of the public's confidence and trust in charities, and trustees undertake their duties accordingly. The Board ensures that appropriate risk management processes are in place, ensures that appropriate safeguarding training and procedures are in place, is cognisant of the Foundation's Equality, Diversity and Inclusion policy and is working with the senior executive team to develop an action plan for delivering the Foundation's sustainability strategy.

Principle 3. Leading people

The Charity is led by an effective Board that provides strategic leadership in line with the Charity's aims and values. This will be further enhanced by a revised set of governance arrangements which the Charity has introduced in September 2022. The Foundation Strategy clearly sets out a range of strategic priorities and objectives that are in line with the Charity's aims and values and against which the Board can hold the senior executive team to account.

Principle 4. Exercising control

The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored. This is further enhanced by work from our third-party internal audit provider. The Board describes the Charity's approach to risk in its annual report and in line with regulatory requirements. The Board and all its committees have clear terms of reference which are reviewed and signed off on a periodic basis. The Foundation's Scheme of Financial Delegation clearly sets out the specific resourcing decisions which can be taken at committee level and reported to Board.

Principle 5. Working effectively

The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions. This has been further enhanced by a revised set of governance arrangements which the Charity introduced in September 2022. The Board has a Nominations Committee, regularly considers whether the appropriate mix of knowledge and skills are in place, ensures that Governor induction processes and training and development opportunities are in place and arranges an annual Governor Conference where issues relating to Board effectiveness can be discussed.

Principle 7. Being accountable and transparent

The Board leads the organisation in being transparent and accountable. The Charity is open in its work, unless there is good reason for it not to be. The Foundation has developed a high-level external relations strategy and will be working over the coming months to increase capacity and focus in this area, including the production of a detailed action plan. The Board maintains a register of interests for Governors and senior staff to ensure that any potential conflicts of interest are identified and appropriately managed.

In addition to the above the Foundation recognises the importance and value in equality, diversity and inclusion. The following sets out the Foundation's approach.

Equality, diversity and inclusion - The Board's approach to diversity supports its effectiveness, leadership and decision-making. This was enhanced by the establishment of an Equality, Diversity and Inclusion Committee in October 2020. The Committee has established a clear set of objectives and associated key performance indicators and has undertaken both staff and governor surveys. This has provided a baseline for perceptions of equality, diversity and inclusion issues across the organisation and will support decision making moving forward. Training has also been a key area of focus for the committee to ensure that staff and governors are aware of equality, diversity and inclusion issues.

The Schools of King Edward VI in Birmingham

Governor's Report – Structure, Governance and Management

For the year ended 31 August 2023

Risk Management Policy and Systems

The objectives of the Foundation's Risk Management Policy and Strategy are to:

- Integrate risk management into the culture of the Foundation.
- Manage risk in accordance with best practice.
- Anticipate and respond to changing social, environmental, and legislative requirements.
- Prevent loss, disruption, damage, and injury and reduce the cost of risk, thereby maximising resources.
- Inform policy and operational decisions by identifying risks and their likely impact.
- Raise awareness of the need for risk management.

These objectives will be achieved by:

- Using the control attestations and risk event logging to identify, manage, and report on our risk management and compliance.
- Establishing clear roles, responsibilities, and reporting lines within the Foundation for risk management.
- At a Trust level; termly risk reporting to the Audit, Risk and Compliance Committee.
- At a Trust level; annual risk reporting to the Foundation and Academy Trust Boards.
- At a school level; termly risk reporting to the School Governing Body.
- Incorporating risk management considerations into the decision-making process within the Foundation; this is achieved through the Head of Risk and Compliance participation in the Foundation Leadership Group.
- Maintaining Risk Registers for all significant projects.
- Using the Risk Registers to inform the School Development Plan, School strategies, and budgetary considerations.

Our risk methodology looks at threats to fifteen areas across the Foundation known as 'risk categories' – each category has a pre-mitigation risk score; determined by assessing the likelihood and impact of risks in those categories if no mitigating factor was applied.

Risk categories are the areas of the organisation which are exposed to risk, each has a description of what impact a risk could pose in that area. Controls have been mapped against each risk category and these serve to mitigate any potential risks.

Below is the list of risk categories and their mapped controls:

The Schools of King Edward VI in Birmingham
Governor's Report – Structure, Governance and Management
For the year ended 31 August 2023

Risk category	Description	Controls
<i>Areas of the organisation that could be exposed to a risk</i>	<i>What risks could occur in this area?</i>	<i>What internal controls you have in place to mitigate this risk</i>
Risk and Compliance	As public authorities our schools must comply with regulatory standards, failure to do so could result in a failed inspection or in serious situations legal action.	Policy Management Risk Register Website compliance
Safeguarding	Safeguarding is one of the main priorities of a school, failure to have appropriate safeguarding controls in place can lead to the death, injury or abuse of a student or staff member. This could result in litigation, regulatory action, and Ofsted inadequate rating.	Access Safer recruitment KCSIE Training DSL Training Single Central Record Safeguarding audits Safeguarding governor
Data Protection	Data protection failures can lead to disruption in learning, complaints or regulatory investigation which can result in fines.	Data Protection Policies and Privacy Notices up to date and on website. GDPR training Breach/SAR/FOI reporting Data Mapping Internal Data Audit
Educational Outcomes	Without appropriate measures the quality of education at the school could decline which will have an impact on rating, student numbers, staff retention and finances.	Lesson observations Internal Quality Assurance External Quality Assurance
Behaviour and Attendance	Significant loss of reputation, censure from regulators such as deemed to be requiring special measures due to failing to give its pupils an acceptable standard of education.	Behaviour Monitoring Attendance Monitoring
SEND Delivery	Disabled pupils and/or those with special educational needs and/or those for whom the pupil premium provides support, are under achieving.	EHCP Mid-term reviews Qualified SENDCO SEND Local Offer on Website SENDCO Governor Accessibility Plans
HR	The school has insufficient or inadequate staffing to meet education expectations.	Performance Management Recruitment Planning
Reputation	Reputation of school and/or its relationship with local community declines and this impacts PAN.	Student recruitment Communication with parents/local community

The Schools of King Edward VI in Birmingham
Governor's Report – Structure, Governance and Management
For the year ended 31 August 2023

Risk category	Description	Controls
<i>Areas of the organisation that could be exposed to a risk</i>	<i>What risks could occur in this area?</i>	<i>What internal controls you have in place to mitigate this risk</i>
Admissions	Our schools should have appropriate admission arrangements that comply with regulatory responsibilities and align with our charity's mission statement.	Compliance with the School Admissions Code and School Admission Appeals Code
		Entrance test contract
		Appeals panel arrangements (grammar schools)
		Invigilation
		Special arrangements panel
		Appeals presenting service contract (comprehensive schools)
Growth	Without new comprehensive schools in the pipeline, we will not meet our strategic objectives and fulfil our charity mission statement.	Due diligence
		Project plan
		Pipeline of potential joiner schools
Estates and Sustainability	The school estate is in a state of disrepair which presents a health + safety risk to the staff, students and visitors. Insurance provision is not adequate to protect the organisational liability.	Health and Safety Contract
		LBCT Return
		Health and Safety Audit
		Catering Contract
Governance	The school either does not have sufficient governance in place to ensure its effective operation or suffers from a severe governance failure.	Recruitment
		Training/ Knowledge/ Skills
		Engagement & Commitment
		Succession Planning
		Conflicts of Interest
		Clerks Recruitment
		Clerks Training/ Knowledge/ Skills
Cyber Security	Without cyber protections schools are at risk of attack with could have financial, regulatory consequences and disruption to teaching.	Have Offline Back-Ups
		Undertake NCSC Cyber Security Training
		Register with Police Cyber Alarm
		Cyber Response Plan

**The Schools of King Edward VI in Birmingham
Governor's Report – Structure, Governance and Management
For the year ended 31 August 2023**

Risk category	Description	Controls
<i>Areas of the organisation that could be exposed to a risk</i>	<i>What risks could occur in this area?</i>	<i>What internal controls you have in place to mitigate this risk</i>
Finance	The school does not have sufficient funds to maintain staffing and education standards, if not resolved could result in debt and bankruptcy.	Segregation of duties
		Access controls
		Approval and authorisation
		Physical Controls
		Record Keeping
		Reconciliation
		Independent audits
		Compliance
		Treasury and Endowment Management
		Financial Reporting
		Budgeting
		Asset Management
Procurement controls		
Digital and Technology	The IT arrangements in a school are not robust and expose the organisation to potential failures which could have a detriment on educational outcomes.	Daily Back-ups
		Disaster Recovery Plan
		Physical Network
		Wi-Fi & Servers
		Third Party System Support
		Governor IT Provision

The Schools of King Edward VI in Birmingham

Governor's Report – Structure, Governance and Management

For the year ended 31 August 2023

Reserves Policy

Governors recognise that the Foundation's endowment cannot be regarded as entirely free funds given the degree of dependence upon the income from it. Governors seek to maximise the return from this endowment within the context of acceptable risk to capital and apply a total return approach in the strategic management of the investment portfolio.

The Governors will endeavour to generate a sufficient level of total return from the Endowment to enable its capital value to be maintained in real terms in perpetuity and a growing level of annual expenditure to be distributed to support the charitable objectives in the year of receipt or subsequently. For the purposes of assessing whether the Foundation is meeting its objectives, performance over the six year period of the existing strategic plan (2021/22 to 2026/27) is the primary focus. When the investment objective is exceeded, Governors balance the desirability and value of immediate expenditure with the alternative of increasing the Endowment Fund and future long-term sustainable income. Where the investment objective is not met, Governors will seek to reduce expenditure. However, they seldom envisage spending the capital endowment fund and will do so only in exceptional circumstances.

As stated above, the Foundation policy is to generate sufficient income to provide support for the Foundation and its constituent schools in accordance with the Foundation strategic plan whilst maintaining the real value of the capital endowment fund for the long term. Governors recognise that over the short to medium term, as the Foundation delivers its strategic objectives on widening accessibility and continues to focus on reducing the defined benefit pension scheme deficit, additional financial resources will be required. Hence until the end of the financial year 2025/26 the spend rate has been set at a level above the best estimate of the long term sustainable spend rate.

The Foundation has set a target for annual expenditure to be no more than 3.5% of the value of the endowment with the current level of expenditure hitting this target. The Board has agreed to exceed this over the next few years in order to support the delivery of the Foundation Strategy and the five-year financial forecast shows a positive direction of travel, with the 3.5% target being achieved by the end of the five-year forecasting period.

The Governors calculate that the free reserves available to the Foundation, comprising the Unrestricted Funds and the Endowment Fund – Capital, amount to £163,363,885 (2022: £163,643,941), although in practice the Endowment Fund - Capital is managed as if it is a Permanently Endowed Fund with all spending from the Fund carefully considered. The amount of funding that could be realised by disposing of tangible fixed assets is £28,633,764 (2022: £28,125,872).

It is possible that in the short term, as withdrawals are made from capital, the value of the property and listed investment portfolio will not keep pace with inflation.

Within the total of free reserves is a Designated Fund of £1,082,526 (2022: £1,032,526). This represents funds that have been set aside in previous accounting periods. Within this balance, only the funds set aside within the Widening Access Fund (£259,083) will be committed over the next year. The timing of when commitments will be required in relation to other elements of the Designated Fund is to be determined.

The amount of funds that are held by the Foundation which are restricted and not available for the general purposes of the charity are those funds held within the Permanent and Expendable Endowment Fund and the Restricted Fund of £12,623,815 (2022: £12,597,420).

The Schools of King Edward VI in Birmingham

Governor's Report – Structure, Governance and Management

For the year ended 31 August 2023

Going Concern

The Governors assess whether the use of the going concern basis for preparing the financial statements is appropriate and whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

The Governors have considered the principal risks and uncertainties facing the Charity (for example, whether the economic climate particularly during the current cost of living crisis, has affected the ability of some parents to pay School fees which, alongside the value of the Foundation's endowment and the income derived from it, is an important factor in long term financial planning). The management team also carefully monitor the level of scholarships and bursaries to ensure that the grant commitments are maintained at a sustainable level.

The Governors believe that the preparation of these accounts under the going concern basis remains appropriate, and they have made this assessment in respect of a period of one year from the date of approval of the financial statements.

Investment Powers and Policy

Investment Powers are governed by the 1900 Act as amended by the Scheme of 2012 and the Trustee Act 2000. The investments comprise the property portfolio and narrow and wide range quoted investments.

The policy of the Foundation is to manage the Foundation assets in accordance with statutory constraints, with a view to achieving an income that will allow it to further its educational objectives immediately, whilst at the same time bearing in mind that the assets must be invested in such a manner that they produce appropriate future income. The Foundation has delegated the day-to-day management of the listed investment portfolio to Barclays Wealth.

The investments have continued to be managed in line with the Governors' policy and instructions. Portfolio performance is measured regularly against a custom benchmark, comprising an appropriate market index selected for each asset class as agreed between the Investment Managers and the Governors. The overall total return performance achieved on the main portfolio for the year to 31 August 2023 was 3.11% (2022: - 6.19%) net of fees, against a composite benchmark of 2.18%.

Ethical Investment Policy

The Foundation's overarching responsibility is to maximise its returns on investments in order to pursue its charitable objectives. Specific investments are made in properties and listed investments in accordance with an overall strategic investment asset allocation policy approved by the Investment Committee. This Committee regularly reviews the investments and engages in pragmatic dialogue with the Foundation's Investment Manager and Property Advisor about any areas of ethical concern which they have identified.

The Foundation will, after a full evaluation of the known facts, consider disinvesting or refraining from investing in specific securities, assets or businesses that are associated with activities perceived to be unethical. The Foundation believes that this ethical investment policy will not result in any significant financial detriment, with the balance of all impartial research indicating that an ethical investment policy neither adds to nor detracts from investment performance.

Auditors

Crowe U.K. LLP are the external auditors for the 2022/23 financial year.

The Governors are not aware of any relevant audit information of which the auditors are unaware. The Governors have taken all steps they consider necessary to make themselves aware of any relevant information and to establish that the auditors are aware of that information.

The Schools of King Edward VI in Birmingham

Governor's Report - Future Plans

For the year ended 31 August 2023

In order to meet their aims and objectives, Governors have planned the following activities:

- Governors will continue to keep a close watch on the financial and property markets and wider economic climate to ensure that they maximise opportunities for growth of the current portfolios and income, whilst being aware of the potential long-term headwinds which may result from the volatility of the external environment, including the global recovery from the pandemic, the war in Ukraine and the impact of continued levels of high inflation.
- Exciting plans to develop the Edgbaston campus are progressing with architects currently developing an estate masterplan for the site in support of the educational vision for the two independent schools towards the KES 500-year anniversary in 2052. The masterplan is expected to be complete by early 2024 with the initial campus development decisions planned for later in 2024.
- Governors will continue to work with the Trustees of the Academy Trust to increase the number of children in Birmingham that can benefit from an education supported by the Foundation. An overarching principle will be that such growth is manageable and targeted at more disadvantaged areas of the city. King Edward VI Kings Norton School for Boys formally joins the Academy Trust, and the Foundation in early 2024 and conversations are ongoing with the Heads of other comprehensive schools that have expressed an initial interest in joining the Academy Trust and Foundation.
- There will be further development and implementation of an approach to school improvement that can harness the best talent already working in our schools, as well as partnering with other schools, Multi Academy Trusts, Charities, and stakeholders. To enable this, we created an Educational Support and Growth team in 2019/20 and developed a Foundation strategy in 2021 centred around learning with us, working with us and partnering with us. In April 2022 a new Director of Education took up post and has continued to extend our programme of school improvement and collaborative activities to benefit staff and students across and beyond the Foundation's schools. A particular focus will continue to be placed on remote and blended learning utilising technology, supporting disadvantaged pupils, and engaging in meaningful 'catch up' initiatives to counteract the impacts of lost learning during the Covid 19 pandemic.
- Continued implementation of an HR strategy will improve the recruitment, development, deployment, and retention of staff across our schools. This will be supported by a new integrated HR and Payroll system that will reduce the level of manual processing and enhance efficiency as new schools join.
- Having effective governance structures has been identified as a priority. The creation of the Academy Trust led to a proliferation of committees and meetings, with many Governors expected to serve on multiple overlapping committees. In September 2022 we adopted a new structure that streamlines our governance whilst simultaneously providing more strategic oversight of our legal entities and schools. This has been enormously successful and will continue to be evaluated and evolved where necessary.
- In order to continue to develop and improve our support services, we will focus in particular on developing and implementing a unified digital strategy, creating an enhanced estates function, increasing our external relations capacity and capability and further developing and implementing our sustainability strategy and approaches to equality, diversity and inclusion.

The Schools of King Edward VI in Birmingham

Governor's Report

For the year ended 31 August 2023

King Edward's School, Birmingham

King Edward's School, Birmingham was founded in 1552 by King Edward VI and is one of the leading independent schools in the UK. Based in Edgbaston, the school shares a 50-acre campus with King Edward VI High School for Girls, which provides extensive space and facilities matched by few day schools in the country.

King Edward's School is a boys' day school having around 900 pupils aged from 11 to 18 in 2022/23. The majority of our pupils join at age 11 and continue through until they are 18 but some join us at other stages, including entering our Sixth Form.

1. School aims

We aim to educate and inspire the cleverest boys in the region to take on the challenges the world presents, to make a significant contribution to that world and, most of all, to enjoy doing so. We seek to achieve this through the three main areas of school life:

Academic

We develop the things that matter most: liveliness of mind, critical thinking, and humanity. These qualities manifest themselves in our pupils' curiosity, their open-mindedness, their focus on interconnectivity, transfer of knowledge and understanding, and their boldness in the pursuit of discovery. We provide them with the means, freedom and opportunities to feed these instincts.

Co-curriculum

We understand that the most important lessons are not only learned in the classroom. It is through the complementary co-curricular life of the school that we seek to enable our pupils to become well-rounded, exceptional, thoughtful and caring young men who are ready both to make the most of the modern world and to make it better for us all. It is about building an awareness and appreciation of the world beyond ourselves.

Pastoral

The lived experience of boys at King Edward's should provide them with a pastoral education that develops the attributes and attitudes to empower them to live balanced lives with meaning and purpose. We aim to shape boys of sound character and strong personal resource, allowing them to approach life's uncertainties with forethought and determination. We want boys to be prepared to learn the value of looking outwards, providing them with opportunities to serve their school and local communities. The breadth of our pastoral education enables pupils to balance the intellectual, physical and emotional aspects of life to achieve a holistic wellness.

The Schools of King Edward VI in Birmingham

Governor's Report

For the year ended 31 August 2023

2. Review of activities

a. Academic results

We introduced School for Thought, a groundbreaking initiative that reimagines the role of Religion and Philosophy in our curriculum. It serves as the intellectual core of our Lower School curriculum, fostering critical, integrative thinking, and equips students with the skills to think critically, imaginatively, and ethically about our complex world.

International Baccalaureate (IB) Diploma results 2023

With an average IB Diploma score of 35.6 points, surpassing the global average of 30.24 points, our students demonstrated solid academic performance.

One in five (20%) of our IB Diploma cohort achieved 40 points or above, which is higher than the UK national average of 16%.

Several pupils achieved exceptional scores, including eight boys who attained either 44 or 43 points.

	Average score	40+ points
2023	35.6	20%
2022	39.6	60%
2021	40.3	62%
2020	39.1	49%

GCSE results 2023

The top grades achieved by Fifth Form pupils in 2023 were all above those recorded in 2019 (the year before COVID-related special arrangements for GCSE grading were in place).

Grade	2023	2019
9	44%	40%
9/8	69%	68%
9/8/7	88%	85%

Of the cohort of 132 pupils:

- 114 (86%) took at least 10 GCSEs
- 13 pupils achieved 10 straight grade 9s.
- 33 pupils achieved all 9/8s across their 10 GCSEs.

In addition to taking 10 GCSEs, 54 pupils also took a Further Maths qualification, and nine of these pupils achieved 11 grade 9s across their GCSE subjects and Further Maths.

The Schools of King Edward VI in Birmingham

Governor's Report

For the year ended 31 August 2023

b. Assisted Places

King Edward's School aims to provide education for able boys, regardless of the financial circumstances of their families. Funding for Assisted Places is provided thanks to a substantial grant from the Governors of the King Edward VI Foundation and generous donations from Old Edwardians.

An Assisted Place is awarded on academic merit based on the school's own entrance examination at 11+ and academic interview at 16+. Assisted Places are means-tested, based on family income and assets.

c. Co-curricular activities

Part of what gives King Edward's School its unique character is the exciting and diverse range of co-curricular opportunities on offer. We strive to have the widest range of activities so that every pupil can find at least one thing that enlivens and enriches his life.

Sport

Among our sporting accolades for 2022/23, we were awarded the School Games Gold Mark, were included in School Sport Magazine's top 30 UK schools for sport and were named in The Cricketer's top 100 senior schools for cricket. We were also delighted that our facilities were used to host cricket and powerlifting during the International Blind Sports Federation World Games in the summer of 2023.

Performing Arts

We delivered a full programme of concerts, recitals, performances, and large-scale productions in conjunction with KEHS, including the Junior Production (Goodnight Mister Tom), and Senior Production (Little Shop of Horrors). We were also pleased to host Old Edwardian Jonathan Coe, who returned to KES to discuss his most recent book in conversation with Prof Philip Horne from UCL.

Clubs and societies

Clubs and societies are an integral part of school life. With around 50 to choose from, there is an opportunity for everyone, and an increasing number are run jointly with KEHS. A particular highlight of the year was our first Culture Week, supported by many of our clubs and societies. Another

Friday afternoon activities

Friday afternoons are entirely set aside for such activities as the Combined Cadet Force (CCF), the Leadership programme and a wide range of Service and Partnership activities such as music and sports coaching and visits to primary schools, care homes, hospitals, animal sanctuaries and organisations supporting refugees. The first CCF Annual General Inspection since the Covid-19 pandemic took place during 2022/23, and it was a beautiful event well attended by parents.

Trips

The variety of trips on offer at the school are a really important part of our co-curricular life and contribute enormously to the school's appeal and reputation. We delivered a full programme of trips – around 140 in total – during 2022/23, both in the UK and Europe, including some language-focused trips, such as the Classics trip to Greece, run in conjunction with KEHS, and the first ski trip since before the pandemic.

3. Partnerships and Participation

Our Partnerships and Participation programme supports primary school teachers in raising aspirations, offering free activities and access to our facilities to complement and extend what children are doing in school. The 2022/23 programme culminated in the annual Summer School, delivered in conjunction with KEHS, which saw 90 Year 4 pupils from 22 primary schools – predominantly those working at greater depth, with a focus on those who are disadvantaged – taking part in three days of enrichment activities, including psychology, chemistry, debating, drama, and sport.

In addition to our work with primary schools, we also work collaboratively with other schools in the King Edward VI Foundation, Birmingham. With KEHS, we began supporting King Edward VI Balaam Wood Academy with a specially developed programme for extension and enrichment activities for its students, and we also hosted several Foundation-wide student events including the Health and Society Lower Sixth Academic Conference and a Model United Nations Conference.

4. Future Plans

Jointly with KEHS and the Foundation, we launched a Masterplan project to take a long-term holistic view of how our shared 50-acre campus could develop in the coming years. The project will identify potential areas to repurpose or refurbish and any new facilities which would be beneficial. Crucially, it will also propose a sequence for development. Sustainability and accessibility will be at the heart of the project, both in reviews of the current and future usage of existing facilities and in any new builds that are proposed. Student, staff, and parent consultation activities have taken place, and the entire project is due to take until the end of 2023.

We also announced that from September 2024, KES and KEHS would have a fused Chief Master & Principal, with Mrs Kirsty von Malaisé, current Principal of KEHS, due to take on this new role following the retirement of Dr Katy Ricks, KES Chief Master, at the end of the 2023/24 academic year. The future of the schools will see a further harmonisation of pupil and staff experience which has begun during 2022/23 under the existing integrated leadership team, which brings together senior leaders from each school and some who work across both schools, building on the schools' core strengths to offer the best education, within and beyond the curriculum.

The Schools of King Edward VI in Birmingham

Governor's Report

For the year ended 31 August 2023

King Edward VI High School for Girls, Birmingham

1. Aims and ethos

King Edward VI High School for Girls was founded in 1883 and is, today, a wonderful blend of tradition and innovation. It is one of the leading independent schools in the UK and shares its 50-acre campus in Edgbaston with King Edward's School. Its emphasis on liberal learning, established when it was founded, continues through a broad and balanced academic curriculum, which promotes intellectual freedom and discovery coupled with a wide range of co-curricular activities, all delivered in a supportive and nurturing environment.

KEHS is a girls' day school having around 660 pupils aged from 11 to 18 in 2022/23. Most of our pupils join at age 11 and continue through until they are 18 but some join us at other stages, including entering our Sixth Form.

School aims

KEHS is a school synonymous with intellectual ambition. With a mission to offer an unrivalled education to the brightest girls in the West Midlands, irrespective of their social or economic background, KEHS is a leading voice in the educational life of the UK.

We aim:

- To impart the joy of learning and enquiry together with intellectual courage, with the resilience and adaptability requisite for this
- To develop integrity, resolve, self-knowledge, compassion, and respect for others
- To inspire the confidence and purpose to make a difference to our community and beyond.

To realise these aims:

- We provide outstanding teaching through a forward-looking and challenging curriculum and a culture of scholarship, going beyond the confines of the exam specifications, and making connections across disciplines.
- We provide proactive pastoral support which promotes the development of balanced, self-reflective, and assertive pupils with a strong moral compass.
- We offer an education rich in extra-curricular opportunities, which develop leadership and wider skills, as well as character and perspective.
- We provide high-quality training for staff to ensure ongoing professional and institutional development, building on a long tradition of our staff nourishing the intellectual life of the school through their own interests.
- We offer means-tested Assisted Places and help those outside the school with a strong outreach and community service programme.

We began our 140th anniversary celebrations during 2022/23. Around 600 guests enjoyed the KEHS 140th Anniversary Celebration at Town Hall, an event which brought our 140-year history to life through drama, music, dance and poetry. Nearly 200 KEHS and 30 KES students took to the stage, and there were also contributions from Old Edwardians and staff both present and former. Our 140th Anniversary Assisted Places Appeal secured a match fund of up to £70,000 from an Old Edwardian. Celebrations will continue throughout 2023.

The Schools of King Edward VI in Birmingham

Governor's Report

For the year ended 31 August 2023

2. Review of activities

a. GCSEs

The results achieved by the Upper Fifth in 2023 were above those ever-recorded pre-pandemic and the percentage of 9-8 and 9-7 grades was also higher than those of 2022, which was the final year that COVID-related special arrangements were in place for GCSE grading.

Of the total cohort of 87 students, 77 (89%) took 10 or more GCSEs. Fourteen students achieved 10 straight grade 9s and one student achieved 11 straight grade 9s. A total of 27 students (31%) achieved nine or more GCSEs at grade 9.

Grade	2023	2019
9	59.5%	59.4%
9/8	85%	82%
9/8/7	97%	85%

nb.one decimal place shown to enable comparison with 2019.

b. A Levels

In 2023, Upper Sixth students achieved a set of A Level results better than those ever-recorded pre-pandemic.

Grade	2023	2019
A*	43%	36%
A*/A	78%	77%
A* - B	95%	95%

43% is the school's highest ever proportion of A* grades, excluding 2020-2022 when COVID-related special measures were in place for A Level grading.

Of the cohort of 92 students, 18 (20%) achieved straight A*s. Reflecting the breadth of students' academic interests, 26% took four or more A Level subjects and 27% took the Level 3 Extended Project Qualification, an independent research project which extends and develops students' abilities beyond the traditional A Level syllabus.

The Schools of King Edward VI in Birmingham

Governor's Report

For the year ended 31 August 2023

b. Assisted Places

King Edward VI High School for Girls aims to offer an exceptional education to the brightest girls in the Birmingham area, irrespective of their parents' ability to pay fees. Funding for Assisted Places is provided thanks to a substantial grant from the Governors of the King Edward VI Foundation and generous donations from Old Edwardians.

An Assisted Place is awarded on academic merit based on the school's own entrance examination at 11+ and academic interview at 16+. Assisted Places are means-tested, based on family income and assets.

c. Co-curricular activities

At KEHS, we believe co-curricular activities are vital in developing rounded, balanced students who enrich the life of the school as well as fulfilling their academic potential. We offer more than 70 clubs and societies per week for girls to sample exciting experiences. Our Young Enterprise team "NOVA", which created tie-dye tote bags, attended the County Finals, winning the Best Presentation Award and the Best Innovation and Technology Award, and we were pleased to hold our first ever Poetry Slam, which was judged by Old Edwardian and Birmingham Poet Laureate Jasmine Gardosi.

The wide variety of trips on offer – around 100 each year – is a really important part of school life and contributes enormously to our appeal and reputation. Our first overseas sports tour since the Covid pandemic took place – a netball and hockey tour to South Africa – and some language-focused trips, such as the Classics trip to Greece, ran in conjunction with KES.

In Sport, we continued to offer world-class coaching and outstanding facilities across multiple sports, with all abilities catered for including students on national development pathways. Our under-12 cricket team once again triumphed at the Birmingham School Games, and our under-18 netball team won their county tournament undefeated.

In the Performing Arts, we delivered a full programme of concerts, recitals, performances and large-scale productions in conjunction with KES, including the Junior Production (*Goodnight Mister Tom*), and Senior Production (*Little Shop of Horrors*).

Charitable and service activities included the further embedding of the King Edward's Home Bank, collecting hygiene products for local support services, and thriving Food Bank.

3. Partnerships and Participation

Our Partnerships and Participation programme supports primary school teachers in raising aspirations, offering free activities and access to our facilities to complement and extend what children are doing in school. The 2022/23 programme culminated in the annual Summer School, delivered in conjunction with KES, which saw 90 Year 4 pupils from 22 primary schools – predominantly those working at greater depth, with a focus on those who are disadvantaged – taking part in three days of enrichment activities, including psychology, chemistry, debating, drama and sport.

In addition to our work with primary schools, we also work collaboratively with other schools in the King Edward VI Foundation, Birmingham. With KES, we began supporting King Edward VI Balaam Wood Academy with a specially developed programme for extension and enrichment activities for its students, and we also hosted several Foundation-wide student events including an Enterprise Day and Philosothon.

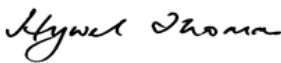
In recognition of our TuneUp Arts education programme, and its Culture in Common project, which was part of the Birmingham 2022 Festival, our Principal attended the ISC Celebrating Partnerships booklet launch at the House of Commons, accompanied by the headteacher of another Birmingham secondary school which had taken part in the project.

**The Schools of King Edward VI in Birmingham
Governor's Report
For the year ended 31 August 2023**

4. Future Plans

Jointly with KES and the Foundation, we launched a Masterplan project to take a long-term holistic view of how our shared 50-acre campus could develop in the coming years. The project will identify potential areas to repurpose or refurbish and any new facilities which would be beneficial. Crucially, it will also propose a sequence for development. Sustainability and accessibility will be at the heart of the project, both in reviews of the current and future usage of existing facilities and in any new builds that are proposed. Student, staff, and parent consultation activities have taken place, and the entire project is due to take until the end of 2023.

We also announced that from September 2024, KEHS and KES would have a fused Chief Master & Principal, with Mrs Kirsty von Malaisé, current Principal of KEHS, due to take on this new role following the retirement of Dr Katy Ricks, KES Chief Master, at the end of the 2023/24 academic year. The future of the schools will see a further harmonisation of pupil and staff experience which has begun during 2022/23 under the existing integrated leadership team, which brings together senior leaders from each school and some who work across both schools, building on the schools' core strengths to offer the best education, within and beyond the curriculum.



Prof H Thomas
Chair



Mr F Kinkhabwala
Bailliff

The Schools of King Edward VI in Birmingham Statement of Governors' Responsibilities For the year ended 31 August 2023

The Governors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

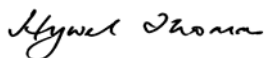
Charity law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Charity Law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Governors on 13th December 2023, and signed on its behalf by:



Prof H Thomas
Chair



Mr F Kinkhabwala
Bailiff

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

Opinion

We have audited the financial statements of The Schools of King Edward VI in Birmingham (the 'charity') for the year ended 31 August 2023 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 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

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.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM (CONTINUED)

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, 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 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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, the Trustees are responsible for the preparation of the financial statements which 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 liquidate the charity or 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 144 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 SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM (CONTINUED)

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 identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and 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 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 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 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 13th December 2023

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:						
Donations and legacies	4	100	150	-	250	31,330
Charitable activities:	6					
Fees receivable		20,378,757	-	-	20,378,757	18,699,114
Ancillary trading income		2,689,955	-	-	2,689,955	1,710,919
Non-ancillary trading activities	7	219,083	-	-	219,083	249,149
Investments	8	3,614,228	20,417	52,938	3,687,583	2,978,978
Other income	9	1,183,916	-	-	1,183,916	962,463
Total income and endowments		28,086,039	20,567	52,938	28,159,544	24,631,953
Expenditure on:						
Raising funds	10	535,487	-	169,211	704,698	701,225
Charitable activities	11	28,392,503	40,312	1,054,680	29,487,495	26,569,500
Total expenditure		28,927,990	40,312	1,223,891	30,192,193	27,270,725
Net expenditure before net gains/(losses) on investments		(841,951)	(19,745)	(1,170,953)	(2,032,649)	(2,638,772)
Net gains/(losses) on investments		-	47,502	1,653,486	1,700,988	(3,856,718)
Net (expenditure)/income		(841,951)	27,757	482,533	(331,661)	(6,495,490)
Transfers between funds	25	209,536	-	(209,536)	-	-
Net movement in funds before other recognised gains		(632,415)	27,757	272,997	(331,661)	(6,495,490)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	30	78,000	-	-	78,000	3,447,000
Net movement in funds		(554,415)	27,757	272,997	(253,661)	(3,048,490)

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Reconciliation of funds:					
Total funds brought forward	5,669,962	2,207,846	168,363,553	176,241,361	<i>179,289,851</i>
Net movement in funds	(554,415)	27,757	272,997	(253,661)	<i>(3,048,490)</i>
Total funds carried forward	<u>5,115,547</u>	<u>2,235,603</u>	<u>168,636,550</u>	<u>175,987,700</u>	<i><u>176,241,361</u></i>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 38 to 72 form part of these financial statements.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**BALANCE SHEET
AS AT 31 AUGUST 2023**

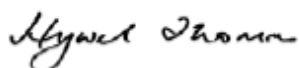
	Note	2023 £	2022 £
Fixed assets			
Intangible assets	15	346,700	345,697
Tangible assets	16	28,633,764	28,125,872
Investment property	17	50,726,020	49,518,730
Investments	18	96,367,337	93,594,609
		176,073,821	171,584,908
Current assets			
Debtors	19	1,374,109	1,159,333
Short term deposits		864,034	850,707
Cash at bank and in hand		5,537,473	10,788,641
		7,775,616	12,798,681
Creditors: amounts falling due within one year	20	(4,445,091)	(4,299,077)
Net current assets		3,330,525	8,499,604
Total assets less current liabilities		179,404,346	180,084,512
Creditors: amounts falling due after more than one year	21	(1,062,646)	(1,070,151)
Net assets excluding pension liability		178,341,700	179,014,361
Defined benefit pension scheme liability	30	(2,354,000)	(2,773,000)
Total net assets		175,987,700	176,241,361

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023**

	Note	2023 £	2022 £
Charity funds			
Endowment funds	25	168,636,550	168,363,553
Restricted funds	25	2,235,603	2,207,846
Unrestricted funds			
Unrestricted funds excluding pension asset	25	7,469,547	8,442,962
Pension reserve	25	(2,354,000)	(2,773,000)
Total unrestricted funds	25	5,115,547	5,669,962
Total funds		175,987,700	176,241,361

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



Prof H Thomas
Chair



Mr F Kinkhabwala
Bailiff

Date: 13th December 2023

The notes on pages 38 to 72 form part of these financial statements.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	26	(3,394,653)	(3,347,781)
Cash flows from investing activities			
Interest received		97,958	7,477
Rent received from investment properties		2,068,512	1,846,604
Proceeds from the sale of investment properties		871,410	6,280,285
Proceeds from the sale of investments in shares		21,615,966	21,857,025
Purchase of investments in shares		(22,337,810)	(23,163,823)
Purchase of tangible fixed assets		(1,666,214)	(2,189,632)
Purchase of investment properties		(2,236,773)	(4,830,694)
Movement in cash awaiting investment in shares		(256,238)	(119,465)
Net cash used in investing activities		(1,843,189)	(312,223)
Change in cash and cash equivalents in the year		(5,237,842)	(3,660,004)
Cash and cash equivalents at the beginning of the year		11,639,348	15,299,352
Cash and cash equivalents at the end of the year	27	6,401,506	11,639,348

The notes on pages 38 to 72 form part of these financial statements

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1. General information

The Schools of King Edward VI in Birmingham (the "Foundation") is a charitable trust, registered in England and Wales and its Charity registration number is 529051. The registered office and principal place of business is Foundation Office, Edgbaston Park Road, Birmingham, B15 2UD. Its principal activity is the provision of schooling.

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) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Schools of King Edward VI in Birmingham meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Governors assess whether the use of the going concern basis for preparing the financial statements is appropriate and whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Governors have made this assessment in respect of a period of one year from the date of approval of the financial statements.

The Foundation has responded to the crisis adjusting its teaching methods and staffing levels. Budgets and forecasts have been stress tested to assess how the Schools could cope under different scenarios. The Governors have concluded that the Foundation is well placed to cope with the continuing uncertainties and has adequate resources to continue providing educational excellence to its pupils for the foreseeable future.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Fees and Similar Income

Fees receivable and charges for the use of premises and facilities are accounted for in the year in which the service is provided. Fees receivable are stated after deducting bursaries, scholarships and other remissions allowed by the Schools. Provisions are made for fees that are considered difficult to recover.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.3 Income (continued)

Rents and Letting income

Rental and Letting income is recognised as received or receivable in respect of the financial year.

Lease Incentives

Lease incentives, such as up-front cash payments, received from the lessee are treated as deferred income and are released on a straight line basis over the life of the lease.

Sales of interest in land

Sales of interests in land are recognised as income in the year of receipt and credited to the Endowment Fund – Capital. The receipts are amortised over the length of the lease and transfers made to the Endowment Fund – Income.

Investment Income

Income, in the form of fixed interest and equity dividends, is earned from investments held during the year, and recognised when receivable.

Donations and legacies

Donations and legacies are accounted for on a receivable basis when receipt is probable and the amount can be reliably measured.

2.4 Expenditure

Liabilities are recognised when either a constructive or legal obligation exists. Expenditure is accounted for on an accruals basis. The irrecoverable element of VAT is included within the item of expense to which it relates.

Raising funds

The cost of generating funds consists of management costs and certain legal fees.

Grant making

Grant making costs shown on the Statement of Financial Activities include the costs associated with the activity and the support costs of the Foundation Office and are charged to the Endowment - Income Fund.

The Foundation provides annual grants to the two Independent Schools from the Endowment Fund – Income and small annual widening accessibility grants to all Academies where sufficient funds are available.

Grants awarded to the Independent Schools are shown as a transfer from the Endowment – Income Fund to the School's Fund on the Statement of Financial Activities.

Costs of the Foundation Office (both governance and grant making) are not allocated to any other fund.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.5 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life and charged to the Capital endowment fund.

The software relates to the new finance system (PS Financials Cloud software) and the new payroll system (iTrent) which is expected to be in use for at least five years.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £20,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method. Freehold land is not depreciated.

Depreciation is provided on the following bases:

Buildings - new	- 50 years
Buildings - refurbished	- 10 years
Leasehold property	- length of lease
Plant and equipment	- 10 years
Motor vehicles	- 5 years

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

Historic assets have been excluded from the balance sheet as reliable cost information is not available and the historic cost is not believed to be material to the accounts.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments held as fixed assets are shown at cost less provision for impairment.

Investment properties are initially measured at cost and subsequently measured at fair value. The investment properties are valued every five years in line with the Royal Institution of Chartered Surveyors Red Book guidance. An annual asset valuation is carried out on an annual basis.

No depreciation is charged on investment properties.

2.8 Financial instruments

The Charity 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.

Debtors

Fees and other debtors which are receivable within one year are initially recognised at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Trade creditors and other liabilities payable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

2.9 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

Rental income received are recognised in the Statement of financial activities on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.10 Pensions

Teaching staff are eligible to join the Teachers' Pension Scheme administered by the Department for Education. Eligible non-teaching staff may join the Defined Contribution Scheme. Contributions to the Teachers' Pension Scheme and the Defined Contribution Scheme are charged to the Statement of Financial Activities in the year they become payable.

Teachers' Pension Scheme (TPS)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over teachers' working lives, in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is a multi-employer scheme but there is insufficient information available to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Governors' Defined Benefit scheme

The Governors' Defined Benefit Pension Scheme, which was closed to new members in 2010, is valued every three years by a professionally qualified independent actuary, who determines the rates of contribution payable. The pension charge in the accounts represents the regular charge adjusted by amortisation of the pension scheme surplus or deficit.

The net gain/loss on the net defined benefit liability is recognised in the Statement of Financial Activities. The difference between the scheme liabilities and the scheme assets is recognised in the unrestricted fund.

2.11 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 Charity and which have not been designated for other purposes. The general fund includes the surpluses arising from the activities of the two Schools.

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.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Endowment funds are donations required to be retained as capital in accordance with the donors' wishes – permanent or expendable according to the nature of the restrictions. The costs of raising and administering such funds are charged against the specific fund.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

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:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Defined benefit pension scheme

The present value of the Governors' Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest review performed at 31 August 2022 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Donated services

The Foundation has included an estimated value of the cost of services (as disclosed in note 4) donated to the King Edward VI Academies. The value of services received by the Academies should be the value of the price that the Academy estimates it would pay in the open market. As it is not practical to measure the value of the services using an open market (fair value basis), SORP 2015 permits donated services received to be measured on the basis of the cost of the gift to the Academy from the Foundation. The cost has therefore been calculated based on an individual estimate of time spent by Foundation staff providing services to the school allocated across the salary costs (including provision for pension and national insurance) but excluding any provision for overheads. Support costs at the Foundation have therefore been allocated between educational support and grant making.

Investment property valuation

The investment property portfolio is externally valued once every five years, with an interim valuation each year. Property valuations are derived from the rental income received on the land or property owned together with the length of the lease. Other property transactions, such as lease incentives are treated in accordance with the relevant accounting policy.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Donations	100	150	250	31,330
Total 2023	100	150	250	31,330
<i>Total 2022</i>	30,180	1,150	31,330	

5. Income from fees receivable

	2023 £	<i>2022 £</i>
Gross school fees (net of bad debts)	24,012,817	22,139,119
Less:		
Governors' Assisted Places Scheme	(2,368,430)	(2,224,166)
Scholarships, remission & staff concessions	(1,265,630)	(1,215,839)
	20,378,757	18,699,114

Scholarships, bursaries and other awards were made to 485 pupils (2022: 483). Within this means tested bursaries totalling £2,368,430 paid to 224 pupils (2022: £2,224,166 to 227 pupils).

In 2023 and 2022 all fees receivable were unrestricted.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

6. Income from ancillary trading income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Catering income	1,025,670	1,025,670	864,234
Extra-curricular activities	1,469,020	1,469,020	615,241
Registration fees	41,453	41,453	30,234
Other ancillary income	153,812	153,812	201,210
	<u>2,689,955</u>	<u>2,689,955</u>	<u>1,710,919</u>
<i>Total 2022</i>	<u>1,710,919</u>	<u>1,710,919</u>	

7. Income from non-ancillary trading

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Lettings	219,083	219,083	249,149
Total 2023	<u>219,083</u>	<u>219,083</u>	<u>249,149</u>
<i>Total 2022</i>	<u>249,149</u>	<u>249,149</u>	

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

8. Investment income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Rental income	2,068,407	-	105	2,068,512	1,846,604
Investment income	1,468,223	16,840	36,050	1,521,113	1,124,897
Bank and other interest	77,598	3,577	16,783	97,958	7,477
Total 2023	<u>3,614,228</u>	<u>20,417</u>	<u>52,938</u>	<u>3,687,583</u>	<u>2,978,978</u>
<i>Total 2022</i>	<u>2,942,581</u>	<u>10,601</u>	<u>25,796</u>	<u>2,978,978</u>	

9. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Other income	1,183,916	1,183,916	962,463
Total 2023	<u>1,183,916</u>	<u>1,183,916</u>	<u>962,463</u>
<i>Total 2022</i>	<u>962,463</u>	<u>962,463</u>	

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

10. Expenditure on raising funds

	Unrestricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Investment management	169,210	169,211	338,421	347,792
Estate management	366,277	-	366,277	353,433
Total 2023	535,487	169,211	704,698	701,225
<i>Total 2022</i>	<i>570,119</i>	<i>131,106</i>	<i>701,225</i>	

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	<i>Total 2022 £</i>
Teaching	16,855,698	-	-	16,855,698	15,753,019
Welfare	718,689	-	-	718,689	698,004
Premises	4,056,172	-	1,052,067	5,108,239	4,262,975
Support costs and governance	4,377,424	-	-	4,377,424	4,224,126
Donated services to Academies	1,156,202	-	-	1,156,202	934,916
Grants, awards and prizes	5,197	40,312	2,613	48,122	72,593
Grant making	1,223,121	-	-	1,223,121	623,867
Total 2023	28,392,503	40,312	1,054,680	29,487,495	26,569,500
<i>Total 2022</i>	<i>25,606,781</i>	<i>64,314</i>	<i>898,405</i>	<i>26,569,500</i>	

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2023 £	Depreciation 2023 £	Other costs 2023 £	Total 2023 £	<i>Total 2022 £</i>
Teaching	12,062,127	-	4,793,571	16,855,698	15,753,019
Welfare	644,880	-	73,809	718,689	698,004
Premises	1,154,384	1,052,067	2,901,788	5,108,239	4,262,975
Support costs and governance	4,371,844	-	5,580	4,377,424	4,224,126
Donated services to Academies	1,156,202	-	-	1,156,202	934,916
Grants, awards and prizes	-	-	48,122	48,122	72,593
Grant making	-	-	1,223,121	1,223,121	623,867
Total 2023	19,389,437	1,052,067	9,045,991	29,487,495	26,569,500
<i>Total 2022</i>	<i>18,082,074</i>	<i>891,045</i>	<i>7,596,381</i>	<i>26,569,500</i>	

12. Auditor's remuneration

	2023 £	<i>2022 £</i>
Fees payable to the Charity's auditor and its associates for the audit of the Charity's annual accounts	43,560	41,600
Fees payable to the Charity's auditor and its associates in respect of: Other compliance services	20,984	16,380

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

13. Staff costs

	2023 £	2022 £
Wages and salaries	15,192,341	14,154,036
Social security costs	1,600,560	1,511,186
Contribution to defined contribution pension schemes	389,749	325,603
Contribution to defined benefit pension schemes	2,206,787	2,091,249
	<u>19,389,437</u>	<u>18,082,074</u>

Included in defined contribution pension scheme is £30 (2022: £1,029) pension payments to former staff.

During the year there were two settlement agreement payments made in the sum of £4,000 (2022: £20,709, one) which is included in staff costs. There were no payments outstanding at the year-end.

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

	2023 No.	2022 No.
Teaching	171	184
Education support	53	52
Maintenance, cleaning, catering and grounds	81	82
Administration	117	103
	<u>422</u>	<u>421</u>

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

13. Staff costs (continued)

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

	2023	<i>2022</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	16	<i>11</i>
In the band £70,001 - £80,000	2	<i>4</i>
In the band £80,001 - £90,000	8	<i>3</i>
In the band £90,001 - £100,000	1	<i>2</i>
In the band £100,001 - £110,000	1	<i>-</i>
In the band £170,001 - £180,000	-	<i>1</i>
In the band £180,001 - £190,000	1	<i>-</i>
In the band £210,001 - £220,000	-	<i>1</i>
In the band £220,001 - £230,000	1	<i>-</i>
In the band £250,001 - £260,000	-	<i>1</i>
In the band £260,001 - £270,000	1	<i>-</i>

The total employee benefit including pension contributions paid to key management personnel was £1,164,796 (2022: £998,051).

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, expenses totalling £834 were reimbursed or paid directly to 3 Trustees (2022 - £438 to 2 Trustees) for travel expenses.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

15. Intangible assets

	Computer software £
Cost	
At 1 September 2022	600,581
Additions	240,169
At 31 August 2023	<u>840,750</u>
Amortisation	
At 1 September 2022	254,884
Charge for the year	239,166
At 31 August 2023	<u>494,050</u>
Net book value	
At 31 August 2023	<u>346,700</u>
<i>At 31 August 2022</i>	<u>345,697</u>

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

16. Tangible fixed assets

	Freehold sites £	Buildings £	Plant and equipment £	Course of construction £	Total £
Cost or valuation					
At 1 September 2022	578,543	38,566,095	494,712	2,192,291	41,831,641
Additions	-	1,096,799	329,246	-	1,426,045
Disposals	-	-	-	(105,252)	(105,252)
Transfers between classes	25,822	1,986,279	74,938	(2,087,039)	-
At 31 August 2023	<u>604,365</u>	<u>41,649,173</u>	<u>898,896</u>	<u>-</u>	<u>43,152,434</u>
Depreciation					
At 1 September 2022	-	13,271,490	434,279	-	13,705,769
Charge for the year	-	770,378	42,523	-	812,901
At 31 August 2023	<u>-</u>	<u>14,041,868</u>	<u>476,802</u>	<u>-</u>	<u>14,518,670</u>
Net book value					
At 31 August 2023	<u><u>604,365</u></u>	<u><u>27,607,305</u></u>	<u><u>422,094</u></u>	<u><u>-</u></u>	<u><u>28,633,764</u></u>
At 31 August 2022	<u><u>578,543</u></u>	<u><u>25,294,605</u></u>	<u><u>60,433</u></u>	<u><u>2,192,291</u></u>	<u><u>28,125,872</u></u>

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Investment property

	Freehold investment property £
Valuation	
At 1 September 2022	49,518,730
Additions	2,236,773
Disposals	(811,300)
Unrealised loss	(278,293)
Realised gain	60,110
At 31 August 2023	<u>50,726,020</u>

An annual asset valuation was carried out at 31 August 2023 by Joseph Lang LaSalle Ltd, with the investment portfolio valued at £50,726,020, based on open market value. The valuation was carried out in accordance with the guidelines set out by RICS.

It is not possible to provide an accurate historical cost of the property portfolio. A significant part of the portfolio was given as charter land at no cost, and costs are not available for acquisitions made some considerable time ago.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Fixed asset investments

	Listed investments £	Cash £	Total £
Market value			
At 1 September 2022	93,475,144	119,465	93,594,609
Additions	22,337,810	(22,337,810)	-
Disposals	(21,615,966)	21,615,966	-
Revaluations	1,914,108	-	1,914,108
Net incomings/(outgoings)	-	672,360	672,360
Accrued Interest & Income	186,260	-	186,260
At 31 August 2023	<u>96,297,356</u>	<u>69,981</u>	<u>96,367,337</u>

Investments at market value comprise:

	2023 £	2022 £
United Kingdom Fixed Interest	12,729,070	18,292,560
United Kingdom Equities	4,144,970	2,376,918
	<u>16,874,040</u>	<u>20,669,478</u>
Overseas Equities	55,171,336	51,684,388
Overseas Bonds	7,650,427	5,869,291
Global Fund	6,392,718	1,058,969
Commodities	4,590,182	5,165,698
Hedge Funds	2,650,186	5,092,030
Alternatives	2,782,209	3,935,290
Shares at market value	<u>96,111,098</u>	<u>93,475,144</u>
Cash at bank awaiting investment	69,979	119,465
Accrued Interest & Income	186,260	-
Total investments at market value	<u>96,367,337</u>	<u>93,594,609</u>

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

19. Debtors

	2023	2022
	£	£
Due within one year		
Fee debtors net of provision	216,673	265,284
Rents	177,436	130,144
Prepayments and accrued income	980,000	343,905
Grants recoverable from the Academy Trust	-	420,000
	1,374,109	1,159,333
	1,374,109	1,159,333

20. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	613,768	817,731
Other creditors	334,821	326,539
Accruals and deferred income (see note 22)	1,975,418	1,807,627
Pupil education deposits	664,463	653,313
Pensions	301,783	295,337
Taxation and social security	554,838	398,530
	4,445,091	4,299,077
	4,445,091	4,299,077

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

	2023	2022
	£	£
Deferred income (see note 22)	1,062,646	1,070,151
	1,062,646	1,070,151

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

22. Deferred income

	2023	2022
	£	£
Deferred income at 1 September	1,907,791	1,980,544
Resources deferred during the year	1,255,553	830,135
Amounts released from previous periods	(837,641)	(902,888)
Deferred income at 31 August	2,325,703	1,907,791

Amounts deferred at 31 August 2023 relate to fees received in advance of £661,136 (2022: £326,947), rents/service charge received in advance of £132,775 (2022: £121,864), trip/catering income received in advance from parents of £461,642 (2022: £381,324) and upfront lease receipts of £1,070,151 (2022: £1,077,656) which are being released over the life of the lease of 150 years.

23. Financial instruments

	2023	2022
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	96,297,356	93,475,144

Financial assets measured at fair value through income and expenditure comprise investments (see note 18).

The Foundation's income, expense, gains and losses in respect of financial instruments are summarised below:

	2023	2022
	£	£
Total investment income for financial assets measured at fair value through income and expenditure	1,619,071	1,132,274
Net (loses)/gains on financial assets measured at fair value through income and expenditure	1,914,171	(7,107,903)
Impairment losses on financial assets measured at amortised cost	17,415	17,695

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	28,633,764	28,633,764
Intangible fixed assets	-	-	346,700	346,700
Fixed asset investments	-	485,079	95,882,258	96,367,337
Investment property	-	-	50,726,020	50,726,020
Current assets	11,781,864	1,750,524	(5,756,772)	7,775,616
Creditors due within one year	(4,312,317)	-	(132,774)	(4,445,091)
Creditors due in more than one year	-	-	(1,062,646)	(1,062,646)
Provisions for liabilities and charges	(2,354,000)	-	-	(2,354,000)
Total	5,115,547	2,235,603	168,636,550	175,987,700

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Endowment funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	28,125,872	28,125,872
Intangible fixed assets	-	-	345,697	345,697
Fixed asset investments	-	433,948	93,160,661	93,594,609
Investment property	-	-	49,518,730	49,518,730
Current assets	11,024,783	1,773,898	-	12,798,681
Creditors due within one year	(2,581,821)	-	(1,717,256)	(4,299,077)
Creditors due in more than one year	-	-	(1,070,151)	(1,070,151)
Provisions for liabilities and charges	(2,773,000)	-	-	(2,773,000)
Total	5,669,962	2,207,846	168,363,553	176,241,361

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

25. Statement of funds

Statement of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Designated funds						
School minor works	696,418	-	-	50,000	-	746,418
Widening accessibility	259,083	-	-	-	-	259,083
Replacement equipment for Performing Arts centre	77,025	-	-	-	-	77,025
	<u>1,032,526</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>1,082,526</u>
General funds						
King Edwards School	1,502,642	13,827,187	(14,325,801)	1,236,294	-	2,240,322
King Edward VI High School for Girls	1,791,970	9,464,136	(9,704,029)	873,946	-	2,426,023
Endowment fund income fund	4,115,824	4,794,716	(5,239,160)	(1,950,704)	-	1,720,676
Pension reserve	(2,773,000)	-	341,000	-	78,000	(2,354,000)
	<u>4,637,436</u>	<u>28,086,039</u>	<u>(28,927,990)</u>	<u>159,536</u>	<u>78,000</u>	<u>4,033,021</u>
Total Unrestricted funds	<u>5,669,962</u>	<u>28,086,039</u>	<u>(28,927,990)</u>	<u>209,536</u>	<u>78,000</u>	<u>5,115,547</u>

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

25. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Endowment funds						
Capital endowment fund	157,973,979	-	(1,120,016)	(209,536)	1,603,912	158,248,339
Performing Arts Centre fund	4,137,003	-	(101,261)	-	-	4,035,742
Other donations fund	6,252,571	52,938	(2,614)	-	49,574	6,352,469
	<u>168,363,553</u>	<u>52,938</u>	<u>(1,223,891)</u>	<u>(209,536)</u>	<u>1,653,486</u>	<u>168,636,550</u>
Restricted funds						
Benjamin Cowie	538,018	4,829	(24,663)	-	19,486	537,670
The Webster Bequest	499,486	4,360	-	-	17,482	521,328
Brode Fund	498,407	4,782	-	-	4,486	507,675
The Margaret Davies Fund	181,686	1,743	(16,909)	-	1,635	168,155
Lee Childs Fund	5,248	50	(573)	-	47	4,772
Other small special funds	485,001	4,803	1,833	-	4,366	496,003
	<u>2,207,846</u>	<u>20,567</u>	<u>(40,312)</u>	<u>-</u>	<u>47,502</u>	<u>2,235,603</u>
Total of funds	<u><u>176,241,361</u></u>	<u><u>28,159,544</u></u>	<u><u>(30,192,193)</u></u>	<u><u>-</u></u>	<u><u>1,778,988</u></u>	<u><u>175,987,700</u></u>

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

25. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
Designated funds						
School minor works	579,057	-	(2,639)	120,000	-	696,418
Widening accessibility	259,083	-	-	-	-	259,083
Replacement equipment for Performing Arts centre	77,025	-	-	-	-	77,025
	<u>915,165</u>	<u>-</u>	<u>(2,639)</u>	<u>120,000</u>	<u>-</u>	<u>1,032,526</u>
General funds						
King Edwards School	1,401,460	11,930,860	(13,036,357)	1,206,679	-	1,502,642
King Edward VI High School for Girls	1,266,013	8,728,355	(9,071,349)	868,951	-	1,791,970
Endowment fund income fund	6,397,282	3,935,191	(4,230,555)	(1,986,094)	-	4,115,824
Pension reserve	(6,384,000)	-	164,000	-	3,447,000	(2,773,000)
	<u>2,680,755</u>	<u>24,594,406</u>	<u>(26,174,261)</u>	<u>89,536</u>	<u>3,447,000</u>	<u>4,637,436</u>
Total Unrestricted funds	<u>3,595,920</u>	<u>24,594,406</u>	<u>(26,176,900)</u>	<u>209,536</u>	<u>3,447,000</u>	<u>5,669,962</u>

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

25. Statement of funds (continued)

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Endowment funds						
Capital endowment fund	162,539,622	-	(920,890)	(209,536)	(3,435,217)	157,973,979
Performing Arts Centre fund	4,238,264	-	(101,261)	-	-	4,137,003
Other donations fund	6,494,203	25,796	(7,360)	-	(260,068)	6,252,571
	<u>173,272,089</u>	<u>25,796</u>	<u>(1,029,511)</u>	<u>(209,536)</u>	<u>(3,695,285)</u>	<u>168,363,553</u>
Restricted funds						
Benjamin Cowie	589,511	2,524	-	-	(54,017)	538,018
The Webster Bequest	545,936	2,279	-	-	(48,729)	499,486
Brode Fund	519,777	2,342	-	-	(23,712)	498,407
The Margaret Davies Fund	189,476	854	-	-	(8,644)	181,686
Lee Childs Fund	8,201	37	(2,616)	-	(374)	5,248
Other small special funds	568,941	3,715	(61,698)	-	(25,957)	485,001
	<u>2,421,842</u>	<u>11,751</u>	<u>(64,314)</u>	<u>-</u>	<u>(161,433)</u>	<u>2,207,846</u>
Total of funds	<u><u>179,289,851</u></u>	<u><u>24,631,953</u></u>	<u><u>(27,270,725)</u></u>	<u><u>-</u></u>	<u><u>(409,718)</u></u>	<u><u>176,241,361</u></u>

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

25. Statement of funds (continued)

Designated Funds

Each designated fund represents a fund where the Governors have exercised their discretion to make provision for future expenditure on specific projects of a non-recurring nature.

Capital Endowment Fund

This is the accumulation of capital gains derived from its investments. This is not a permanent endowment fund.

Performing Arts Centre expendable endowment fund

This is a separately identifiable fund set up as part of the terms of the donation to the Independent Schools to part finance the construction of the Performing Arts Centre for the benefit of both Schools.

Other Donations Fund

This is a permanent endowment fund comprising of 350 individual funds, providing prizes, grants and scholarships to pupils at the schools of the Foundation.

Benjamin Cowie

The bequest, received in 1982, is used to support pupils in financial need, subsidise activities, and meet leadership training costs for both masters and boys at King Edward's School.

The Webster Bequest

The fund was bequeathed to King Edward's School in 2000 and is used for the purpose of funding scholarships in the school.

The Albion Trust

The fund is to encourage students from inner city Birmingham to apply to King Edward VI Aston School for their compulsory or sixth form education.

The Margaret Davis Funds

The fund was bequeathed to the Foundation to support an archiving project.

Brode Fund

Part of a £2m donation to improve sporting facilities at the Boys' school

Lee Child's Fund

This was a donation to be used to purchase books.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

Transfers to/(from) funds - current year

	King Edwards School	King Edward VI High School for Girls	Endowment fund income fund	School minor works	Capital endowment fund
Revenue grant to the Schools from Endowment income fund	1,380,231	988,202	(2,368,433)	-	-
Interest paid to Foundation	(78,919)	(29,274)	108,193	-	-
Funds sets aside for specific projects	(15,000)	(35,000)	-	50,000	-
Contributions to the Foundation for services	(50,018)	(49,982)	100,000	-	-
Amortisation of the capital receipts arising from sales of interests in land	-	-	209,536	-	(209,536)
	<u>1,236,294</u>	<u>873,946</u>	<u>(1,950,704)</u>	<u>50,000</u>	<u>(209,536)</u>

Transfers to/(from) funds - prior year

	<i>King Edwards School</i>	<i>King Edward VI High School for Girls</i>	<i>Endowment fund income fund</i>	<i>School minor works</i>	<i>Capital endowment fund</i>
Revenue grant to the Schools from Endowment income fund	1,338,000	993,945	(2,331,945)	-	-
Interest paid to Foundation	(86,315)	-	86,315	-	-
Funds sets aside for specific projects	(20,000)	(100,000)	-	120,000	-
Contributions to the Foundation for services	(25,006)	(24,994)	50,000	-	-
Amortisation of the capital receipts arising from sales of interests in land	-	-	209,536	-	(209,536)
	<u>1,206,679</u>	<u>868,951</u>	<u>(1,986,094)</u>	<u>120,000</u>	<u>(209,536)</u>

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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

	2023	2022
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(331,661)	(6,495,490)
Adjustments for:		
Depreciation charges	812,901	747,900
Amortisation charges	239,166	143,145
Net (gains)/loss on investments	(1,636,570)	5,633,381
Retirement Benefits Scheme costs less contributions paid	(341,000)	(164,000)
Rents received from investment properties	(2,068,512)	(1,846,604)
Interest received	(97,958)	(7,477)
Increase in debtors	(214,776)	(308,450)
Increase/(decrease) in creditors	138,505	(1,050,186)
Loss on disposal of fixed asset	105,252	-
Net cash used in operating activities	(3,394,653)	(3,347,781)

27. Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash in hand	5,537,473	10,788,641
Short term deposits	864,033	850,707
Total cash and cash equivalents	6,401,506	11,639,348

28. Analysis of changes in net debt

	At 1 September 2022	Cash flows	At 31 August 2023
	£	£	£
Cash at bank and in hand	11,639,348	(5,237,841)	6,401,507
	11,639,348	(5,237,841)	6,401,507

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

29. Capital commitments

	2023 £	2022 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	650,816

30. Pension commitments

Employees belong to two principal defined benefit pension schemes: The Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and The Schools of King Edwards the Sixth Retirement Benefit Scheme ("the Scheme") for non-teaching staff. Both are multi-employer benefit schemes. A further defined contribution pension scheme is in operation for non-teaching staff since April 2021.

In addition to the aforementioned Schemes, the Governors provide discretionary unfunded pensions out of general income. These amounted to £30 in the year ended 31 August 2023 (2022: - £1,030).

Defined contribution scheme

New staff, or those staff who had been eligible but had not joined the defined benefits scheme are eligible to participate in a defined contribution scheme, administered by Scottish Widows. By 31 August 2023, 180 members of staff has joined (2022: 157). The employer contributions for the defined contribution scheme totalled £389,720 (2022: £324,571) based on rates of up to 8%. At year end £59,112 (2022: £50,106) was payable to the scheme and included within creditors.

Teachers' Pension Scheme

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 £2,031,667 (2022: £1,935,710) and at the year-end £238,732 (2022 - £242,709) 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.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

30. Pension commitments (continued)

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. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation 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.

The Schools of King Edward VI in Birmingham Retirement Benefit Scheme

The Charity operates a defined benefit pension scheme.

Other staff of the Independent Schools and Foundation Office have been eligible to join a defined benefits Scheme operated by the Governors of the Foundation. In March 2010 the Governors took the decision to close the Governors' Pension Scheme to new members.

The review of the Scheme as at 31 August 2022 showed a large improvement in the funding shortfall. The main reasons for the reduction in the deficit over the period can be summarised as follows:

- significant increases in corporate bond yields over the period have resulted in a lower value being placed on the Scheme's liabilities; and
- the payment of deficit reduction contributions by the Foundation has increased the value of the Scheme's assets.

However, the above factors have been partially offset by:

- an increase in long-term inflation expectations which has increased the value placed on the Scheme's liabilities; and
- lower than expected investment returns have decreased the value of the Scheme's assets.

Contributions to be paid by the Foundation:

Period	Foundation Contributions towards the shortfall
1 January 2020 to 31 December 2020	£30,900 per month
1 January 2021 to 31 December 2021	£31,830 per month
1 January 2022 to 31 March 2022	£32,780 per month
1 April 2022 to 31 March 2023	£34,042 per month
1 April 2023 to 31 March 2024	£35,063 per month
1 April 2024 to 31 March 2025	£36,115 per month
1 April 2025 to 31 March 2026	£37,198 per month
1 April 2026 to 31 March 2027	£38,314 per month
1 April 2027 to 31 January 2028	£39,464 per month

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

30. Pension commitments (continued)

From 1 April 2022, as a result of the 2021 valuation, the employer contributions rate was set at 27.3% with Scheme expenses being paid by the Foundation and not the Scheme Fund.

The Scheme is known as the Schools of King Edward VI in Birmingham Retirement Benefits Scheme (the Scheme). The Scheme provides benefits based on salary and length of service on retirement, leaving service or death. The following disclosures exclude any allowance for defined benefit schemes operated by the Foundation.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Foundation must agree with the Trustees of the Scheme the contributions to be paid to meet any shortfall against the Statutory Funding Objective and to pay for the future accrual of benefits.

The Foundation expects to contribute £610,000 to the Scheme during the year to 31 August 2024.

The Scheme is managed by a board of Trustees appointed in part by the Foundation and part from elections by members of the Scheme. The Trustees have responsibility for obtaining valuations of the fund, administering benefit payments and investing the Scheme's assets. The Trustees delegate some of these functions to their professional advisers where appropriate.

There were no plan amendments, curtailments or settlements during the period.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 August 2023	<i>At 31 August 2022</i>
	%	%
Discount rate	5.35	4.25
Future salary increases	3.00	3.00
Future pension increases (RPI capped at 5%)	3.45	3.70
Future pension increases (CPI capped at 5%)	3.05	3.30
Inflation (RPI)	3.45	3.70
Inflation (CPI)	3.05	3.30
Proportion of members with a spouse	80	80

Other assumptions used are:

Mortality - S3NA tables with CMI 2019 projections using a long-term improvement rate of 1.25%

Commutation - 80% of members are assumed to take 25% of their pension as tax free cash

Early retirement - 40% of active members who joined pre 2007 are assumed to retire at age 60

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

30. Pension commitments (continued)

	At 31 August 2023 Years	<i>At 31 August 2022 Years</i>
Mortality rates (in years)		
- for a male aged 65 now	87.4	87.3
- at 65 for a male aged 45 now	88.8	88.7
- for a female aged 65 now	89.8	89.8
- at 65 for a female aged 45 now	91.2	91.2

The Charity's share of the assets in the scheme was:

	At 31 August 2023 £	<i>At 31 August 2022 £</i>
Equities	9,987,000	11,828,000
Cash	281,000	169,000
Total fair value of assets	10,268,000	11,997,000

The actual return on scheme assets was a loss of £1,878,000 (2022 - £3,382,000 gain).

The amounts recognised in the Statement of Financial Activities are as follows:

	2023 £	<i>2022 £</i>
Current service cost	144,000	283,000
Net interest	105,000	104,000
Total amount recognised in the Statement of Financial Activities	249,000	387,000

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

30. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2023	<i>2022</i>
	£	<i>£</i>
Opening defined benefit obligation	14,770,000	<i>21,843,000</i>
Contributions by scheme participants	39,000	<i>43,000</i>
Actuarial gains	(2,469,000)	<i>(7,091,000)</i>
Benefits paid	(480,000)	<i>(674,000)</i>
Current service costs	144,000	<i>283,000</i>
Interest cost	618,000	<i>366,000</i>
Closing defined benefit obligation	12,622,000	<i>14,770,000</i>

Movements in the fair value of the Charity's share of scheme assets were as follows:

	2023	<i>2022</i>
	£	<i>£</i>
Opening fair value of scheme assets	11,997,000	<i>15,459,000</i>
Interest income	513,000	<i>262,000</i>
Actuarial losses	(2,391,000)	<i>(3,644,000)</i>
Contributions by employer	590,000	<i>551,000</i>
Contributions by scheme participants	39,000	<i>43,000</i>
Benefits paid	(480,000)	<i>(674,000)</i>
Closing fair value of scheme assets	10,268,000	<i>11,997,000</i>

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

31. Operating lease commitments

At 31 August 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Not later than 1 year	88,605	89,979
Later than 1 year and not later than 5 years	58,582	103,824
Later than 5 years	30,089	-
	<u>177,276</u>	<u>193,803</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2023	2022
	£	£
Operating lease rentals	<u>95,487</u>	<u>85,917</u>

Operating lease commitments (continued)

At 31 August 2023 the Charity had the following future minimum lease income from investment property rent under non-cancellable operating leases as follows:

	2023	2022
	£	£
Within one year	1,882,311	1,826,060
Between two and five years	6,253,455	6,366,926
Over five years	163,756,671	146,892,813
	<u>171,892,437</u>	<u>155,085,799</u>

The following amount of rental income has been recognised as income in the Statement of financial activities:

	2023	2022
	£	£
Operating lease rental income	<u>2,068,512</u>	<u>1,846,604</u>

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

32. Related party transactions

The Foundation considers itself related to the King Edward VI Academy Trust Birmingham (Co. no.10654935). The Trust consists of ten academies of which five were initially established as Voluntary Aided Grammar Schools by the Foundation. The Trust is considered a related party by virtue of the fact that the Foundation office provides finance, accounting, payroll and personnel, and governance services to the academies and the Foundation owns the land and buildings at the academies. There is a licence to occupy the land and buildings between the Foundation and the academies rent free. There is currently an SLA for the services provided by the Foundation, whereby a contribution of £1,074,744 (2022: £832,824) was received during the year.

Transactions with the Trust during the year include:

	2023	2022
	£	£
Income		
Costs incurred by Foundation and reimbursed by the Trust	10,196	20,728
Contributions to the Foundation for services	1,074,744	999,389
Expenditure		
Grants paid/payable	5,613	59,350
Grant recoverable	-	(420,000)
Fees paid for KES Teachers training at KEC	1,200	7,200
Costs incurred by the Trust and reimbursed by the Foundation	83,818	42,275
Payments from restricted funds	2,391	5,545
Other income received and passed over to the Trust	45,717	-
	<u>45,717</u>	<u>-</u>

At the year-end there were the following balances held in the balance sheet:

	2023	2022
	£	£
Debtor at year end	315,151	8,721
Creditor at year end	(62,080)	(46,813)
Grant recoverable at year end	-	(420,000)
	<u>253,071</u>	<u>(458,092)</u>

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

Related party transactions (continued)

The Chief Master and Deputy Chief Master are trustees of The King Edward's School Birmingham Trust (Charity no: 1129776). The Trust provides King Edward's School with funding for Assisted Places. £425,832 (2022: £509,520) was paid to cover Assisted Places supported by the Trust.

The Principal and a Governor are also trustees of The King Edward VI High School for Girls Birmingham Trust (Charity no: 1159413). The Trust was set up during 2014/15 to provide King Edward VI High School for Girls with funding for Assisted Places. £280,116 (2022: £309,981) was paid to cover Assisted Places supported by the Trust.

Ms E Conway is Chief Financial Officer of the University of Birmingham. During the year £22,539 (2022: £2,754) was paid to the organisation and £19,851 (2022: £16,000) lease rentals were invoiced to the organisation. There were no amounts outstanding at the end of the year (2022: £Nil).

Development Funding and Finance services are also provided by King Edward's School to the two Trusts. No charge is made for the services provided. The cost of the Development Team for the year at King Edward's School was £117,112 (2022: £101,065) and £101,001 (2022: £91,956) at King Edward VI High School for Girls.

None of the Governors received any remuneration during the year.

There are no other related party transactions.

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

England & Wales - Charity number 529051

Accounts



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the Year ended 31 August 2022

Registered Charity No. 529051

INDEX

	Pages
Chair's Statement	1
Mission, Principles and Objectives	2
Reference and Administrative Information	5
Governors' Report	6
Independent Auditor's Report	21
Statement of Governors' Responsibilities	24
Statement of Financial Activities	25
Balance Sheet	26
Statement of Cash Flows	27
Notes to the Accounts	28

Chair's statement

After two years of disruption caused by Covid-19, the 2021/22 academic and financial year was characterised by changed but much more familiar school and working environments. Caution and care with respect to health-related issues remained more salient, but classrooms, laboratories, offices and playgrounds all had a greater degree of normality with pupils and staff adjusting again to working more closely together. Normality for GCSE, A-level and BTECH students meant being assessed by formal examinations rather than the teacher-assessed grades of the previous two years; for our 18-year-olds, it was their first formal exam as their GCSE grades had been teacher assessed. Despite their lack of experience of formal exams, results across the Foundation's schools were very positive and pupils and staff are to be congratulated on their achievements.

Normality for the Foundation means we continue to change and develop, in our governance, management, the number of schools and increasing collaboration and integration.

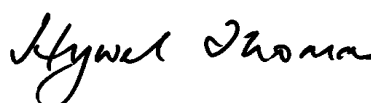
Work on streamlining our governance bore fruit in the summer of 2022 with approval from the DfE on a model allowing the Foundation Charity and the Academy Trust to work together more closely. We have slimmed the membership of the Boards and their 15 members meet as an advisory group to discuss the issues common to both entities, leading to a set of agreed recommendations; each Board then make their own determination on these recommendations. The Chairs of our school governing bodies also now meet termly, strengthening the dialogue between the Foundation and the schools.

Management structures have been strengthened with the appointment of a Director of Education, a critical role in 'making Birmingham the best place to be educated in the United Kingdom'; dividing the roles of Finance and Operations allows a clearer focus on each of those areas; and a Governance Department recognises its breadth and significance.

As 2021/22 year ended, we welcomed Lordswood Girls School joining the Foundation and Academy Trust on 1st September 2022, becoming our thirteenth school. With almost 800 girls on roll in the 11-16 school and a mixed sixth form of 222 students, King Edward VI Lordswood School for Girls strengthens our range of comprehensive schools and further adds to the scope for inter-school collaboration, which continues to develop under the leadership of our Foundation Heads and Julie Waddington, our Director of Education. It was a year with a significant farewell, as Linda Johnson retired as Head of King Edward VI Camp Hill School for Girls, her outstanding tenure as Head ending with the flourish of the school being graded 'Outstanding' after an Ofsted inspection, an achievement matched at King Edward VI Aston School and King Edward VI Handsworth Grammar School for Boys.

Alongside greater collaborative work, we are integrating our systems with key developments in digital integration and procurement. The reliance on IT systems during the pandemic highlighted their potential but also the limitations when schools are using different systems and platforms. After lengthy analysis and consultation, Microsoft is to become our common platform and three schools have agreed to pilot the change. What is also apparent is the need for greater investment in IT systems and its costs emphasise the value of finding efficiency savings where possible. We anticipate that our use of central procurement is likely to become more important in achieving such savings.

All our schools benefit from the annual income generated from the Foundation's endowment, contributing to school overheads and funding assisted places at King Edward's School and King Edward VI High School for Girls. Sustaining the endowment in the current climate in the stock markets and in an uncertain property market relies on advice from our professional advisers and on the scrutiny and challenge they receive from the members of our Investment Committee. As I attend those meetings, I am impressed by the knowledge, wisdom and time its members bring to their role and the challenge they provide our advisers. They are a microcosm of our broader number of governors and trustees, upon whom our Foundation, its pupils and its staff rely for making good decisions for its long-term benefit and welfare.



Prof. H Thomas
Chair

Mission, Principles and Objectives

Charitable Objects

The objects of the Foundation are set out in the 1900 Act as amended by a scheme agreed with the Charity Commission on 7 March 2012 and relate to the advancement of education for the public benefit principally through the activities of the twelve Schools.

Mission

The Foundation's overarching mission is to make Birmingham the best place to be educated in the UK.

The Foundation recognises that in order to do so it needs to provide access to a diverse range of schools: independent as well as academies, selective and also comprehensive. It also believes that those schools need to be accessible to all, regardless of ethnic, religious and social background. As the nature of the pupil community that the Foundation serves has changed, so has the social context within which this mission sits, and consequently so too have the resources required to deliver that mission. The Foundation's strategy sets out the objectives of the Foundation, 'the ends', along with the structures and resources required to meet them, 'the means'.

Strategy

The purpose of the strategy is to ensure that we can deliver our values to:

- Raise aspirations, providing opportunities and giving confidence alongside excellent academic standards.
- Widen access and transform lives for all young people, no matter their background.
- Encourage open-mindedness, equality for all, honesty, fairness, understanding and accepting the views of others.
- Create a love of learning, which will foster creativity, imagination and the capacity to communicate.
- Instil a sense of community and the desire to support and work with others.
- Build character and relationships, along with a sense of morality, care and respect for others.
- Ensure successful transition to the world of further study and work through strong academic outcomes.

The Foundation Strategy seeks to put education firmly at the heart of all of the decisions we make: strategic, operational and financial. It is based on the spirit that the Foundation has often been a force for change and moved with the times while retaining its core principles. To achieve our bold mission, it sets out how we can work genuinely towards an ethos of 'one organisation' in which collaboration and efficiencies lead to a better education for the children and young people whom the Foundation serves. While there is excellence in all our schools, we recognise that every school can also improve and that working together and sharing our resources and ideas is the most effective way of doing that.

Objectives

The following strategic objectives are for the whole organisation and can only be achieved by schools and the Foundation Office working closely together with shared responsibility. Each objective is underpinned by a set of key performance indicators.

Strategic Objective 1 (SO1): Learning with us

SO1.1 Academic Outcomes and Progress

Learners within the Foundation should benefit from an excellent quality of education in all of its schools and gain high quality outcomes. Learners should make excellent progress and leave the Foundation with better educational outcomes compared to other areas of the country.

SO1.2 Access and Impact

A Foundation education should be available to the widest range of learners possible. Disadvantaged learners should receive support to have a meaningful impact on their education. They should benefit from the same opportunities as their peers when they leave the Foundation's schools and achieve similar success.

SO1.3 Pathways in Birmingham and Beyond

Learners should access a range of destinations nationally and internationally in terms of further education, higher education, training and employment. At the same time, learners should contribute to the success of the Birmingham community. Wherever learners go, they should make the most of their opportunities and be successful. Foundation alumni should contribute to civic life in Birmingham through the skills, knowledge and character they have gained in the course of their experience.

SO1.4 Well-being, Character and Learning Skills

Learners within the Foundation should be well-rounded and resilient individuals thanks to a focus on character education and well-being. They should feel safe and happy attending school and in their everyday lives. They should have an appreciation of culture, compassion, critical thinking skills and a love of learning, being ready to embrace innovation.

SO1.5 Curriculum and Resources

Learners should follow a curriculum which is broad, balanced and diverse for both academic and vocational education and which is supported by excellent resources. At the same time, learners should have the opportunity to access specialist provision in other Foundation schools. They should access and enjoy a wide-ranging extra-curricular programme.

SO1.6 Foundation Identity

At transition points, learners should have the flexibility to move between Foundation institutions where appropriate. They should feel part of one organisation and be proud of being a member of the Foundation.

Mission, Principles and Objectives (*continued*)

Strategic Objective 2 (SO2): Working with us

SO2.1 Collaborative Working and Learning

Colleagues within the Foundation should benefit from opportunities for collaborative learning and networking in a modern educational environment. Opportunities should exist for all those who wish to progress and to engage in work with a strong moral purpose.

SO2.2 Innovation, Research and Performance

Colleagues within the Foundation should have the opportunity and encouragement to think innovatively in their working lives. Appraisal of performance should lead to professional learning opportunities.

SO2.3 Modern Strategy for People

The Foundation should be an exceptional place to work, supported by a range of interconnected people strategies designed to attract, develop and retain talented and committed staff. Its HR function should be a credible provider of transactional, advisory and strategic service and a key contributor to the organisation's success. Colleagues should be attracted to join the Foundation because they see working in the UK's second city as a positive prospect and because the Foundation itself is a pre-eminent organisation for educational excellence.

SO2.4 Equality, Diversity and Inclusion

Colleagues within the Foundation should demonstrably understand, clearly represent and actively promote the diversity of the people of Birmingham with a strong employer commitment to equal opportunity for all. The Foundation should promote equality, inclusion and the understanding of diversity among themselves and learners.

SO2.5 Efficient Systems and Data Analytics

Colleagues within the Foundation at all levels (including leadership, teaching, school-based support and central staff), should have at their disposal highly effective, modern, secure and integrated digital systems for managing their work and communicating with each other. Digital systems should be selected and implemented to deliver maximum impact for all colleagues and learners, aggregate and make data accessible to inform central and local decisions, as well as modernise and standardise support services.

SO2.6 Work Environment, Resources and Sustainability

Colleagues should benefit from estates and procurement strategies which allow them to work in comfortable and inspiring environments supporting collaboration with the best possible resources at hand. The Foundation should have an exemplary sustainability strategy.

Strategic Objective 3 (SO3): Partnering with us

SO3.1 Growth and Reputation

The Foundation, and its Academy Trust, should be an attractive proposition for schools looking to join a Multi Academy Trust because of its excellent reputation as a unique group of schools. The Foundation's voice and expertise should be sought in the development of educational and other policy and strategy nationally.

SO3.2 Educational Partners

The Foundation should partner with the primary, other secondary, alternative provision, further education and higher education sectors and be seen as a national and international, outward-focused model for education. The Foundation should be a hub for collaboration, networking and the sharing of best practice.

SO3.3 Civic and Corporate Partners

The Foundation should engage locally and beyond on a civic and corporate level, offering specialist advice, resources and governance. Organisations should see the Foundation as a willing and beneficial partner, appreciating the quality and extent of its offer. Partners should speak of admiration for and a love of Birmingham and its heritage.

SO3.4 Fund-raising and Support

The Foundation should benefit from strong links with alumni, parents and relatives of alumni, corporate donors and a range of other partners. Donations provided by individuals, families, corporations or other organisations should have hypothecated uses for key strategic projects such as assisted places, capital builds, heritage work and co-curricular and enrichment programmes. The Foundation should benefit from pro-bono offers of support for these projects from its extensive wider community.

SO3.5 Excellence in Governance and Compliance

Governor and Trustee opportunities at the Foundation should be sought after, and the successful candidates should contribute to the success of the organisation. The views of Governors and Trustees, and the Foundation's model of governance, should be seen as examples by others. The Foundation's compliance work should be exemplary.

SO3.6 Heritage

The Foundation's historical richness and impact on the life of Birmingham, manifested in its Archive, should be a heritage resource for the City as a living and growing historical artefact, further raising the Foundation's profile and generating interest in the organisation.

Mission, Principles and Objectives *(continued)*

Activities undertaken to deliver Objectives and Public Benefit

Under the Charities Act 2011, a charity must be established for charitable purposes only. A charitable purpose is a purpose that falls within section 3 (1) of the 2011 Act and which is for public benefit. The list in section 3 (1) includes the advancement of education.

The Governors recognise their responsibilities as charity trustees. In 2021/22, the principal activities carried out to further the charitable purposes of the Foundation for the public benefit and to meet the objectives set out above include:

- The Foundation gifting, under the terms of licences, private land and buildings to the Academy Trust. Within the Academy Trust where the Foundation is the landowner this provides schools with the land and buildings they need to provide education to their pupils.
- The Foundation continuing to support the means-tested Assisted Places scheme at the Independent Schools. Both Independent Schools have also raised funds aimed at providing further means-tested assistance to lower income families. This greatly enhances the accessibility of King Edward's School and King Edward VI High School for Girls to a range of pupils, irrespective of background;
- The Foundation providing support services to the Academy Trust in the form of donated services. These services include strategic support, finance, procurement, human resources, payroll, governance, estates, marketing and communications, educational support and, for the selective schools within the Academy Trust, an admissions service. This support enables the Academies to focus their resources and management time on the education of their pupils;
- The Foundation playing an active role as a patron of the Greater Birmingham Chamber of Commerce, providing a platform for being a voice that is listened to on key educational issues. We are already nationally recognised for our work in ensuring that our selective schools are accessible to all. We have augmented this by maintaining and enhancing the Assisted Places scheme at the Independent Schools and by redesigning the Academy Trust admissions strategy to increase the percentage of disadvantaged children attending the selective schools, further ensuring those schools are rooted in the communities they serve;
- King Edward's School (KES) and King Edward VI High School for Girls (KEHS) providing a wide range of activities and facilities for the benefit of neighbouring schools and community groups.

Governors' report

Reference and Administrative Information

The Governors of the Schools of King Edward VI in Birmingham is a corporate body established by Royal Charter in 1552 and is regulated by the Birmingham (King Edward the Sixth) Schools Act 1900 together with subsequent Schemes of the Board of Education and Charity Commissioners. The Schools of King Edward VI in Birmingham is a registered charity, number 529051. It is VAT registered, number 487399769.

Registered Office and
Principal Address of Charity:

Foundation Office
Edgbaston Park Road
BIRMINGHAM
B15 2UD

The Foundation is comprised of:

Independent Schools

King Edward's School
King Edward VI High School for Girls

The Foundation also sponsors the King Edward VI Academy Trust Birmingham. Although this is a separate legal entity with its own accounts, the Academy Trust schools are all required to be formally designated as part of the Foundation in line with the provisions of the Birmingham (King Edward VI Schools) Act 1900, as amended. These schools are considered, therefore, to be part of the Foundation and may be referred to as such in the Governors' Report. The Academy Trust financial statements are available on our website: www.schoolsofkingedwardvi.co.uk/

Academies

King Edward VI Aston School

King Edward VI Balaam Wood Academy

King Edward VI Camp Hill School for Boys

King Edward VI Camp Hill School for Girls

King Edward VI Five Ways School

King Edward VI Handsworth School for Girls

King Edward VI Handsworth Grammar School for Boys

King Edward VI Handsworth Wood Girls' Academy

King Edward VI Sheldon Heath Academy

King Edward VI Northfield School for Girls

On 1st September 2022 King Edward VI Lordwood School for Girls joined King Edward VI Academy Trust Birmingham and the Foundation.

Governors' report

The Governors, who are also trustees of the charity, who were in office at the date of approval of the accounts and served on the Board throughout the period are set out below, together with their membership of Committees:

Membership of Committees						
	Joint Strategy Committee	Independent Schools' Governing Body	Finance & Investment Committee	Nominations Committee	Audit Committee	Remuneration Committee
Co-opted Governors						
Professor H Thomas BA, Med, PhD (Chair)	*	*	*	*		*
Mr G Chahal BSc, PGDipPharm			*			
Mr T Clarke MA - resigned Dec 21	*	*	*	*		*
Mrs G Ball OBE, FCCA - resigned Sept 22	*	*		*	*	*
Mr F Kinkhabwala					*	
Mr G Marsh MBE, TD, DL, FICE	*	*	*	*		*
Mr B J Matthews BSc, FCA	*		*			
Dr N Shastri-Hurst BMedSci, BMBS, MRCS - resigned Sept 22			*			
Mr Jonathan Crawford			*			
Mr P Burns BA - term expired Jan 22		*				
Mr D J Wheeldon BA, MSc, Ad Dip Ed Man, FRSA (Bailiff)	*			*		
Professor B Lenon CBE, MA		*				
Ms Lucy Williams - appointed Jan 22	*	*		*		*
Nominated Governors						
Ms E Conway BA, FCA (Deputy Chair) <i>(University of Birmingham)</i>	*			*	*	*
Councillor R Alden - resigned Sept 22 <i>(Birmingham City Council)</i>						
Mr I Metcalfe <i>(Chamber of Commerce & Industry)</i>		*	*			
Mrs C Hosty - resigned Sept 22 <i>(Independent Schools' Teachers)</i>		*				
Mr S Roberts BSc, FCA, FCIS (Deputy Bailiff) <i>(Grammar Schools' Parents)</i>	*	*	*	*	*	

Co-opted Governors are appointed by the Board and serve for a term of five years. Nominated Governors are appointed by the organisation indicated in italics and serve for a term of five years.

In addition to the above, the Independent Schools' Governing Body has appointed several Non-Board Governors who are not Trustees of the Foundation. They are – Professor S West FRHists, FRSA, FHEA; Dr G Brodie PhD, FCA, CTA, SFHEA; Mrs G Sehdev LLB MBA; Mrs A Smith LLB, ACA, Mr O Choudhury BA, ACA and Lucy Williams BA, MSc.

Governors' report

Officers and Advisers

Chief Executive Officer:	Mr Jodh Dhesi
Director of Operations:	Mr Thomas Rowland
Director of Finance	Mr Greg Langston from August 2022 The Schools of King Edward VI in Birmingham Foundation Office Edgbaston Park Road BIRMINGHAM B15 2UD
Banker:	Lloyds Bank plc PO Box 908 125 Colmore Row BIRMINGHAM B3 2SD
Legal Advisor:	Veale Wasbrough Vizards LLP 3 Brindley Place BIRMINGHAM B1 2JB
Auditors:	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
Property Advisor:	Avison Young 3 Brindley Place BIRMINGHAM B1 2JB
Investment Manager:	Barclays Wealth 1 Churchill Place London E14 5HP
Website:	www.schoolsofkingedwardvi.co.uk

Key Management Personnel

Chief Master:	Dr Katy Ricks MA, DPhil
Principal:	Mrs Kirsty Von Malaise MA (Cantab), PGCE
Chief Executive Officer:	Mr Jodh Dhesi MA (Cantab), NPQEL, PGCE
Director of Operations:	Mr Thomas Rowland BA, MA
Director of Finance	Mr Greg Langston
School Bursar:	Mrs Zoe Robinson BSc, ACA

Governors’ report

Structure, Governance and Management

Organisation

The Governors, guided by the reports of various Committees, determine the general policy of the Foundation and are responsible for the governance of the two Independent Schools. The Foundation, as a Member of the Academy Trust, appoints a number of Trustees to the Academy Trust Board. The management of the Independent Schools is delegated to the Chief Master and Principal, and management of the Foundation to the Chief Executive Officer.

Prof H Thomas was the Chair of the Board and Ms E Conway was the Deputy Chair of the Board until 31 August 2022. In the current year that remains unchanged.

Mr D Wheeldon held office as Bailiff and Mrs S Roberts Deputy Bailiff for the year to 31 August 2022. In the current year this remains unchanged.

The Board of Governors meets at least six times per year and receives reports from the following Committees, membership of which is determined annually by the Governors.

The **Joint Strategy Committee** (JSC) considers matters of general policy concerning the Foundation and Academy Trust, including educational policy. This Committee is responsible for recommending to the Board the allocation and distribution of the Foundation’s resources. The Foundation also has a Foundation Education Group (FEG) comprised of the Heads of the Independent Schools and Academies under the Chairship of Dr K Ricks (Headmaster of the Foundation). The Group advises and submits recommendations to JSC on matters of educational policy.

The **Independent Schools’ Governing Body** (ISGB) deals with matters relating to the two Independent Schools, known as King Edward’s School (KES) and King Edward VI High School for Girls (KEHS). The ISGB has a number of sub-committees which report into it, including those relating to Buildings, Finance, Risk and Compliance.

The **Finance and Investment Committee** deals with matters relating to the finances of the Foundation including budgets, pensions and investments (including stocks and shares, investment property, lands, and hereditaments of the Foundation).

The **Nominations Committee** makes recommendations about the membership of the Foundation Board and its Standing Committees.

The **Audit Committee** deals with financial reporting, internal control, risk management and internal and external audit.

The **Remuneration Committee** reviews Foundation Senior Leadership Team performance and remuneration.

The Chair and Deputy Chair of Committees during the year were as follows;

Committee	Chair	Deputy Chair
Joint Strategy Committee	Prof H Thomas	Mrs S Roberts
Independent Schools’ Governing Body	Mr T Clarke until Dec 21 then Ms L Williams	Mrs G Ball
Finance & Investment Committee	Mr G Marsh	Mr B J Matthews
Nominations Committee	Prof H Thomas	Ms E Conway
Audit Committee	Mrs G Ball	Ms E Conway
Remuneration Committee	Ms E Conway	Mr G Marsh

All Governors give of their time freely and there is no remuneration policy for Governors. Governors are able to claim travel expenses. No Governor or person connected with a Governor received any benefit from either means-tested Assisted Places or scholarships awarded to our pupils.

Procedure for Recruitment, Induction and Training of Trustees

The Foundation Board comprises eleven Governors appointed by the Foundation (the maximum is 12) and five Governors nominated by the following external bodies: University of Birmingham (1), Aston University (1), University of Oxford (1), Birmingham City Council (1), Greater Birmingham Chambers of Commerce (1), Grammar Schools’ Parents (1), Grammar Schools’ Teachers (1), Independent Schools’ Parents (1), Independent Schools’ Teachers (1). (There are currently six vacancies to be filled making eleven external nominees in total). Regard is given to the skills mix of the Governors to ensure that the Foundation Board has all the necessary skills required to contribute to the objects of the Charity. The Nominations Committee oversees recruitment.

The term of office for any Governor is five years. Subject to remaining eligible to be a particular type of Governor, any Governor may be reappointed or re-elected. The Governors who were in office at the date of approval of the accounts and served throughout the period, except where shown, are listed on page 5. During the period under review the Foundation Board held 6 meetings.

The induction and training of Governors is important to the Foundation. Specific steps are taken as follows:

1. Advice is offered on appointments for Governors who are appointed by external bodies. Appointments of co-opted Governors are guided by the fullest possible consideration of a Nominations Committee which meets regularly to consider the skills, attributes, and balance of Members. All appointment procedures are formal, rigorous and transparent.
2. All Governors receive a welcome pack and personal briefing.
3. Documents relating to current developments are circulated to Governors together with DfE guidance and Charity Commission documents. At meetings Governors have the benefit of specialist advice.
4. Periodic conferences and focussed training sessions are organised.
5. Subscriptions are made to appropriate organisations and publications.

Governors' report

Foundation Office

The Foundation provides a central support services function supplying executive leadership, financial, human resources and various other operational and administrative services to the Independent Schools and the Academy Trust. This enables the Schools to reduce their cost base and concentrate more resources and management time on teaching and learning. It also enables the Independent Schools to keep fees as low as possible.

The Foundation is an equal opportunities employer and is committed to regular communication with all staff. Staff promotions are based on merit.

Arrangements for setting pay and remuneration of Key Management Personnel

Salaries of Executive personnel in the Independent Schools and the Foundation Office are reviewed by the Foundation's Remuneration Committee. Salaries are based on a review of annual performance and with reference to affordability and the local employment market.

Grants

The Foundation allocates annual grants from the expected income of the Endowment – Income Fund to the Independent Schools, in order to widen accessibility to the Schools by funding means-tested assisted places, merit-based scholarships and a staff remission scheme. The grant for Assisted Places is paid from the Foundation to the Independent Schools, who in turn then award the grants to individuals.

Fundraising

The Foundation in its own right does not carry out fundraising activities. As stated in note 18 the cost of fundraising activities is charged to the School's Fund but the activities are carried out on behalf of King Edward's School Birmingham Trust (the KES Trust, RCN 1129776) and The King Edward VI High School for Girls Birmingham Trust (the KEHS Trust, RCN 1159413). The KES Trust and The KEHS Trust exist separately to the Foundation and to support the advancement of education at each school, and particularly to raise funds actively for Assisted Places to widen access to the Schools for all those with the talent to make the most of a King Edward's education.

The Development Director reports to each group of Trustees on a termly basis, to ensure activities are properly monitored. Each Trust is a verified member of the Fundraising Regulator. Only one suppression request has been received to date, which was handled immediately. Neither Trust has received complaints regarding their activities.

Around 73% of the support to Pupils is funded by the Foundation, with the balance coming from the King Edward VI Birmingham Trusts.

A further 220 pupils received scholarships, 7 pupils received a sibling discount (for being the third child) and 29 pupils benefited from the staff concession scheme; the cost of which was £1,215,839 to the schools.

Therefore, the full benefit provided by the Governors' means-tested Assisted Places, hardship payments, scholarships, sibling discounts and staff concession for both schools, as shown in Note 3, for the year was £3,440,005 representing 16% of gross fees. Further information on fees assistance is provided by each school in their respective reports. In comparison with other independent schools (both locally and nationally), fees are relatively low.

Further details of the activities and educational achievements of the schools can be found on pages 16 to 20.

Assisted Places (AP) – means-tested bursaries

The Independent Schools offer assistance to a significant number of pupils, in the form of means-tested assisted places and scholarships which are funded primarily by the income from the Foundation's capital endowment fund.

Both means-tested assisted places and scholarships are awarded on the basis of academic ability, assessed as part of the admissions process at 11+ and 16+. The funding for assistance is made by the Governors on the recommendations of the Chief Master and Principal of the Schools.

Independent Schools	2022	2021
Number of AP holders	232	269
Number of pupils in receipt of assistance	227	263
As a % of total pupils at the Schools	15%	18%
% of AP pupils receiving an AP covering 90% of the fees	71%	68%
Pupils receiving a 90% or over AP	161	180
Pupils receiving a 100% AP	116	127
Annual cost of AP/Benefit to Parent	£3.4m	£3.2m
Annual cost to the Schools (Note 3)	£2.2m	£2.4m
Grant to the Schools from the Foundation	£2.3m	£2.7m
Contribution from King Edward VI Birmingham Trust	£509,520	£565,886
Contribution from King Edward 's High School for Girls Trust	£309,981	£256,422

"Opening Doors" for bright, disadvantaged children

The Foundation has invested in a targeted online familiarisation programme which provides educational resources for disadvantaged primary school children who have registered to sit the entrance test for our grammar schools. This includes introductory videos which explain how the entrance test works, quizzes for students to practice and develop their knowledge ahead of sitting the entrance test and interviews with some of our grammar school pupils to give prospective applicants useful information about what life at our grammar schools is really like and to showcase the wide range of enrichment activities on offer.

Our six grammar schools have also continued to offer outreach and enrichment opportunities for primary schools across the city as we continue to develop our positive relationships with the primary school sector.

Governors' report

Financial Review

Financial Results

After two years of disruption caused by Covid-19, the 2021/22 academic and financial year was characterised by changed but much more familiar school and working environments. Caution and care with respect to health-related issues remained more salient, but classrooms, laboratories, offices and playgrounds all had a greater degree of normality with pupils and staff adjusting again to working more closely together.

Statement of Financial Activities (SoFA) Summary

	2022 £m	2021 £m	Variance £m
Total Income	24.6	22.0	2.7
Total Expenditure	(27.3)	(26.6)	(0.7)
Net Inc/Exp	(2.6)	(4.6)	2.0
Net (losses)/gains on Investments	(7.1)	13.9	(21.0)
Net gains on Investment Properties	3.3	6.9	(3.7)
Gains on defined benefit scheme	3.4	0.0	3.4
Net Movement in Funds	(3.0)	16.2	(19.3)

The Foundation had funds at 31 August 2022 of £176,241,361 (2021: £179,289,851) representing an 2% decrease of £3,048,490. The funds comprise £5,669,962 (2021: £3,595,920) of Unrestricted Funds, a Permanent and Expendable Endowment Fund of £10,389,574 (2021: £10,732,467), Restricted Funds of £2,207,847 (2021: £2,421,842) and the Fund – Capital of £157,973,979 (2021: £162,539,622).

The total net income (before transfers) and other recognised gains and losses of all funds of the Foundation amounted to a deficit of £3,048,490 (2021 £16,222,614).

Overall, total income across all Funds increased by £2,674,238 to £24,631,954. Total expenditure increased during the year by £716,712 to £27,270,728. Net loss on the listed investment portfolio was £7,107,903 in 2022; net gain of £13,937,314 in 2021. Net gain on the investment property portfolio was £3,251,184 in 2022 and £6,912,601 in 2021.

Independent Schools' Fund – School fee income (net of assisted places and scholarships) increased by £1,577,043 (9.2%) and is in line with our plans.

Income in the **Fund - Income** rose by 8% to £3,935,190 during the year with slight increase in rental income.

The Endowment Fund - Capital received the proceeds from the sale of freehold properties owned by the Foundation and realised a loss of £169,715. Following the valuation there was an unrealised net gain of £3,420,899 from the investment property portfolio. This was offset by losses in the listed investment portfolio which amounted to £6,686,402.

The gains were offset by investments costs, depreciation charged to the Fund and the FRS 102 pension deficit.

The transactions during the year in the Fund Capital were as shown below:

	2022 £	2021 £
Balance at 1 September	162,539,622	146,731,948
(Loss)/gain on investments	3,420,899	13,252,329
(Loss)/Gain on properties	(6,686,402)	2,269,159
Expenditure (investment costs and depreciation)	(920,890)	(897,720)
Transfers from Other Funds:		
- Transfer to Endowment Income Funds	-	(3,250,000)
- Amortisation of Sale of Interest in land	(209,536)	(209,536)
- (Loss)/gain on sale of Investment Properties	(169,715)	4,643,442
Balance at 31 August	157,973,979	162,539,622

Pensions

The teaching staff of the Independent Schools are eligible to join the Teachers' Pension Scheme (TPS) to which the Governors contributed 23.68% of salaries. This is an unfunded scheme open to the teaching profession. It is not managed by the Governors.

Non-teaching staff of the Independent Schools and the Foundation Office have previously been eligible to join a pension scheme operated by the Governors. This is known as the Schools of King Edward VI in Birmingham Retirement Benefits Scheme (the Defined Benefit Scheme). As detailed in Note 21 to the accounts, this Defined Benefit Scheme was closed to new members from April 2010, and a new defined contribution scheme became operational.

The last triennial actuarial valuation of the DB Scheme liability was as at 31 March 2021 and has been considered by Governors. Since 2012 Governors have made additional contributions as part of a pension recovery plan in 2018/19. During 2021/22 this amounted to £395,870 (2020/21: £378,240)

Governors received the FRS 102 pension report on the Governors' Defined Benefit Pension Scheme which showed a reduction in the pension liability from £6,384,000 to £2,773,000. This reduction is largely driven by a reduction in the value of scheme liabilities due to increases in corporate bond yields over the period, which is partially offset by an increase in long term inflation expectations.

Governors' report

Charity Governance Code

The Charities Governance Code explains the minimum standards you should meet to effectively manage and control your Charity. Good governance involves putting in place systems and processes to ensure that your Charity achieves its charitable objectives with integrity and is managed in an effective, efficient, accountable and transparent way. The below sets out the way the Foundation has adopted the six core principles of this code:

Principle 1. Advancing charitable purpose – The Board is clear about the Charity's aims and ensures that these are being delivered effectively and sustainably. This was enhanced in 2021 by the creation of a new Foundation Strategy. During the 2021/22 financial year, a series of key performance indicators were developed to drive and monitor progress against the strategic priorities and objectives set out in the Foundation Strategy. The Board receives regular progress reports in relation to these objectives.

Principle 2. Acting with integrity – The Board acts with integrity, adopting values and creating a culture which help achieve the organisation's charitable purposes. The Board is aware of the importance of the public's confidence and trust in charities, and trustees undertake their duties accordingly. The Board ensures that appropriate risk management processes are in place, ensures that appropriate safeguarding training and procedures are in place, is cognisant of the Foundation's Equality, Diversity and Inclusion policy and is working with the senior executive team to develop an action plan for delivering the Foundation's sustainability strategy.

Principle 3. Leading people – The Charity is led by an effective Board that provides strategic leadership in line with the Charity's aims and values. This will be further enhanced by a revised set of governance arrangements which the Charity has introduced in September 2022. The Foundation Strategy clearly sets out a range of strategic priorities and objectives that are in line with the Charity's aims and values and against which the Board can hold the senior executive team to account.

Principle 4. Exercising control – The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored. This is further enhanced by work from our third-party internal audit provider. The Board describes the Charity's approach to risk in its annual report and in line with regulatory requirements. The Board and all its committees have clear terms of reference which are reviewed and signed off on a periodic basis. The Foundation's Scheme of Financial Delegation clearly sets out the specific resourcing decisions which can be taken at committee level and reported to Board.

Principle 5. Working effectively – The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions. This has been further enhanced by a revised set of governance arrangements which the Charity introduced in September 2022. The Board has a Nominations Committee, regularly considers whether the appropriate mix of knowledge and skills are in place, ensures that Governor induction processes and training and development opportunities are in place and arranges an annual Governor Conference where issues relating to Board effectiveness can be discussed.

Principle 7. Being accountable and transparent – The Board leads the organisation in being transparent and accountable. The Charity is open in its work, unless there is good reason for it not to be. The Foundation has developed a high-level external relations strategy and will be working over the coming months to increase capacity and focus in this area, including the production of a detailed action plan. The Board maintains a register of interests for Governors and senior staff to ensure that any potential conflicts of interest are identified and appropriately managed.

In addition to the above the Foundation recognises the importance and value in equality, diversity and inclusion. The following sets out the Foundation's approach.

Equality, diversity and inclusion - The Board's approach to diversity supports its effectiveness, leadership and decision-making. This was enhanced by the establishment of an Equality, Diversity and Inclusion Committee in October 2020. The Committee has established a clear set of objectives and associated key performance indicators and has undertaken both staff and governor surveys. This has provided a baseline for perceptions of equality, diversity and inclusion issues across the organisation and will support decision making moving forward. Training has also been a key area of focus for the committee to ensure that staff and governors are aware of equality, diversity and inclusion issues.

Risk Management Policy and Systems

The objectives of the Foundation's Risk Management Policy are to:

1. Manage risk in accordance with best practice;
2. Anticipate and respond to changing social, environmental and legislative requirements;
3. Prevent loss, disruption, damage, injury and reduce the cost of risk (thereby maximising resources);
4. Inform policy and operational decisions by identifying risks and their likely impact;
5. Raise awareness of the need for risk management;
6. Integrate risk management into the culture of the Foundation.

Separate risk registers are maintained for the Foundation and each of the two Independent Schools. Periodically, risk registers are presented to and discussed at Foundation Audit Committee meetings.

During 2021/22, the Foundation used an education sector-focused risk management system called GRC-ONE, which includes a range of pre-populated core risks and associated threats drawn from the legislative and compliance environment that educational providers operate in. These risks and threats have been amended, deleted or added to in order to create a bespoke risk register for the Foundation. The risks and threats each have a nominated owner from the relevant department within the Foundation, and each is assigned a residual (post-mitigation) risk score. The GRC-ONE system includes a wide range of reporting functionality to ensure that staff and Governors can be provided with an appropriate level of information and analysis. During the 2021/22 financial year the Foundation appointed a Risk and Compliance Manager to oversee the new Risk and Compliance team.

Governors' report

Starting with an overhaul of the Foundation's policy management the new team has started a review of our risk methodology with a view of running a pilot in the 2022/23 academic year. Simultaneously the team has further augmented its use of the GRC-ONE system to take advantage of the full range of functionality on offer. This will include increased focus on pre-mitigation risk scores, target risk scores, action, controls and associated timescales.

The Foundation's core risks and associated plans and strategies for managing those risks are as follows:

Core Risk	Description	Plans and strategies for managing the risk
The Foundation's operations are poorly managed or ineffective	Poor management can cause organisations to perform poorly or ultimately fail. Poor leadership results in high turnover of employees and low morale and the cost of recruitment and training becomes prohibitive, which can impact a business's ability to continue operations.	The Foundation has recognised the need to enhance capacity and capability in how its operations are managed. Following the appointment of the new CEO in 2021 a restructure of the Foundation has resulted in greater organisational oversight. New roles and teams have been created to improve the day to day running of the Foundation. Several new systems have been introduced (including risk management, HR and finance) to ensure that the Foundation's operations are as effective as possible, and this roll-out of new systems will continue in future years. All major personnel and systems changes are approved and overseen by Governors to ensure that robust business cases and effective implementation plans are in place to fully realise the stated benefits.
There are insufficient funds to deliver the Foundation's services to the appropriate level	Poor management of finances may lead to the budget being overextended in comparison with revenues or contributions received. Without sufficient business reserves it may not be able to absorb consistent losses, and the organisation can fail.	Several actions have been taken to strengthen the management of the Foundation's finances and build on the established finance policies and procedures already in place. The Foundation Finance function has been restructured and strengthened, with a dedicated full time Director of Finance post being created to ensure a strategic approach. Additional financial and management accounting capacity and capability has also been added in recent years. A project to replace the Foundation's Sage 200 finance system with the PS Financials cloud-based system has now been completed. This provides greater functionality and the ability to generate a multitude of financial reports to assist with financial planning, management and budgetary control. The Finance and Investment and Audit Committees oversee the management of the Foundation's finances, reporting regularly to the Foundation Board to ensure that performance and progress are monitored, and risks identified and managed.
The Foundation fails in its compliance responsibilities	Failure to comply with these compliance requirements can have serious consequences for both organisations and individuals. Sanctions can include letters for improvement, fines, prosecution, imprisonment and disqualification from continuing to transact business or practice.	The Foundation has enhanced its capacity and capabilities to ensure that compliance responsibilities are being met. A Risk and Compliance Manager has been appointed, with this individual also acting as the Foundation's Data Protection Officer. Compliance policies have been reviewed and augmented and are available for FO staff to access. The Foundation Board and its Committees consider and review compliance procedures, issues and risks on a regular basis. In 2022/23 academic year the Risk and Compliance team will be running a risk management pilot with the goal of improving risk oversight through control attestation and risk event monitoring.
The Foundation suffers from a significant or prolonged governance failure	Poor governance can affect the ability of the organisation to achieve its objectives, manage its finances and operations, meet its compliance responsibilities and protect its reputation.	Governors' conferences provide Foundation Governors with a forum to discuss key issues, including reviewing the effectiveness of current governance arrangements. In 2018/19 a Joint Strategy Committee was introduced covering both the Foundation and the Academy Trust. The Foundation is an ongoing member of the National Governance Association, which provides access to best practice, training and thought leadership.
The Foundation fails to adequately protect its reputation	Risk to reputation is caused by a misalignment of values; the organisation failing in some way to meet stakeholder expectations, delivering significantly below expectation. As reputation is a relational concept this failure can manifest itself in a number of different ways.	The GRC-One risk management system provides an important platform for identifying and managing reputational risks. Actions taken to manage and mitigate reputational risks include: <ul style="list-style-type: none"> • The Foundation has recently introduced greater clarity in relation to its overarching mission, principles and objectives. • Robust governance arrangements are in place and are reviewed on an ongoing basis and amended and enhanced when necessary. • Recent investment in personnel and systems has increased capacity and capability, contributing to the overall effectiveness of the Foundation's operations and providing greater alignment between strategic direction and the operational actions required to deliver this strategy. <p>The Foundation also has a Marketing and Communications team who oversee reputational considerations.</p>

Governors' report

Reserves Policy

Governors recognise that the Foundation's endowment cannot be regarded as entirely free funds given the degree of dependence upon the income from it. Governors seek to maximise the return from this endowment within the context of acceptable risk to capital and apply a total return approach in the strategic management of the investment portfolio.

Governors endeavour as a minimum to maintain, in real terms, a constant income in perpetuity and to spend this income upon the charitable objects in the year of receipt or subsequently. This entails holding appropriate reserves. Where the income standards above can be exceeded, Governors balance the desirability and value of immediate expenditure with the alternative of increasing the Endowment Fund and future long-term sustainable income. Where the income standards above cannot be met, Governors will seek to reduce expenditure. They seldom envisage spending the capital endowment fund and will do so only in exceptional circumstances (and in line with the total return approach to managing investments).

In short, the Governor's policy is to generate sufficient income to provide support for the Schools and the Foundation whilst maintaining the real value of the capital endowment fund for the long term. Governors recognise that over the short to medium term, as the Foundation delivers its strategic objectives on widening accessibility and continues to focus on reducing the DB Pension Scheme deficit, additional financial resources will be required.

The Foundation has set a target for annual expenditure to be no more than 3.5% of the value of the endowment with the current level of expenditure hitting this target. The Board has agreed to exceed this over the next few years in order to support the delivery of the Foundation Strategy and the five-year financial forecast shows a positive direction of travel, with the 3.5% target being achieved by the end of the five-year forecasting period.

The Governors calculate that the free reserves available to the Foundation, comprising the Unrestricted Funds and the Endowment Fund – Capital, amount to £163,643,941 (2021: £166,135,542), although in practice the Endowment Fund - Capital is managed as if it is a Permanently Endowed Fund with all spending from the Fund carefully considered. The amount of funding that could be realised by disposing of tangible fixed assets is £28,125,872 (2021: £27,005,374).

It is possible that in the short term, as withdrawals are made from capital, the value of the property and listed investment portfolio will not keep pace with inflation.

Within the total of free reserves is a Designated Fund of £1,032,526 (2021: £915,165). This represents funds that have been set aside in previous accounting periods. Within this balance, only the funds set aside within the Widening Access Fund (£259,083) will be committed over the next year. The timing of when commitments will be required in relation to other elements of the Designated Fund is to be determined.

The amount of funds that are held by the Foundation which are restricted and not available for the general purposes of the charity are those funds held within the Permanent and Expendable Endowment Fund and the Restricted Fund of £12,597,420 (2021: £13,154,309).

Governors' report

Going Concern

The Governors assess whether the use of the going concern basis for preparing the financial statements is appropriate and whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

The Governors have considered the principal risks and uncertainties facing the Charity (for example, whether the economic climate particularly during the current cost of living crisis, has affected the ability of some parents to pay School fees which, alongside the value of the Foundation's endowment and the income derived from it, is an important factor in long term financial planning). The management team also carefully monitor the level of scholarships and bursaries to ensure that the grant commitments are maintained at a sustainable level.

The Governors believe that the preparation of these accounts under the going concern basis remains appropriate, and they have made this assessment in respect of a period of one year from the date of approval of the financial statements.

Investment Powers and Policy

Investment Powers are governed by the 1900 Act as amended by the Scheme of 2012 and the Trustee Act 2000. The investments comprise the property portfolio and narrow and wide range quoted investments.

The policy of the Foundation is to manage the Foundation assets in accordance with statutory constraints, with a view to achieving an income that will allow it to further its educational objectives immediately, whilst at the same time bearing in mind that the assets must be invested in such a manner that they produce appropriate future income. The Foundation has delegated the day-to-day management of the listed investment portfolio to Barclays Wealth.

The investments have continued to be managed in line with the Governors' policy and instructions. Portfolio performance is measured regularly against a custom benchmark, comprising an appropriate market index selected for each asset class as agreed between the Investment Managers and the Governors. The overall total return performance achieved on the main portfolio for the year to 31 August 2022 was -6.19% (2021: +16.6%) net of fees, against a composite benchmark of -2.10%.

Ethical Investment Policy

The Foundation's overarching responsibility is to maximise its returns on investments in order to pursue its charitable objectives. Specific investments are made in properties and listed investments in accordance with an overall strategic investment asset allocation policy approved by the Finance and Investment Committee. This Committee regularly reviews the investments and engages in pragmatic dialogue with the Foundation's Investment Manager and Property Advisor about any areas of ethical concern which they have identified.

The Foundation will, after a full evaluation of the known facts, consider disinvesting or refraining from investing in specific securities, assets or businesses that are associated with activities perceived to be unethical. The Foundation believes that this ethical investment policy will not result in any significant financial detriment, with the balance of all impartial research indicating that an ethical investment policy neither adds to nor detracts from investment performance.

Auditors

Crowe U.K. LLP are the external auditors for the 2021/22 financial year.

The Governors are not aware of any relevant audit information of which the auditors are unaware. The Governors have taken all steps they consider necessary to make themselves aware of any relevant information and to establish that the auditors are aware of that information.

Future Plans

In order to meet their aims and objectives, Governors have planned the following activities:

- Governors will continue to keep a close watch on the financial and property markets and wider economic climate to ensure that they maximise opportunities for growth of the current portfolios and income, whilst being aware of the potential long-term headwinds which may result from the volatility of the external environment, including the global recovery from the pandemic, the war in Ukraine and the impact of continued levels of high inflation.
- Exciting plans to develop the Edgbaston campus are progressing with architects being invited to submit proposals for an estate masterplan for the site in support of the educational vision for the two independent schools towards the KES 500 year anniversary in 2052.
- Governors will continue to work with the Trustees of the Academy Trust to increase the number of children in Birmingham that can benefit from an education supported by the Foundation. An overarching principle will be that such growth is manageable and targeted at more disadvantaged areas of the city. King Edward VI Lordswood School for Girls formally joined the Academy Trust and the Foundation in September 2022 and conversations are ongoing with the Heads of other comprehensive schools that have expressed an initial interest in joining the Academy Trust and Foundation. The most advanced of these conversations is with King's Norton Boys' School with a view to joining in January 2024.
- There will be further development and implementation of an approach to school improvement that can harness the best talent already working in our schools, as well as partnering with other schools, Multi Academy Trusts, Charities and stakeholders. To enable this we created an Educational Support and Growth team in 2019/20 and developed a Foundation strategy in 2021 centred around learning with us, working with us and partnering with us. In April 2022 a new Director of Education took up post and has continued to extend our programme of school improvement and collaborative activities to benefit staff and students across and beyond the Foundation's schools. A particular focus will continue to be placed on remote and blended learning utilising technology, supporting disadvantaged pupils and engaging in meaningful 'catch up' initiatives to counteract the impacts of lost learning during the Covid 19 pandemic.
- Continued implementation of an HR strategy will improve the recruitment, development, deployment and retention of staff across our schools. This will be supported by a new integrated HR and Payroll system that will reduce the level of manual processing and enhance efficiency as new schools join.
- Having effective governance structures has been identified as a priority. The creation of the Academy Trust led to a proliferation of committees and meetings, with many Governors expected to serve on multiple overlapping committees. We have adopted a new structure that streamlines our governance whilst simultaneously providing more strategic oversight of our legal entities and schools. This will continue to be evaluated and evolved where necessary.
- In order to continue to develop and improve our support services, we will focus in particular on developing and implementing a unified digital strategy, creating an enhanced estates function, increasing our external relations capacity and capability and further developing and implementing our sustainability strategy and approaches to equality, diversity and inclusion.

Governors' Report

Schools Information: Independent Schools

King Edward's School, Birmingham

King Edward's School, Birmingham was founded in 1552 by King Edward VI and is one of the leading independent schools in the UK. Based in Edgbaston, the school shares a 50-acre campus with King Edward VI High School for Girls, which provides extensive space and facilities matched by few day schools in the country.

King Edward's School is a boys' day school having around 880 pupils aged from 11 to 18 in 2021/22. The majority of our pupils join at age 11 and continue through until they are 18 but some join us at 13 and into the Sixth Form.

The school has a longstanding tradition of ensuring that a King Edward's education is open to all boys of ability, whatever their family or financial situation and therefore offer means tested assisted places based on family income and assets.

We are committed to an academically ambitious curriculum, alongside an imaginative and wide-ranging co-curricular programme, in which every pupil can find his particular enthusiasm and areas of expertise. Above all, we foster a culture of open-mindedness and kindness, an environment where every pupil is known and appreciated, as we support their development from 11-year-old boys to young men, ready to contribute to the world beyond school. Pupils enjoy considerable academic success and, as an IB World School, they are prepared for a global future.

The individual pupil is paramount and there is a great respect for, and celebration of, variety and difference. Our teaching staff are passionate about their subjects and support each pupil to succeed to the best of his abilities, helping him grow and develop in the best way for him.

The School's aims

We aim to educate and inspire the cleverest boys in the region to take on the challenges the world presents, to make a significant contribution to that world and, most of all, to enjoy doing so. We seek to achieve this through the three main areas of school life:

Academic

We develop the things that matter most: liveliness of mind, critical thinking, and humanity. These qualities manifest themselves in our pupils' curiosity, their open-mindedness, their focus on interconnectivity, transfer of knowledge and understanding, not just knowledge itself, and their boldness in the pursuit of discovery. We provide them with the means, freedom and opportunities to feed these instincts.

Co-curriculum

We understand that the most important lessons are not only learned in the classroom. It is through the complementary co-curricular life of the school that we seek to enable our pupils to become well-rounded, exceptional, thoughtful and caring young men who are ready both to make the most of the modern world and to make it better for us all. It is about building an awareness and appreciation of the world beyond ourselves.

Pastoral

The lived experience of boys at King Edward's should provide them with a pastoral education that develops the attributes and attitudes to empower them to live balanced lives with meaning and purpose. We aim to shape boys of sound character and strong personal resource, allowing them to approach life's uncertainties with forethought and determination. We want boys to be prepared to learn the value of looking outwards, providing them with opportunities to serve their school and local communities. The breadth of our pastoral education enables pupils to balance the intellectual, physical and emotional aspects of life to achieve a holistic wellness.

2. Review of activities

a. Academic results

King Edward's School is one of the leading independent schools in the UK and pupils achieve excellent exam results each year.

International Baccalaureate (IB) Diploma results 2022

The 110 boys who achieved the IB Diploma in 2022 received excellent results, highlights of which include:

- 6 boys gained the maximum 45 points – a score achieved by less than 0.5% of students worldwide
- 25 boys gained 44 or 43 points
- 60% of the cohort scored 40 points or above
- Average points score per pupil of 39.6 points (*10 points above the usual IB global average for an examined year*).

Governors' Report

	Average score	40+ points
2022	39.6	60%
2021	40.3	62%
2020	39.1	49%
2019	37.9	41%

Comparing our 2022 Higher Level IB results to equivalent A-level grades provides the following:

Higher Level IB grade	Equivalent A-level grade	% of grades achieved
7	A*	50%
7/6	A*/A	85%
7/6/5	A*/A/B	96%

GCSE results 2022

The 143 boys who took their GCSEs in 2022 produced another set of outstanding results, highlights of which include:

- 51 boys with at least 10 9s/8s
- 72 boys with nine or more 9s/8s

	9/8 (A*)	9/8/7 (A*/A)
2022	73.5%	89.4%
2021	73.8%	89.3%
2020	71.7%	88.7%
2019	67.6%	85.4%

b. Assisted Places

King Edward's School aims to provide education for able boys, regardless of the financial circumstances of their families. Funding for Assisted Places is provided thanks to a substantial grant from the Governors of the King Edward VI Foundation and generous donations from Old Edwardians.

An Assisted Place is awarded on academic merit based on the school's own entrance examination at 11+ and academic interview at 16+. Assisted Places are means-tested, based on family income and assets.

c. Co-curricular activities

Part of what gives King Edward's School its unique character is the exciting and diverse range of co-curricular opportunities on offer. We strive to have the widest range of activities so that every pupil can find at least one thing that enlivens and enriches his life.

Sport

We take pride in the breadth of sport we offer; from competitive inter-school competitions to friendlier House events, we aim to make sport accessible for every pupil. Major sports offered include rugby, hockey and cricket, though there are many other options available. The School offers 21 different sports with a vast range of opportunities for boys to take part. A healthy balance is struck between breadth of participation and top-level performance – in both teams and individual sports. We were delighted that our Andrew Brode Sports Centre and Eastern Road sport facilities were the official training venues for rhythmic gymnastics, hammer and discus during the Birmingham 2022 Commonwealth Games, and that our athletics track – which is shared with the University of Birmingham and KEHS – was the official training venue for athletics and para athletics.

Performing arts

Following a couple of Covid-impacted years, 2021/22 saw music and drama able to deliver a full programme of concerts, recitals, performances and large-scale productions in conjunction with KEHS, including our first Birmingham Symphony Hall concert since the pandemic.

Governors' Report

Clubs and societies

Clubs and societies are an integral part of school life. With around 50 to choose from, including Coding, Lifeguarding and Debating, there is an opportunity for everyone. Along with music and drama clubs, many other societies are run jointly with KEHS including Christian Union, Law Society, Physics Society and MedSoc.

Friday afternoon activities

Friday afternoons are entirely set aside for such activities as the Combined Cadet Force, the Leadership programme and a wide range of Service and Partnership activities such as music and sports coaching and visits to primary schools, care homes, hospitals, animal sanctuaries and organisations supporting refugees. The KES Food Bank and Home Bank continued to go from strength to strength in 2021/22.

Trips

The variety of trips on offer at the school are a really important part of our co-curricular life and contribute enormously to the school's appeal and reputation. As a part of school life that was most severely impacted by the pandemic, it was pleasing to deliver a full programme of trips during 2021/22, both in the UK and Europe.

3. Partnerships and Participation

We decided to rename the KES Outreach Programme, which engages with primary school children in and around Birmingham, to reflect its collaborative approach – it is now known as Partnerships and Participation. The programme aims to support primary teachers in raising aspirations, by offering free activities and access to our facilities to complement and extend what children are doing in school. In a typical year, more than 13,000 children from more than 200 schools across Birmingham and the wider region take part in the programme. The year 2021/22 culminated in the annual Summer School, delivered in conjunction with KEHS for the first time, which saw 100 primary school pupils – those exceeding academic expectations, with a particular focus on Pupil Premium pupils – taking part in three days of enrichment activities.

4. Future Plans

In order to continue to provide an exceptional education that is rich and varied where boys excel academically and develop the qualities to succeed, the School has ambitious plans for the future.

Plans for 2022/23 include:

- Ongoing developments to the curriculum to ensure that KES remains at the forefront of academic excellence, including the introduction of School for Thought – a bespoke “thinking” course, initially to be introduced for Year 7 and 9, which will form part of the “KE Core”
- Continued development of the Partnerships and Participation programme
- Reinvigoration of the Assisted Places fundraising
- Continued improvements to the fabric of the buildings and longer-term planning for the development of the facilities on the site, including commissioning a Masterplan, which will produce a blueprint for the whole 50-acre campus, shared by KES, KEHS and the Foundation Office
- Collaborating closely with KEHS on all of the above and, together, developing common threads with the Foundation Strategy, so that we build on our unique position locally and nationally.

Governors' Report

King Edward VI High School for Girls, Birmingham

1. Aims and ethos

King Edward VI High School for Girls has roots dating back over 600 years to the Guild of the Holy Cross, but it was not until much later, in 1864, that the new liberal-controlled town council recommended the creation of an upper school for girls, a boys' high school and a boys' middle school.

Founded in 1883 on the New Street site, where King Edward's School was already based, King Edward VI High School for Girls encouraged students to go from elementary school through grammar school and high school to university. In 1931, it was decided that the two schools needed a new site and only the Calthorpe Estate could offer sufficient space within reach of the city centre. The Foundation Stone was laid in the autumn of 1938. Today, King Edward VI High School for Girls is a wonderful blend of tradition and innovation with its beautiful library, and the Sir Paul and Lady Ruddock Performing Arts Centre, which is shared with KES and celebrated its 10th anniversary in 2022. The emphasis on liberal learning, established by the first Headmistress, continues today, in a broad and balanced academic curriculum, which promotes intellectual freedom and discovery, coupled with a wider range of co-curricular and extra-curricular activities, and outstanding facilities for sport, music, drama and art.

School aims

KEHS is a school synonymous with intellectual ambition. With a mission to offer an unrivalled education to the brightest girls in the region, irrespective of their social or economic background, KEHS is a leading voice in the educational life of the UK.

We aim:

- To impart the joy of learning and enquiry together with intellectual courage, with the resilience and adaptability requisite for this
- To develop integrity, resolve, self-knowledge, compassion, and respect for others
- To inspire the confidence and purpose to make a difference to our community and beyond.

To realise these aims:

- We provide outstanding teaching through a forward-looking and challenging curriculum and a culture of scholarship, going beyond the confines of the exam specifications, and making connections across disciplines
- We provide proactive pastoral support which promotes the development of balanced, self-reflective and assertive pupils with a strong moral compass
- We offer an education rich in extra-curricular opportunities, which develop leadership and wider skills, as well as character and perspective
- We provide high-quality training for staff to ensure ongoing professional and institutional development, building on a long tradition of our staff nourishing the intellectual life of the school through their own interests
- We offer means-tested Assisted Places and help those outside the school with a strong outreach and community service programme.

2. Review of activities

The Sunday Times rated KEHS the top West Midlands independent secondary school for academic results for the second year running.

At A Level: 65.7% of grades at A* and 90.5% at A*/A.

GCSE Results: 94.9% grades at 9-7 or A*/A equivalent, with 22 girls securing grade 9 in all subjects.

a. Academic results

A Level	Year	A*	A*-B
	2022	65.7	96.4
	2021	51.5	96.9
	2020	48.4	98.7
	2019	36	95.5

GCSE	Year	9/8 (A*)	9/8/7 (A*/A)
	2022	84.0	94.9
	2021	87.3	96.4
	2020	85.7	94.5
	2019	82.5	93.2

During 2021/22, we introduced GCSE PE and bespoke courses – Leadership and Mandarin in Year 8 and Politics, Philosophy and Economics in Year 10. Our proactive pastoral support was strengthened through the introduction of a SENDCO role and wellbeing walks which saw new Year 7's catching up with their 'buddies' from Year 8 to discuss how they were settling in. The House system was also reintroduced, and refurbished spaces for Sixth Formers to study and socialise were opened.

Governors' Report

b. Assisted Places

King Edward VI High School for Girls aims to offer an exceptional education to the brightest girls in the Birmingham area, irrespective of their parents' ability to pay fees. Funding for Assisted Places is provided thanks to a substantial grant from the Governors of the King Edward VI Foundation and generous donations from Old Edwardians.

An Assisted Place is awarded on academic merit based on the school's own entrance examination at 11+ and academic interview at 16+. Assisted Places are means-tested, based on family income and assets.

c. Co-curricular activities

At KEHS, we believe co-curricular and extra-curricular activities are vital in developing rounded, balanced students who enrich the life of the school as well as fulfilling their academic potential. We offer over 70 clubs and societies per week for girls to sample exciting experiences from Martial Arts, Ultimate Frisbee and Football Club to Philosophy Society, Schools' Challenge quizzing, Criminology Club, Gardening Club and Spoken Word. Increasing numbers of students help to run existing clubs or even start their own, to share their interests, develop their leadership skills and become role models within the school community. Along with Drama and Music clubs, many other societies are run jointly with KES including Christian Union, Law Society, Physics Society and MedSoc. We invite numerous speakers, theatre groups, writers, artists, musicians and other guests into school each year to inspire students and broaden their experience. During 2021/22 speakers continued to play a significant part in the co-curricular life of the School.

The wide variety of trips on offer at the school is a really important part of our extra-curricular life and contributes enormously to our appeal and reputation. These trips were reduced during 2020/21 due to Covid but were operating fully during 2021/22 with many students enjoying European language trips during the year. The school's Outdoor Education provision continues to expand with year group residentials as well as significant numbers completing Bronze, Silver and Gold Duke of Edinburgh's Awards.

In Sport, we continue to offer world-class coaching and outstanding facilities across multiple sports, with all abilities catered for including students on national development pathways. Our international standard athletics track – which is shared with the University of Birmingham and KES - was the official training venue for athletics and para-athletics at the Birmingham 2022 Commonwealth Games.

In Music and Drama, we were able to deliver a full programme of concerts, recitals, and large-scale productions in conjunction with KES, including our first Birmingham Symphony Hall concert since the pandemic.

Charitable and service activities included the embedding of the King Edward's Home Bank, collecting hygiene products for local support services, in to the life of the school.

3. Partnerships and Participation

We decided to rename the KEHS Outreach Programme which engages with primary school children in and around Birmingham, to reflect its collaborative approach, so it is now known as Partnerships and Participation.

One of our school aims is to make a difference to our community and beyond, and the programme is an important way in which we seek to do this. The programme aims to support primary teachers in raising aspirations, by offering free activities and access to our facilities to complement and extend what children are doing in school. The year culminated in the first joint KES/KEHS Summer School, which saw 100 primary school pupils – those exceeding academic expectations, with a particular focus on Pupil Premium pupils – taking part in three days of enrichment activities.

Our nationally-recognised TuneUp programme is also part of our partnership activities. TuneUp aims to enable as many young people as possible to participate in uplifting arts activities. It went global during November 2020 when more than 110,000 pupils around the world took part in an online event to mark TuneUp Tuesday. During 2022, TuneUp ran a creative project (Culture in Common) which was part of the Birmingham 2022 Festival and linked professional artists with six Birmingham state schools. The project also saw the creation of the TuneUp Ambassador programme to facilitate Sixth Form Arts Ambassadors to lead arts workshops.

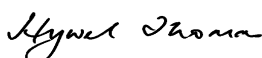
During 2021/22, we also hosted enrichment events for students from other schools in the King Edward VI Foundation, including Enterprise Day, and Philosothon and a full-day workshop focussing on surgical careers.

4. Future Plans

The years 2021 - 2023 will see us focusing on strengthening the distinctive hallmarks of a KEHS education by:

- Developing our curriculum and resources to the benefit of our students and staff, focusing on academic excellence, co-curricular distinction, and developing character and leadership
- Exploring how we can shape our approach to learning to ensure that students thrive and are prepared for the opportunities and challenges of their future lives
- Developing our site and facilities and maximising the opportunities of our fabulous spaces
- Progressing a drive for people in the community, from current students, alumnae and parents to local influencers, to advance the school
- Collaborating closely with King Edward's School (KES) on all of the above and, together, developing common threads with the Foundation Strategy, so that we build on our unique position locally and nationally.

In 2023, we will commission a masterplan, which will produce a blueprint for the whole 50-acre campus, shared by KEHS, KES and the Foundation Office. We also look forward to the opening of our new Design Centre with enhanced facilities for Art, DT and Computing and enabling the introduction of GCSEs in DT and Computing.



Prof H Thomas
Chair



Mr D Wheeldon
Bailiff

Independent auditor's report to the Governors of the Schools of King Edward VI in Birmingham

Opinion

We have audited the financial statements of The Schools of King Edward VI in Birmingham for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the cashflow statement and notes to the financial statements, including 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 2022 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 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 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 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 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 and returns; 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 set out on page 48, 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 liquidate the charity or 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 144 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.

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:

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company 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, taxation legislation, 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 charitable company'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, General Data Protection Regulation (GDPR), Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the 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 within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and 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 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 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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 24 April 2023

Crowe U.K. LLP 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.

Statement of Governors' Responsibilities

The Governors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

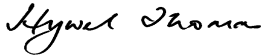
Charity law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Charity Law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Governors on 29th March 2023, and signed on its behalf by:



Prof H Thomas
Chair



Mr D Wheeldon
Bailliff

Statement of Financial Activities For the Year ended 31 August 2022

	Note	Unrestricted Funds			Fund Capital	Permanent & Expendable Endowment Fund	Restricted Fund	Total 2022	Total 2021
		Schools Fund	Designated Fund	Fund Income					
		£	£	£	£	£	£	£	
INCOME AND ENDOWMENTS FROM:									
Donations and legacies		-	-	30,180	-	-	1,150	31,330	795
Charitable activities									
Fees receivable	3	18,699,114	-	-	-	-	-	18,699,114	17,122,071
Ancillary trading income									
Catering income		864,234	-	-	-	-	-	864,234	551,741
Extra-curricular activities		615,241	-	-	-	-	-	615,241	284,445
Registration fees		30,234	-	-	-	-	-	30,234	32,138
Other ancillary income		201,210	-	-	-	-	-	201,210	60,739
Non-ancillary trading income									
Lettings		249,149	-	-	-	-	-	249,149	56,023
Investments									
Rental income		-	-	1,846,499	-	105	-	1,846,604	1,865,016
Investment income		-	-	1,089,211	-	25,206	10,480	1,124,897	1,108,499
Bank and other interest		33	-	6,838	-	485	121	7,477	1,258
Other income		-	-	962,463	-	-	-	962,463	874,991
Total		20,659,215	-	3,935,191	-	25,796	11,751	24,631,953	21,957,716
Expenditure on:									
Raising funds									
Investment management		-	-	216,686	131,106	-	-	347,792	367,788
Estate management		-	-	353,433	-	-	-	353,433	207,711
		-	-	570,119	131,106	-	-	701,225	575,499
Charitable activities									
Education		22,086,255	2,639	2,894,020	789,784	108,621	64,314	25,945,633	24,012,887
Grant-making		21,451	-	602,416	-	-	-	623,867	1,965,630
		22,107,706	2,639	3,496,436	789,784	108,621	64,314	26,569,500	25,978,517
Total	4	22,107,706	2,639	4,066,555	920,890	108,621	64,314	27,270,725	26,554,016
Net income /(expenditure) before gains and losses		(1,448,491)	(2,639)	(131,364)	(920,890)	(82,825)	(52,563)	(2,638,772)	(4,596,300)
Net (losses)/gains on investments		-	-	-	(6,686,401)	(260,068)	(161,433)	(7,107,902)	13,937,313
Net gains on investment properties		-	-	-	3,251,184	-	-	3,251,184	6,912,601
Net (Expenditure)/Income		(1,448,491)	(2,639)	(131,364)	(4,356,107)	(342,893)	(213,996)	(6,495,490)	16,253,614
Transfers between funds	1	2,075,630	120,000	(1,986,094)	(209,536)	-	-	-	-
Actuarial gains/(loses) on defined benefit pension	2	-	-	3,447,000	-	-	-	3,447,000	(31,000)
Net Movement in Funds		627,139	117,361	1,329,542	(4,565,643)	(342,893)	(213,996)	(3,048,490)	16,222,614
Reconciliation of funds									
Opening balance		2,667,473	915,165	13,282	162,539,622	10,732,467	2,421,842	179,289,851	163,067,237
Closing balance		3,294,612	1,032,526	1,342,824	157,973,979	10,389,574	2,207,846	176,241,361	179,289,851

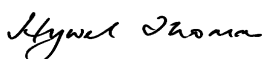
All activities arise from continuing operations.

Balance Sheet

At 31 August 2022

	Note	£	31 August 2022 £	31 August 2021 £
Fixed Assets				
Intangible assets	6		345,697	167,609
Tangible assets	6		28,125,872	27,005,374
Investment property	7		49,518,730	47,717,137
Investments	8		93,594,609	101,052,910
			<u>171,584,908</u>	<u>175,943,030</u>
Current Assets				
Debtors	9	1,159,333		850,884
Short term deposits		850,707		850,120
Cash at bank and in hand		10,788,641		14,449,232
		<u>12,798,681</u>		<u>16,150,236</u>
Liabilities				
Creditors: amount falling due within one year	10	(4,299,077)		(5,341,759)
Net Current Assets				
			<u>8,499,604</u>	<u>10,808,477</u>
Total Net Assets less current liabilities				
			180,084,512	186,751,507
Creditors: Amounts falling due after more than one year	10		(1,070,151)	(1,077,656)
Total Net Assets before pension deficit				
			179,014,361	185,673,851
Pension scheme funding deficit	22		(2,773,000)	(6,384,000)
Net Assets				
			<u>176,241,361</u>	<u>179,289,851</u>
Represented by:				
Unrestricted funds				
Designated fund	12		1,032,526	915,165
Schools' fund	13		3,294,612	2,667,473
Fund – Income		4,115,824		6,397,282
Less FRS 102 Pension Deficit	22	(2,773,000)		(6,384,000)
	14		<u>1,342,824</u>	<u>13,282</u>
			5,669,962	3,595,920
Permanent and Expendable Endowment fund	15		10,389,574	10,732,467
Fund – Capital	14		157,973,979	162,539,622
Restricted fund	16		<u>2,207,846</u>	<u>2,421,842</u>
Total Funds				
	11		<u>176,241,361</u>	<u>179,289,851</u>

The financial statements on pages 25 to 50 were approved by the Board on 29th March 2023, and authorised for issue on its behalf by:



Prof H Thomas
Chair



Mr D Wheeldon
Bailliff

Statement of Cash Flows

For the Year ended 31 August 2022

	31 August 2022 £	31 August 2021 £
Cashflow from operating activities		
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period	(3,048,490)	16,253,614
Adjustment for:		
Net (gains)/losses on investments	5,633,381	(20,849,914)
Depreciation of tangible fixed assets	891,045	815,089
Retirement Benefits Scheme costs less contributions paid	(3,611,000)	(152,000)
Interest received	(7,477)	(1,258)
Rent received from investment property	(1,846,604)	(1,865,016)
Decrease/(increase) in debtors	(308,450)	753,117
Increase/ (decrease) in creditors	(1,050,186)	(2,782,503)
Net cash (outflow) from operating activities	(3,347,783)	(7,828,871)
Cash flows from investing activities		
Interest received	7,477	1,258
Rent received from investment properties	1,846,604	1,865,016
Proceeds from the sale of investment properties	6,280,285	18,299,336
Payments to acquire tangible fixed assets	(2,189,632)	(130,862)
Sale of investments in shares	21,857,025	31,989,094
Purchase of investments in shares	(23,163,823)	(27,384,997)
Purchase of investment properties	(4,830,694)	(7,250,000)
Movement in cash awaiting investment in shares	(119,465)	(1,722,466)
Net Cash (expended)/provided by investing activities	(312,223)	15,666,379
Change in cash and cash equivalents in the reporting period	(3,660,005)	7,837,508
Cash and cash equivalents at the start of the period	15,299,352	7,461,844
Cash and cash equivalents at the end of the period	11,639,347	15,299,352
Analysis of cash and cash equivalents		
Cash at bank and in hand	10,788,641	14,449,232
Short term deposits	850,707	850,120
Total cash and cash equivalents	11,639,348	15,299,352

Notes to the Accounts

1 - Statement of Accounting Policies

Accounting policies

The Schools of King Edward VI in Birmingham (the "Foundation") is a charitable trust. The address of its registered office and principal place of business is given on page 4 and the nature of its operations are set out in the trustees' report.

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, are set out below.

Basis of accounting

The financial statements have been prepared in accordance with the 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 2015 (Charities SORP FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Foundation meets the definition of a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the Foundation.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the accounting policy.

Monetary amounts shown in these financial statements are rounded to the nearest £1.

Income recognition

Fees and Similar Income

Fees receivable and charges for the use of premises and facilities are accounted for in the year in which the service is provided. Fees receivable are stated after deducting bursaries, scholarships and other remissions allowed by the Schools. Provisions are made for fees that are considered difficult to recover.

Rents and Letting income

Rental and Letting income is recognised as received or receivable in respect of the financial year.

Lease Incentives

Lease incentives, such as up-front cash payments, received from the lessee are treated as deferred income and are released on a straight line basis over the life of the lease.

Sales of interest in land

Sales of interests in land are recognised as income in the year of receipt and credited to the Endowment Fund – Capital. The receipts are amortised over the length of the lease and transfers made to the Endowment Fund – Income.

Investment Income

Income, in the form of fixed interest and equity dividends, is earned from investments held during the year, and recognised when receivable.

Donations and legacies

Donations and legacies are accounted for on a receivable basis when receipt is probable and the amount can be reliably measured.

Expenditure recognition

Liabilities are recognised when either a constructive or legal obligation exists. Expenditure is accounted for on an accruals basis. The irrecoverable element of VAT is included within the item of expense to which it relates.

Raising funds

The cost of generating funds consists of management costs and certain legal fees.

Grant making

Grant making costs shown on the Statement of Financial Activities include the costs associated with the activity and the support costs of the Foundation Office and are charged to the Endowment - Income Fund.

The Foundation provides annual grants to the two Independent Schools from the Endowment Fund – Income and small annual widening accessibility grants to all Academies where sufficient funds are available.

Grants awarded to the Independent Schools are shown as a transfer from the Endowment – Income Fund to the School's Fund on the Statement of Financial Activities.

Costs of the Foundation Office (both governance and grant making) are not allocated to any other fund.

Operating lease costs are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Intangible fixed assets

Intangible fixed assets are depreciated on a straight-line basis over their useful economic life, and charged to the Endowment – Capital Fund

Software – this relates to the new finance system (PS Financials Cloud software) and the new payroll system (iTrent) which we expect to have in use for at least five years.

Tangible fixed assets

Land, buildings, equipment and donated assets are capitalised as tangible fixed assets at historic cost, and accounted for in the Endowment Fund - Capital. Assets with a cost below £20,000 are not capitalised.

No depreciation is provided on freehold land, but other assets are depreciated on a straight line basis over their useful economic life, and charged to the Endowment – Capital Fund or Permanent & Expendable Endowment Fund.

Buildings - new 50 years

Buildings - refurbished 10 years

Plant & Equipment - 10 years

Vehicles - 5 years

Leasehold property - Length of lease

Assets in the course of construction are transferred to the above categories on completion and depreciated from the date the asset comes into use.

Historic assets have been excluded from the balance sheet as reliable cost information is not available and the historic cost is not believed to be material to the accounts.

Notes to the Accounts

1 - Statement of Accounting Policies (continued)

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date stated at closing mid-market value. Any realised and unrealised gains and losses on revaluation or disposals are combined in the statement of financial activities.

The Foundation does not acquire put options, derivatives or other complex financial instruments.

Investment properties are initially measured at cost and subsequently measured at fair value. The investment properties are valued every five years in line with the Royal Institution of Chartered Surveyors Red Book guidance. An Annual Asset Valuation is carried out on an annual basis.

No depreciation is charged on investment properties.

Impairments

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards. Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairments. All impairment losses are recognised in the Statement of Financial Activities.

Debtors

Fees and other debtors which are receivable within one year are initially recognised at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash and bank balances

Cash and bank balances includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition.

Trade creditors and other liabilities

Trade creditors and other liabilities payable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Financial Instruments

The Charity 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.

Pension schemes

Teaching staff are eligible to join the Teachers' Pension Scheme administered by the Department for Education. Eligible non-teaching staff may join the Defined Contribution Scheme. Contributions to the Teachers' Pension Scheme and the Defined Contribution Scheme are charged to the Statement of Financial Activities in the year they become payable.

Teachers' Pension Scheme (TPS)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over teachers' working lives, in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a projected unit method. The TPS is a multi-employer scheme but there is insufficient information available to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Governors' Defined Benefit scheme

The Governors' Defined Benefit Pension Scheme, which was closed to new members in 2010, is valued every three years by a professionally qualified independent actuary, who determines the rates of contribution payable. The pension charge in the accounts represents the regular charge adjusted by amortisation of the pension scheme surplus or deficit.

The net gain/loss on the net defined benefit liability is recognised in the Statement of Financial Activities. The difference between the scheme liabilities and the scheme assets is recognised in the unrestricted fund.

Funds

Schools' Fund - An unrestricted fund which comprises the surpluses arising from the activities of the two Independent Schools - King Edward's School, and King Edward VI High School for Girls.

Designated Fund - The Governors exercise their discretion to make provision for future expenditure on specific projects of a non-recurring nature from which the Designated Fund is constituted.

Endowment Fund - This fund is used at the discretion of the Governors in furtherance of the objectives of the Foundation.

The fund comprises two elements. Capital, being the accumulation of capital gains derived from its investments, and Income, being the surplus arising from the income generated by its investments, after deduction of management costs and grant distributions to the schools.

On an annual basis, and in line with levels of realised and unrealised capital growth in the Endowment Fund Capital the Governors will approve a transfer if necessary to maintain a surplus balance on the Endowment fund Income. The fund is not restricted as a permanent endowment.

Government Grants

Government grants are credited to the consolidated statement of financial activities as the related expenditure is incurred at School level.

Notes to the Accounts

1 - Statement of Accounting Policies (*continued*)

Expendable Endowment Fund - The fund has been established by the receipt of donated funds and has been used by Governors to part-finance the construction of a Performing Arts Centre for the benefit of King Edward VI High School for Girls and King Edward's School and for a new classroom block in King Edward's School.

Restricted Fund - This fund is a consolidation of several individual funds, all of which have restrictions placed on them regarding the expending of capital and/or income.

The policy on the fund's reserves can be found in the Governors' Report.

Operating Leases

Lessor - Rental income from operating leases is credited to the Statement of Financial Activities on a straight-line basis over the term of the relevant lease. Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

Lessee - Rental paid under operating leases are charged to the Statement of Financial Activities on a straight - line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

Critical Accounting Estimates and Areas of Judgement

The Foundation makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year.

All significant estimates and assumptions are included in the relevant accounting policy.

The present value of the Governors' Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest review performed at 31 August 2022 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Foundation has included an estimated value of the cost of services (as disclosed in note 4) donated to the King Edward VI Academies. The value of services received by the Academies should be the value of the price that the Academy estimates it would pay in the open market. As it is not practical to measure the value of the services using an open market (fair value basis), SORP 2015 permits donated services received to be measured on the basis of the cost of the gift to the Academy from the Foundation. The cost has therefore been calculated based on an individual estimate of time spent by Foundation staff providing services to the school allocated across the salary costs (including provision for pension and national insurance) but excluding any provision for overheads. Support costs at the Foundation have therefore been allocated between educational support and grant making.

The investment property portfolio is externally valued once every five years, with an interim valuation each year. Property valuations are derived from the rental income received on the land or property owned together with the length of the lease. Further information is disclosed in note 7. Other property transactions, such as lease incentives are treated in accordance with the relevant accounting policy.

Going Concern

The Governors assess whether the use of the going concern basis for preparing the financial statements is appropriate and whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Governors have made this assessment in respect of a period of one year from the date of approval of the financial statements.

The Foundation has responded to the crisis adjusting its teaching methods and staffing levels. Budgets and forecasts have been stress tested to assess how the Schools could cope under different scenarios. The Governors have concluded that the Foundation is well placed to cope with the continuing uncertainties and has adequate resources to continue providing educational excellence to its pupils for the foreseeable future.

Notes to the Accounts

2 - Comparative information - Statement of Financial Activities

	Schools Fund	Designated Fund	Fund Income	Fund Capital	Expendable Endowment Fund	Fund	
	£	£	£	£	£	£	£
INCOME AND							
ENDOWMENTS FROM:							
Donations and legacies	-	-	-	-	-	795	795
Charitable activities							
Fees receivable	3 17,122,071	-	-	-	-	-	17,122,071
Ancillary trading income							
Catering income	551,741	-	-	-	-	-	551,741
Extra-curricular activities							
	284,445	-	-	-	-	-	284,445
Registration fees	32,138	-	-	-	-	-	32,138
Other ancillary income	60,739	-	-	-	-	-	60,739
Non-ancillary trading income							
Lettings	56,023	-	-	-	-	-	56,023
Investments							
Rental income	-	-	1,864,911	-	105	-	1,865,016
Investment income	-	-	1,040,939	-	40,880	26,680	1,108,499
Bank and other interest	10	-	961	-	202	85	1,258
Other income	149,020	-	725,971	-	-	-	874,991
Total	18,256,187	-	3,632,782	-	41,187	27,560	21,957,716
Expenditure on:							
Raising funds							
Investment management	-	-	183,894	183,894	-	-	367,788
Estate management	-	-	207,711	-	-	-	207,711
	-	-	391,605	183,894	-	-	575,499
Charitable activities							
Education	20,776,241	-	2,409,756	713,826	101,912	11,152	24,012,887
Grant-making	67,152	-	1,898,478	-	-	-	1,965,630
	20,843,393	-	4,308,234	713,826	101,912	11,152	25,978,517
Total	4 20,843,393	-	4,699,839	897,720	101,912	11,152	26,554,016
Net income	(2,587,206)	-	(1,067,057)	(897,720)	(60,725)	16,408	(4,596,300)
/(expenditure) before gains and losses							
Net gains on investments	-	-	-	13,252,329	431,426	253,558	13,937,313
Net gains on investment properties	-	-	-	6,912,601	-	-	6,912,601
Net	(2,587,206)	-	(1,067,057)	19,267,210	370,701	269,966	16,253,614
(Expenditure)/Income							
Transfers between funds	1 2,598,747	55,000	805,789	(3,459,536)	-	-	-
Actuarial gains on defined benefit pension	2 -	-	(31,000)	-	-	-	(31,000)
Net Movement in Funds	11,541	55,000	(292,268)	15,807,674	370,701	269,966	16,222,614
Reconciliation of funds							
Fund balances at 1 September 2020	2,655,932	860,165	305,550	146,731,948	10,361,766	2,151,876	163,067,237
Fund balances at 31 August 2021	2,667,473	915,165	13,282	162,539,622	10,732,467	2,421,842	179,289,851

Notes to the Accounts

3 - Fees Receivable

	2022 £	2021 £
Fees receivable comprise:		
Gross school fees (net of bad debts)	22,139,120	20,703,129
Less:		
Governors' Assisted Places Scheme	(2,224,166)	(2,424,585)
Scholarships, Remission & Staff Concessions	(1,215,839)	(1,156,473)
	<u>18,699,115</u>	<u>17,122,071</u>

Scholarships, bursaries and other awards were made to 483 pupils (2021: 507). Within this means tested bursaries totalling £2,224,166 were paid to 227 pupils (2021: £2,424,585 to 263 pupils).

4 – Analysis of total expenditure

(a) Total expenditure

	Staff cost	Depreciation	Other	Total 2022	Total 2021
Costs of generating funds					
Investment management	-	-	347,792	347,792	367,788
Estates management	-	-	353,433	353,433	207,711
Total costs of generating funds	-	-	701,225	701,225	575,499
Charitable expenditure					
Education and grant making					
Teaching	11,447,197	-	4,322,625	15,769,822	13,972,803
Welfare	598,841	-	99,163	698,004	617,451
Premises	1,088,769	891,045	2,283,161	4,262,975	4,805,593
Support costs and governance	4,012,351	-	211,775	4,224,126	3,604,887
Donated services to Academies	934,916	-	-	934,916	998,478
Grants, awards and prizes	-	-	72,593	72,593	13,675
	<u>18,082,074</u>	<u>891,045</u>	<u>6,989,317</u>	<u>25,962,436</u>	<u>24,012,887</u>
Grant making					
Capital grants to Academies	-	-	-	-	67,152
Other	-	-	607,064	607,064	1,898,478
	<u>-</u>	<u>-</u>	<u>607,064</u>	<u>607,064</u>	<u>1,965,630</u>
Total charitable expenditure	<u>18,082,074</u>	<u>891,045</u>	<u>7,596,381</u>	<u>26,569,500</u>	<u>25,978,517</u>
Total expended	<u>18,082,074</u>	<u>891,045</u>	<u>8,297,606</u>	<u>27,270,725</u>	<u>26,554,016</u>

(b) Governance included in support costs

	2022 £	2021 £
Remuneration paid to auditor for auditor services	41,600	42,200
Remuneration paid to auditor for other services	16,380	13,272
Reimbursement of expenses to Governors	438	-
	<u>58,418</u>	<u>55,472</u>

Travel expenses were paid to 2 (2021:0) Governors during the year.

Notes to the Accounts

5 – Staff costs

	Year 2022 £	Year 2021 £
Staff costs for the year are:		
Wages and salaries	14,154,039	13,486,058
Social security costs	1,511,186	1,383,908
Pension contributions – defined benefits	2,091,249	1,971,887
defined contribution	324,571	272,105
Pension payments to former staff	1,029	1,224
	18,082,074	17,115,182

The emoluments (excluding employer pension contributions) of full-time employees earning over £60,000 fell within the following bands:	2022 No.	2021 No.
£60,001 - £70,000	11	6
£70,001 - £80,000	4	6
£80,001 - £90,000	3	1
£90,001 - £100,000	2	1
£110,001 - £120,000	-	1
£130,001 - £140,000	-	1
£160,001 - £170,000	-	1
£170,001 - £180,000	1	-
£210,001 - £220,000	1	-
£230,001 - £240,000	-	1
£250,001 - £260,000	1	-

The total employee benefit including pension contributions payable to key management personnel of the Foundation was £998,051 (2021: £878,977).

Average head count (number of staff employed by the Foundation) was as follows:

	Year 2022	Year 2021
Teaching	184	187
Education support	52	51
Maintenance, cleaning, catering and grounds	82	81
Administration	103	81
	421	400

During the year there was one settlement agreement payment made in the sum of £20,709 (2021: £109,117 - five) which is not included in staff costs. There were no payments outstanding at the year-end.

Notes to the Accounts

6 – Intangible and Tangible fixed assets

	Intangible Assets	Freehold Sites	Buildings	Course of Construction	Plant and Equipment	Total
		£	£	£	£	£
Cost at 1 September 2021	279,348	578,543	38,566,095	323,893	494,712	40,242,591
Additions	321,234	-	-	1,868,398	-	2,189,632
At 31 August 2022	600,582	578,543	38,566,095	2,192,291	494,712	42,432,223
Depreciation at 1 September 2021	111,739	-	12,544,328	-	413,541	13,069,608
Charge for the year	143,145	-	727,162	-	20,738	891,045
At 31 August 2022	254,884	-	13,271,490	-	434,279	13,960,653
Net book values						
At 31 August 2021	167,009	578,543	26,021,767	323,893	81,171	27,172,983
Net book values						
At 31 August 2022	345,697	578,543	25,294,605	2,192,291	60,433	28,471,570

7 - Investment property

Governors have agreed that a Royal Institution of Chartered Surveyors (RICS) Red Book valuation will be carried out at least every five years, with Annual Asset Valuations in interim years, prepared in accordance with the RICS Valuation – Global Standards Effective from 31 January 2020 and the UK National Standards, and complying with Financial Reporting Standard 102 (UK Generally Accepted Accounting Practice) and the Charities SORP (Statements of Recommended Practice). An Annual Asset Valuation was carried out at 31 August 2022 by Joseph Lang LaSalle Ltd, with the investment portfolio valued at £48,518,730, based on open market value. The valuation was carried out in accordance with the guidelines set out by the RICS.

	31 August 2022	31 August 2021
	£	£
Market value at 1 September	47,717,137	51,853,872
Additions at cost	4,830,694	7,250,000
Unrealised Gain	3,590,614	2,269,159
Realised Gain	(169,715)	4,643,442
Disposals of property during the year	(6,450,000)	(18,299,336)
Market value at 31 August	<u>49,518,730</u>	<u>47,717,137</u>

It is not possible to provide an accurate historical cost of the property portfolio. A significant part of the portfolio was given as charter land at no cost, and costs are not available for acquisitions made some considerable time ago.

Notes to the Accounts

8 - Listed investments

Barclays Wealth is responsible for the day-to-day management of the listed investment portfolio.

Market Value	Shares	Cash	2022 £	2021 £
Market value at 1 September	99,256,488	1,796,422	101,052,910	89,997,228
Net income/(outgoings)	1,796,422	(370,159)	1,426,263	(381,632)
Additions at cost	23,163,823	(23,163,823)	-	-
Disposals	(21,857,025)	21,857,025	-	(2,500,000)
Realised Gains	2,655,950		2,655,950	7,637,739
Unrealised gains/(losses) on revaluation at 31 August 2022	(11,540,513)		(11,540,513)	6,299,575
Market value at 31 August	93,475,145	119,465	93,594,609	101,052,910

Analysis of capital and income By type of investment

	Capital	
	Market Value as at 31 August 2022 £	Market Value as at 31 August 2021 £
United Kingdom Fixed Interest	18,292,560	14,551,531
United Kingdom Equities	2,376,918	3,282,342
Sub total	20,669,478	17,833,873
Overseas Equities	51,684,388	57,301,124
Overseas Bonds	5,869,291	9,820,518
Global Fund	1,058,969	1,449,279
Commodities	5,165,698	4,551,790
Hedge Funds	5,092,030	8,299,904
Alternatives	3,935,291	
Sub total	93,475,145	99,256,488
Cash at bank awaiting Investment	119,465	1,796,422
Total investments at market value	93,594,610	101,052,910
	Cost at 31 August 2022	Cost at 31 August 2021
Total investments (excl. cash) at cost	72,647,147	64,051,168

Notes to the Accounts

9 – Debtors

	31 August 2022 £	31 August 2021 £
Fees net of provision	265,284	334,437
Rents	130,144	148,839
Grant recoverable from the Academy Trust	420,000	-
Prepayments and accrued income	343,905	367,608
	1,159,333	850,884

10 - Creditors: amounts falling due within one year

	31 August 2022 £	31 August 2021 £
Trade creditors	817,731	927,422
Other creditors	326,539	306,851
Accruals and deferred income	1,807,627	1,831,460
Pupil Education Deposits	653,313	584,913
Pensions	295,337	262,272
Taxation and Social Security	398,530	1,428,841
	4,299,077	5,341,759

	31 August 2022 £	31 August 2021 £
Amounts falling due within more than one year:		
Deferred Income	1,070,151	1,077,656

	31 August 2022 £	31 August 2021 £
Deferred Income		
Deferred Income at 1 September	895,384	1,805,153
Resources deferred in the year	830,135	895,384
Amounts released from previous years	(895,384)	(1,805,153)
Deferred Income at 31 August	830,135	895,384

Amounts deferred at 31 August 2022 relate to fees received in advance of £326,947 (2021: £528,976), rents/service charge received in advance of £121,864 (2021: £124,968), trip/catering income received in advance from parents of £381,324 (2021: £241,441) and upfront lease receipts of £1,077,656 (2021: £1,085,161) which are being released over the life of the lease of 150 years.

Notes to the Accounts

11 - Analysis of net assets between funds

	Schools	Designated	Endowment Income/Capital	Permanent and Expendable Endowment	Restricted	Total 31 August 2022
	£	£	£	£	£	£
Intangible fixed assets	-	-	345,697	-	-	345,697
Tangible fixed assets	-	-	21,130,857	6,995,015	-	28,125,872
Investment property	-	-	49,128,730	390,000	-	49,518,730
Investments	-	-	93,160,661	-	433,948	93,594,609
Net current assets	3,294,612	1,032,526	(605,991)	3,004,559	1,773,898	8,499,604
Long term creditors	-	-	(1,070,151)	-	-	(1,070,151)
Pension Scheme funding deficit	-	-	(2,773,000)	-	-	(2,773,000)
	<u>3,294,612</u>	<u>1,032,526</u>	<u>159,316,803</u>	<u>10,389,574</u>	<u>2,207,846</u>	<u>176,241,361</u>

	Schools	Designated	Endowment Income/Capital	Permanent and Expendable Endowment	Restricted	Total 31 August 2021
	£	£	£	£	£	£
Intangible fixed assets	-	-	167,609	-	-	167,609
Tangible fixed assets	-	-	19,909,098	7,096,276	-	27,005,374
Investment property	-	-	47,541,237	175,900	-	47,717,137
Investments	-	-	100,618,224	-	434,686	101,052,910
Net current assets	2,667,473	915,165	1,778,392	3,460,291	1,987,156	10,808,477
Long term creditors	-	-	(1,077,656)	-	-	(1,077,656)
Pension Scheme funding	-	-	(6,384,000)	-	-	(6,384,000)
	<u>2,667,473</u>	<u>915,165</u>	<u>162,552,904</u>	<u>10,732,467</u>	<u>2,421,842</u>	<u>179,289,851</u>

12 - Designated fund

	2022 £	2021 £
Balance at 1 September	915,165	860,165
Transfer of Funds designated for specific purposes:		
Schools – Minor works (note 17)	120,000	55,000
Funds paid or payable during the year:		
All-weather pitches expenditure	(2,640)	-
Balance at 31 August	<u>1,032,525</u>	<u>915,165</u>

The balance in the Designated Fund at 31 August 2022 includes £696,417 (2021: £579,057) designated for School minor works; £259,083 (2021: £259,083) designated to support the Schools in Widening Accessibility and £77,025 (2021: £77,025) as an equipment and furniture replacement fund for the Performing Arts Centre.

Notes to the Accounts

13 - Schools' fund

	King Edward's School		King Edward VI High School for Girls		Total	Total
	Year 2022 £	Year 2021 £	Year 2022 £	Year 2021 £	Year 2022 £	Year 2021 £
Balance at 1 September	1,401,460	1,071,878	1,266,013	1,584,054	2,667,473	2,655,932
Income	11,930,861	11,042,991	8,728,355	7,213,195	20,659,216	18,256,186
Expenditure	(13,036,358)	(12,120,966)	(9,071,349)	(8,722,426)	(22,107,707)	(20,843,392)
Net resources	(1,105,497)	(1,077,975)	(342,994)	(1,509,231)	(1,448,491)	(2,587,206)
Transfers between funds (note 17):						
Grants from the Foundation	1,338,000	1,519,434	993,945	1,226,190	2,331,945	2,745,624
Interest to the Foundation	(86,315)	(91,877)			(86,315)	(91,877)
To Endowment Fund – as per note 14	(25,006)		(24,994)		(50,000)	
To designated fund – as per note 12	(20,000)	(20,000)	(100,000)	(35,000)	(120,000)	(55,000)
Total transfers	1,206,679	1,407,557	868,951	1,191,190	2,075,630	2,598,747
Net movement	101,182	329,582	525,957	(318,041)	627,139	11,541
Balance at 31 August	1,502,642	1,401,460	1,791,970	1,266,013	3,294,612	2,667,473

Notes to the Accounts

14 - Endowment fund

	Income £	Capital £	Total £
Balance at 1 September 2021	13,282	162,539,622	162,552,904
Income	3,935,191	-	3,935,191
Expenditure	(4,066,554)	(920,890)	(4,987,444)
	(131,363)	(920,890)	(1,052,253)
Transfers:			
between other funds	(2,195,630)	-	(2,195,630)
within fund	209,536	(209,536)	-
	(1,986,094)	(209,536)	(2,195,630)
Investment gains/(losses)	-	(3,435,217)	(3,435,217)
Actuarial gain(loss) on defined benefit pension	3,447,000	-	3,447,000
Net movement in fund	1,329,543	(4,565,643)	(3,236,101)
Balance at 31 August 2022	1,342,824	157,973,979	159,316,803

	Income £	Capital £	Total £
Balance at 1 September 2020	305,550	146,731,948	147,037,498
Income	3,632,782	-	3,632,782
Expenditure	(4,699,839)	(897,720)	(5,597,559)
	(1,067,057)	(897,720)	(1,964,777)
Transfers:			
between other funds	(2,653,747)	-	(2,653,747)
within fund	3,459,536	(3,459,536)	-
	805,789	(3,459,536)	(2,653,747)
Investment gains	-	20,164,930	20,164,930
Actuarial (loss) on defined benefit pension	(31,000)	-	(31,000)
Net movement in fund	(292,268)	15,807,674	15,515,406
Balance at 31 August 2021	13,282	162,539,622	162,552,904

The transfer during the year relates to termly grants paid over to the two independent schools.

Notes to the Accounts

15 - Permanent and Expendable Endowment fund

	Performing Arts Centre £	Other Donations £	Total £
Balance at 1 September 2021	4,238,264	6,494,203	10,732,467
Funds received during the year			
Investment Income	-	25,796	25,796
Expenditure during the year			
Prizes		(7,361)	(7,361)
Depreciation	(101,261)	-	(101,261)
Investment gains/(losses)	-	(260,068)	(260,068)
Balance at 31 August 2022	4,137,003	6,252,570	10,389,574

	Performing Arts Centre £	Other Donations £	Total £
Balance at 1 September 2020	4,339,525	6,022,241	10,361,766
Funds received during the year			
Investment Income	-	41,188	41,188
Expenditure during the year			
Prizes		(652)	(652)
Depreciation	(101,261)	-	(101,261)
Investment gains	-	431,426	431,426
Balance at 31 August 2021	4,238,264	6,494,203	10,732,467

The Performing Arts Centre Expendable Endowment Fund is a separately identifiable fund set up as part of the terms of the donation to the Independent Schools.

Notes to the Accounts

16 - Restricted fund

	Funds brought forward at 1 September 2021	Income	Expenditure	Realised and Unrealised Gains/(Losses)	Funds carried forward at 31 August 2022
	£	£	£	£	£
Benjamin Cowie	589,511	2,524	-	(54,017)	538,018
The Webster Bequest	545,936	2,279	-	(48,729)	499,486
Special Funds	1,286,395	6,947	(64,315)	(58,686)	1,170,341
31 August 2022	2,421,842	11,751	(64,315)	(161,431)	2,207,846

Special funds are the following:

Brode Fund	519,777	2,342	-	(23,712)	498,407
The Margaret Davis Fund	189,476	854	-	(8,644)	181,686
Lee Childs fund	8,201	37	(2,616)	(374)	5,248
Other small funds	568,941	3,714	(61,699)	(25,956)	485,000
	1,286,395	6,947	(64,315)	(58,686)	1,170,341

	Funds brought forward at 1 September 2020	Income	Expenditure	Realised and Unrealised Gains	Funds carried forward at 31 August 2021
	£	£	£	£	£
Benjamin Cowie	530,903	6,352	-	52,256	589,511
The Webster Bequest	493,060	5,732	-	47,144	545,936
Special Funds	1,127,913	15,476	(11,152)	154,158	1,286,395
31 August 2020	2,151,876	27,560	(11,152)	253,558	2,421,842

Special funds are the following:

Brode Fund	500,000	1,804	-	17,973	519,777
The Margaret Davis Fund	180,574	812	-	8,090	189,476
Lee Childs fund	13,272	57	(5,699)	571	8,201
Other small funds	434,067	12,803	(5,453)	127,524	568,941
	1,127,913	15,476	(11,152)	154,158	1,286,395

Benjamin Cowie

The bequest, received in 1982, is used to support pupils in financial need, subsidise activities, and meet leadership training costs for both masters and boys at King Edward's School.

The Webster Bequest

The fund was bequeathed to King Edward's School in 2000 and is used for the purpose of funding scholarships in the school.

Special Funds

This comprises of over 300 individual funds, providing prizes, grants and scholarships to pupils at the schools of the Foundation. They include the following;

The Albion Trust

The fund is to encourage students from inner city Birmingham to apply to King Edward VI Aston School for their compulsory or sixth form education.

The Margaret Davis Funds

The fund was bequeathed to the Foundation to support an archiving project.

Brode Fund

Part of a £2m donation to improve sporting facilities at the Boys' school

Lee Child's Fund

This was a donation to be used to purchase books.

Notes to the Accounts

17 – Transfers to/(from funds)

	Schools Fund	Designated Fund	Endowment Fund Income	Endowment Fund Capital	Permanent & Expendable	Restricted Fund
	£	£	£	£	£	£
Revenue grant to the Schools from Endowment income fund	2,331,945	-	(2,331,945)	-	-	-
Interest paid to Foundation	(86,315)		86,315			
Funds set aside for specific projects	(120,000)	120,000	-	-	-	-
Contributions to the Foundation for services	(50,000)		50,000	-	-	-
Amortisation of the capital receipts arising from sales of interests in land	-	-	209,536	(209,536)	-	-
Annual transfer as per accounting policy	-	-	-	-	-	-
Year to 31 August 2022	2,075,630	120,000	(1,986,094)	(209,536)	-	-

	Schools Fund	Designated Fund	Endowment Fund Income	Endowment Fund Capital	Permanent & Expendable	Restricted Fund
	£	£	£	£	£	£
Revenue grant to the Schools from Endowment income fund	2,745,624	-	(2,745,624)	-	-	-
Interest paid to Foundation	(91,877)		91,877			
Funds set aside for specific projects	(55,000)	55,000	-	-	-	-
Transfer of funds	-	-	-	-	-	-
Amortisation of the capital receipts arising from sales of interests in land	-	-	209,536	(209,536)	-	-
Annual transfer as per accounting policy	-	-	3,250,000	(3,250,000)	-	-
Year to 31 August 2021	2,598,747	55,000	805,789	(3,459,536)	-	-

Notes to the Accounts

18 - Related Party Transactions

The Foundation considers itself related to the King Edward VI Academy Trust Birmingham (Co. no.10654935). The Trust consists of eleven academies of which five were initially established as Voluntary Aided Grammar Schools by the Foundation. The Trust is considered a related party by virtue of the fact that the Foundation provides executive leadership, finance, accounting, payroll and personnel, operations and governance services to the academies and the Foundation owns the land and buildings at the academies. There is a licence to occupy the land and buildings between the Foundation and some of the schools of the Academy Trust rent free. There is a service level agreement for the services provided by the Foundation, whereby a contribution of £832,824 (2021: £595,000) was received during the year.

Transactions with the Trust during the year include:

	2022	2021
	£	£
Income		
Costs incurred by Foundation and reimbursed by the Trust	20,728	34,360
Contributions to the Foundation for services	999,389	786,214
Expenditure		
Grants paid/payable	59,350	984,700
Grant recoverable	(420,000)	
Fees paid for KES Teachers training at KEC	7,200	13,200
Costs incurred by the Trust and reimbursed by the Foundation	42,275	35,578
Payments from restricted funds	5,545	345
Other income received and passed over to Trust	-	-

At the year-end there were the following balances held in the balance sheet:

	2022	2021
	£	£
Debtor at year end	8,721	17,923
Creditor at year end	(46,813)	(7,572)
Grant recoverable at year end	(420,000)	-

The Chief Master and Deputy Chief Master are trustees of The King Edward's School Birmingham Trust (Charity no: 1129776). The Trust provides King Edward's School with funding for Assisted Places. £509,520 (2021: £565,886) was paid to cover Assisted Places supported by the Trust.

The Principal and a Governor are also trustees of The King Edward VI High School for Girls Birmingham Trust (Charity no: 1159413). The Trust was set up during 2014/15 to provide King Edward VI High School for Girls with funding for Assisted Places. £309,981 (2021: £256,422) was paid to cover Assisted Places supported by the Trust.

Ms E Conway is Chief Financial Officer of the University of Birmingham. During the year £2,754 (2021: £1,108) was paid to the organisation and £16,000 (2021: £16,000) lease rentals were invoiced to the organisation. There were no amounts outstanding at the end of the year (2021: £0).

Development Funding and Finance services are also provided by King Edward's School to the two Trusts. No charge is made for the services provided. The cost of the Development Team for the year at King Edward's School was £101,065 (2021: £111,659) and £91,956 (2021: £81,621) at King Edward VI High School for Girls.

None of the Governors received any remuneration during the year.

There are no other related party transactions.

Notes to the Accounts

19 – Operating leases

The total future minimum lease payments under non-cancellable operating leases are set out below:

	31 August 2022 £	31 August 2021 £
Within one year	89,979	60,972
Between two and five years	103,824	146,908
Over five years	-	-
	193,803	207,880

The cost during the year included in charitable expenditure was £85,917 (2021: £62,772).

The total future minimum lease income from investment property rent under non-cancellable operating leases are set out below:

	31 August 2022 £	31 August 2021 £
Within one year	1,826,060	1,647,138
Between two and five years	6,366,926	6,058,794
Over five years	146,892,813	152,548,205
	155,085,799	160,254,137

The amount of rental income recognised in the year is £1,846,604 (2021: £1,865,016).

20 – Capital commitments

	31 August 2022 £	31 August 2021 £
At the year-end capital commitments were:		
Contracted but not provided for	650,816	-

21 – Events occurring after the reporting period

None

Notes to the Accounts

22 – Pension and similar obligations

Employees belong to two principal defined benefit pension schemes: The Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and The Schools of King Edward the Sixth Retirement Benefit Scheme ("the Scheme") for non-teaching staff. Both are multi-employer benefit schemes. A further defined contribution pension scheme is in operation for non-teaching staff since April 2010.

In addition to the aforementioned Schemes, the Governors provide discretionary unfunded pensions out of general income. These amounted to £1,030 in the year ended 31 August 2022 (2021: £1,223).

Defined contribution scheme

New staff, or those staff who had been eligible but had not joined the defined benefits scheme are eligible to participate in a defined contribution scheme, administered by Scottish Widows. By 31 August 2022, 157 members of staff had joined (2021: 134). The employer contributions for the defined benefit contribution scheme totalled £324,571 (2021: £272,105) based on rates of up to 8%. At year end £50,106 (2021: £42,804) was payable to the scheme and included within creditors.

Teachers' Pension Scheme

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 £1,935,710 (2021: £1,819,183) and at the year-end £242,709 (2021 - £216,215) 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 in June 2021 on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation 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.

Notes to the Accounts

22 – Pension and similar obligations (*continued*)

The Schools of King Edward VI in Birmingham Retirement Benefit Scheme

Other staff of the Independent Schools and Foundation have been eligible to join a defined benefits Scheme operated by the Governors of the Foundation. In March 2010 the Governors took the decision to close the Governors' Pension Scheme to new members.

The review of the Scheme as at 31 August 2022 showed a large improvement in the funding shortfall. The main reasons for the reduction in the deficit over the period can be summarised as follows:

- significant increases in corporate bond yields over the period have resulted in a lower value being placed on the Scheme's liabilities; and
- the payment of deficit reduction contributions by the Foundation has increased the value of the Scheme's assets.

However, the above factors have been partially offset by:

- an increase in long-term inflation expectations which has increased the value placed on the Scheme's liabilities; and
- lower than expected investment returns have decreased the value of the Scheme's assets.

Contributions to be paid by the Foundation

Period	Foundation Contributions towards the shortfall
1 January 2021 to 31 December 2021	£31,830 per month
1 January 2022 to 31 March 2022	£32,780 per month
1 April 2022 to 31 March 2023	£34,042 per month
1 April 2023 to 31 March 2024	£35,063 per month
1 April 2024 to 31 March 2025	£36,115 per month
1 April 2025 to 31 March 2026	£37,198 per month
1 April 2026 to 31 March 2027	£38,314 per month
1 April 2027 to 31 January 2028	£39,464 per month

From 1 April 2022, as a result of the 2021 valuation, the employer contributions rate was set at 27.3% with Scheme expenses being paid by the Foundation and not the Scheme Fund.

The Scheme is known as the Schools of King Edward VI in Birmingham Retirement Benefits Scheme (the Scheme). The Scheme provides benefits based on salary and length of service on retirement, leaving service or death. The following disclosures exclude any allowance for defined benefit schemes operated by the Foundation.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Foundation must agree with the Trustees of the Scheme the contributions to be paid to meet any shortfall against the Statutory Funding Objective and to pay for the future accrual of benefits.

The Foundation expects to contribute £610,000 to the Scheme during the year to 31 August 2023.

The Scheme is managed by a board of Trustees appointed in part by the Foundation and part from elections by members of the Scheme. The Trustees have responsibility for obtaining valuations of the fund, administering benefit payments and investing the Scheme's assets. The Trustees delegate some of these functions to their professional advisers where appropriate.

There were no plan amendments, curtailments or settlements during the period.

Notes to the Accounts

22 – Pension and similar obligations (continued)

Principal actuarial assumptions	At 31 Aug 2022	At 31 Aug 2021
Discount rate	4.25% pa	1.70% pa
Inflation (RPI)	3.70% pa	3.40% pa
Inflation (CPI)	3.30% pa	3.00% pa
Salary increases	3.00% pa	3.00% pa
Pension increase (RPI capped at 5% pa)	3.70% pa	3.40% pa
Pension increase (CPI capped at 5% pa)	3.30% pa	3.00% pa
Mortality	S3NA tables with CMI 2019 projections using a long-term improvement rate of 1.25% pa.	S3NA tables with CMI 2019 projections using a long-term improvement rate of 1.25% pa.
Commutation	80% of members are assumed to take 25% of their pension as tax free cash	80% of members are assumed to take 25% of their pension as tax free cash
Early retirement	40% of active members who joined pre 2007 are assumed to retire at age 60, remainder at age 65	40% of active members who joined pre 2007 are assumed to retire at age 60, remainder at age 65
Proportion of members with a spouse or dependant	80%	80%
Life expectancy at age 65 of male aged 45	88.7	88.6
Life expectancy at age 65 of male aged 65	87.3	87.3
Life expectancy at age 65 of female aged 45	91.2	91.1
Life expectancy at age 65 of female aged 65	89.8	89.7

The current asset split is as follows:

Asset category	31 August 2022 £	31 August 2021 £
Equities and other growth assets	11,828,000	15,232,000
Cash	<u>169,000</u>	<u>227,000</u>
Total	<u>11,997,000</u>	<u>15,459,000</u>

The actual return on the Scheme's assets net of expenses over the period to the Review Date was (£3,382,000) (2021: £1,886,000) i.e. – 28% of the asset value (2021: +12% of the asset value). The assets do not include any investments linked to the Foundation.

Notes to the Accounts

22 – Pension and similar obligations (continued)

Reconciliation of Assets and Defined Benefit Obligation

	Value at 31 August 2022 £	Value at 31 August 2021 £
The change in the assets over the period was:		
The movement in assets over the period was:		
Fair value of assets at the beginning of the period	15,459,000	13,423,000
Interest on assets	262,000	216,000
Foundation contributions	551,000	531,000
Contributions by Scheme participants	43,000	53,000
Benefits paid (including expenses)	(674,000)	(434,000)
Return on plan assets	(3,644,000)	1,670,000
	<hr/>	<hr/>
Fair value on assets at the end of the period	11,997,000	15,459,000
The change in the Defined Benefit Obligation over the period was:		
Defined Benefit Obligation at the beginning of the period	21,843,000	19,928,000
Current service cost	283,000	279,000
Contributions by Scheme participants	43,000	53,000
Interest cost on liabilities	366,000	316,000
Benefits paid	(674,000)	(434,000)
Actuarial loss on defined benefit obligation	(7,091,000)	1,701,000
	<hr/>	<hr/>
Defined Benefit Obligation at the end of the period	14,770,000	21,843,000

Amounts recognised in the Balance Sheet at 31 August 2021

Asset category	Value at 31 August 2022 £	Value at 31 August 2021 £
Fair Value of assets	11,997,000	15,459,000
Present value of Scheme Liabilities	(14,770,000)	(21,843,000)
	<hr/>	<hr/>
Deficit	(2,773,000)	(6,384,000)

Notes to the Accounts

22 – Pension and similar obligations (*continued*)

Amounts recognised in the Statement of financial activities over the year

	Value at 31 August 2022 £	Value at 31 August 2021 £
Current service cost	283,000	279,000
Net interest cost	104,000	100,000
Total	387,000	379,000

Remeasurements over the period

	Value at 31 August 2022 £	Value at 31 August 2021 £
Loss/(gain) on assets in excess of interest	3,644,000	(1,670,000)
Experience losses/(gains) on liabilities	3,000	131,000
Losses/(gains) from changes to demographic assumptions	-	294,000
(Gains)/losses from changes to financial assumptions	(7,094,000)	1,276,000
Total Remeasurements	(3,447,000)	31,000

Notes to the Accounts

23 – Financial Instruments

	Value at 31 August 2022 £	Value at 31 August 2021 £
Financial assets		
Equity instruments measured at fair value through the income and expenditure	93,475,144	99,256,488

The Foundation's income, expense, gains and losses in respect of financial instruments are summarised below:

	Value at 31 August 2022 £	Value at 31 August 2021 £
Total investment income for financial assets measure at fair value through income and expenditure	1,132,374	1,109,757
Net (loses)/gains on financial assets measured at fair value through income and expenditure	(7,107,903)	13,937,313
Impairment losses on financial assets measured at amortised cost	17,695	66,750

THE SCHOOLS OF KING EDWARD VI IN BIRMINGHAM

England & Wales - Charity number 529051

Accounts



**THE SCHOOLS OF
KING EDWARD VI
IN BIRMINGHAM**

In pursuit of educational excellence for all

REPORT AND ACCOUNTS

Year ended 31 August 2021

Registered Charity No. 529051

INDEX

	Pages
Chair's Statement	1
Mission, Principles and Objectives	2
Reference and Administrative Information	5
Governors' Report	6
Statement of Financial Activities	19
Balance Sheet	20
Statement of Cash Flows	21
Notes to the Accounts	22
Statement of Governors' Responsibilities	46
Independent Auditor's Report	47

Chair's statement

An impressive feature of the 2020/21 academic and financial year has been the ability of our schools and the Foundation itself to respond effectively to the continuing and unpredictable consequences of the Covid-19 pandemic while also extending our programme of growth and modernisation.

Pupils, teachers and all their supporting and professional staff have had to respond to the changing demands arising from the pandemic. We have experienced lockdowns where teaching has been virtual, schools open but pupils in 'learning bubbles', and hybrids where some pupils have been in class with others attending virtually. That these different forms of supporting learning have been implemented and effectively sustained is a tribute to all. As I write, uncertainty continues with schools open but modifications to those arrangements, such as the wearing of masks in corridors, subject to change.

Other change and progress is also occurring in pursuit of our mission 'to make Birmingham the best place to be educated in the United Kingdom'. When Jodh Dhesi joined the Foundation as our CEO in January 2021, he was tasked with preparing a Strategic Plan to convert our mission statement into practical policies and, by early summer, that Plan had been approved by the Foundation Board and the Academy Trust Board and shared with all our school governing bodies.

It points towards further growth with a current target of 17 schools. Appropriately, therefore, a twelfth school joined the Foundation and Academy Trust on 1st September: Turves Green Girls' School joined us as King Edward VI Northfield School for Girls. Under the leadership of Neil Jones, occupying a new building and with over 650 girls, Northfield adds to our presence in the south of the city and increases the range of options for collaboration with the other four King Edward VI schools locally.

The strategy also sets out plans for strengthening the infrastructure for school improvement, all supported through greater collaboration between our schools. This approach is fundamental to achieving our mission. By discovering what the best are doing, we learn from them and share their knowledge, skills and understanding; as part of that process and drawing upon our existing staff, we have appointed a team of Foundation Subject Network Leads who will work across schools sharing best practice.

The Strategy has a shared vision for the curriculum, summed up in three words: breadth, opportunity, excellence. It is a vision and a mission to be achieved through inclusive, accessible and challenging curricula which celebrate the distinctiveness of our schools and communities and our diversity. Our commitment to breadth includes co-curricular provision; while we want academic success with each child achieving the best of what they are capable, we also want young people to leave our schools with a range of sporting and cultural interests, of social and civic awareness, which marks them out as a graduate of this Foundation.

These changes are being led by the Foundation Education Group (FEG) chaired by Katy Ricks as the Headmaster of the Foundation working with Jodh Dhesi. Its members are the 12 Heads of all our schools; and Neil Jones, Head of our newest school, joins three new Heads: Russell Bowen at Camp Hill Boys; Matt Brady at Aston; and Charlotte Jordan at Five Ways. Two of these new appointments replace Heads who have retired after distinguished careers, Martin Garrod (Camp Hill Boys) and Yvonne Wilkinson (Five Ways School) but we also lost Colin Parker (Aston) whose sudden and tragic death was a great blow. Colin had been Head at Aston since 2004 and led the school with distinction and humanity, becoming one of the Foundation's most respected Heads. A major extension to Aston was underway when he died and has been named the *Colin Parker Building* in his memory.

Our group of schools has the good fortune to receive support from the Charity's endowment, an endowment which keeps school overheads low and funds more assisted places than any other two independent schools in the country. It is an endowment we seek to manage through a strategy conscious of our ethical responsibilities in our investment decisions. This includes giving urgent attention to a sustainable environment in a decade recognised as decisive in responding to the existential threat of climate change. It is a commitment which coheres with our educational vision and our built-in commitment to this and future generations of pupils and students.



Prof. H Thomas
Chair

Mission, Principles and Objectives

Charitable Objects

The objects of the Foundation are set out in the 1900 Act as amended by a scheme agreed with the Charity Commission on 7 March 2012 and relate to the advancement of education for the public benefit principally through the activities of the eleven Schools.

Mission

The Foundation's overarching mission is to make Birmingham the best place to be educated in the UK.

The Foundation recognises that in order to do so it needs to provide a diverse range of schools: independent as well as academies, selective and also comprehensive. It also believes that those schools need to be accessible to all, regardless of ethnic, religious and social background. As the nature of the pupil community that the Foundation serves has changed, so has the social context within which this mission sits, and as a consequence so too have the resources required to deliver that mission. The Foundation's new strategy sets out the renewed objectives of the Foundation, 'the ends', along with the structures and resources required to meet them, 'the means'.

Strategy

The purpose of the strategy is to ensure that we can deliver our values to:

- Raise aspirations, providing opportunities and giving confidence alongside excellent academic standards.
- Widen access and transform lives for all young people, no matter their background.
- Encourage open-mindedness, equality for all, honesty, fairness, understanding and accepting the views of others.
- Create a love of learning, which will foster creativity, imagination and the capacity to communicate.
- Instil a sense of community and the desire to support and work with others.
- Build character and relationships, along with a sense of morality, care and respect for others.
- Ensure successful transition to the world of further study and work through strong academic outcomes.

The Foundation Strategy seeks to put education firmly at the heart of all of the decisions we make: strategic, operational and financial. It is based on the spirit that the Foundation has often been a force for change and moved with the times while retaining its core principles. In order to achieve our bold mission, it sets out how we can work genuinely towards an ethos of 'one organisation' in which collaboration and efficiencies lead to a better education for the children and young people whom the Foundation serves. While there is excellence in all of our schools, we recognise that every school can also improve and that working together and sharing our resources and ideas is the most effective way to of doing that.

Objectives

The following strategic objectives are for the whole organisation and can only be achieved by schools and Foundation Office working closely together with shared responsibility. Each objective is underpinned by a set of key performance indicators.

Strategic Objective 1 (SO1): Learning with us

SO1.1 Academic Outcomes and Progress

Learners within the Foundation should benefit from an excellent quality of education in all of its schools and gain high quality outcomes. Learners should make excellent progress and leave the Foundation with better educational outcomes compared to other areas of the country.

SO1.2 Access and Impact

A Foundation education should be available to the widest range of learners possible. Disadvantaged learners should receive support to have a meaningful impact on their education. They should benefit from the same opportunities as their peers when they leave the Foundation's schools and achieve similar success.

SO1.3 Pathways in Birmingham and Beyond

Learners should access a range of destinations nationally and internationally in terms of further education, higher education, training and employment. At the same time, learners should contribute to the success of the Birmingham community. Wherever learners go, they should make the most of their opportunities and be successful. Foundation alumni and alumnae should contribute to civic life in Birmingham through the skills, knowledge and character they have gained in the course of their experience.

SO1.4 Well-being, Character and Learning Skills

Learners within the Foundation should be well-rounded and resilient individuals thanks to a focus on character education and well-being. They should feel safe and happy attending school and in their everyday lives. They should have an appreciation of culture, compassion, critical thinking skills and a love of learning, being ready to embrace innovation.

SO1.5 Curriculum and Resources

Learners should follow a curriculum which is broad, balanced and diverse for both academic and vocational education and which is supported by excellent resources. At the same time, learners should have the opportunity to access specialist provision in other Foundation schools. They should access and enjoy a wide-ranging extra-curricular programme.

SO1.6 Foundation Identity

At transition points, learners should have the flexibility to move between Foundation institutions where appropriate. They should feel part of one organisation and be proud of being a member of the Foundation.

Mission, Principles and Objectives (*continued*)

Strategic Objective 2 (SO2): Working with us

SO2.1 Collaborative Working and Learning

Colleagues within the Foundation should benefit from opportunities for collaborative learning and networking in a modern educational environment. Opportunities should exist for all those who wish to progress and to engage in work with a strong moral purpose.

SO2.2 Innovation, Research and Performance

Colleagues within the Foundation should have the opportunity and encouragement to think innovatively in their working lives. Appraisal of performance should lead to professional learning opportunities.

SO2.3 Modern Strategy for People

The Foundation should be an exceptional place to work, supported by a range of interconnected people strategies designed to attract, develop and retain talented and committed staff. Its HR function should be a credible provider of transactional, advisory and strategic service and a key contributor to the organisation's success. Colleagues should be attracted to join the Foundation because they see working in the UK's second city as a positive prospect and because the Foundation itself is a pre-eminent organisation for educational excellence.

SO2.4 Equality, Diversity and Inclusion

Colleagues within the Foundation should demonstrably understand, clearly represent and actively promote the diversity of the people of Birmingham with a strong employer commitment to equal opportunity for all. The Foundation should promote equality, inclusion and the understanding of diversity among themselves and learners.

SO2.5 Efficient Systems and Data Analytics

Colleagues within the Foundation at all levels (including leadership, teaching, school-based support and central staff), should have at their disposal highly effective, modern, secure and integrated digital systems for managing their work and communicating with each other. Digital systems should be selected and implemented to deliver maximum impact for all colleagues and learners, aggregate and make data accessible to inform central and local decisions, as well as modernise and standardise support services.

SO2.6 Work Environment, Resources and Sustainability

Colleagues should benefit from estates and procurement strategies which allow them to work in comfortable and inspiring environments supporting collaboration with the best possible resources at hand. The Foundation should have an exemplary sustainability strategy.

Strategic Objective 3 (SO3): Partnering with us

SO3.1 Growth and Reputation

The Foundation, and its Academy Trust, should be an attractive proposition for schools looking to join a Multi Academy Trust because of its excellent reputation as a unique group of schools. The Foundation's voice and expertise should be sought in the development of educational and other policy and strategy nationally.

SO3.2 Educational Partners

The Foundation should partner with the primary, other secondary, alternative provision, further education and higher education sectors and be seen as a national and international, outward-focused model for education. The Foundation should be a hub for collaboration, networking and the sharing of best practice.

SO3.3 Civic and Corporate Partners

The Foundation should engage locally and beyond on a civic and corporate level, offering specialist advice, resources and governance. Organisations should see the Foundation as a willing and beneficial partner, appreciating the quality and extent of its offer. Partners should speak of admiration for and a love of Birmingham and its heritage.

SO3.4 Fund-raising and Support

The Foundation should benefit from strong links with alumni, parents and relatives of alumni, corporate donors and a range of other partners. Donations provided by individuals, families, corporations or other organisations should have hypothecated uses for key strategic projects such as assisted places, capital builds, heritage work and co-curricular and enrichment programmes. The Foundation should benefit from pro-bono offers of support for these projects from its extensive wider community.

SO3.5 Excellence in Governance and Compliance

Governor and Trustee opportunities at the Foundation should be sought after, and the successful candidates should contribute to the success of the organisation. The views of Governors and Trustees, and the Foundation's model of governance, should be seen as examples by others. The Foundation's compliance work should be exemplary.

SO3.6 Heritage

The Foundation's historical richness and impact on the life of Birmingham, manifested in its Archive, should be a heritage resource for the City as a living and growing historical artefact, further raising the Foundation's profile and generating interest in the organisation.

Mission, Principles and Objectives *(continued)*

Activities undertaken to deliver Objectives and Public Benefit

Under the Charities Act 2011, a charity must be established for charitable purposes only. A charitable purpose is a purpose that falls within section 3 (1) of the 2011 Act and which is for public benefit. The list in section 3 (1) includes the advancement of education.

The Governors recognise their responsibilities as charity trustees. In 2020/21, the principal activities carried out to further the charitable purposes of the Foundation for the public benefit and to meet the objectives set out above include:

- The Foundation gifting, under the terms of licences, private land and buildings to the Academy Trust. This provides schools within the Academy Trust where the Foundation is the landowner with the land and buildings they need to provide education to their pupils.
- The Foundation continuing to support the means-tested Assisted Places scheme at the Independent Schools. Both Independent Schools have also raised funds aimed at providing further means-tested assistance to lower income families. This greatly enhances the accessibility of King Edward's School and King Edward VI High School for Girls to a range of pupils, irrespective of background;
- The Foundation providing support services to the Academy Trust in the form of donated services. These services include strategic support, finance, procurement, human resources, payroll, governance, estates, marketing and communications, educational support and, for the selective schools within the Academy Trust, an admissions service. This support enables the Academies to focus their resources and management time on the education of their pupils;
- The Foundation playing an active role as a patron of the Greater Birmingham Chamber of Commerce, providing a platform for being a voice that is listened to on key educational issues. We are already nationally recognised for our work in ensuring that our selective schools are accessible to all. We have augmented this by maintaining and enhancing the Assisted Places scheme at the Independent Schools and by redesigning the Academy Trust admissions strategy to increase the percentage of disadvantaged children attending the selective schools from September 2020, further ensuring those schools are rooted in the communities they serve;
- King Edward's School (KES) and King Edward VI High School for Girls (KEHS) providing a wide range of activities and facilities for the benefit of neighbouring schools and community groups.

Governors' report

Reference and Administrative Information

The Governors of the Schools of King Edward VI in Birmingham is a corporate body established by Royal Charter in 1552 and is regulated by the Birmingham (King Edward the Sixth) Schools Act 1900 together with subsequent Schemes of the Board of Education and Charity Commissioners. The Schools of King Edward VI in Birmingham is a registered charity, number 529051. It is VAT registered, number 487399769.

Registered Office and
Principal Address of Charity:

Foundation Office
Edgbaston Park Road
BIRMINGHAM
B15 2UD

The Foundation is comprised of:

Independent Schools

King Edward's School
King Edward VI High School for Girls

The Foundation also sponsors the King Edward VI Academy Trust Birmingham. Although this is a separate legal entity with its own accounts, the Academy Trust schools are all required to be formally designated as part of the Foundation in line with the provisions of the Birmingham (King Edward VI Schools) Act 1900, as amended. These schools are considered, therefore, to be part of the Foundation and may be referred to as such in the Governors' Report. The Academy Trust financial statements are available on our website: www.schoolsofkingedwardvi.co.uk/

Academies

King Edward VI Aston School

King Edward VI Balaam Wood Academy

King Edward VI Camp Hill School for Boys

King Edward VI Camp Hill School for Girls

King Edward VI Five Ways School

King Edward VI Handsworth School for Girls

King Edward VI Handsworth Grammar School for Boys

King Edward VI Handsworth Wood Girls' Academy

King Edward VI Sheldon Heath Academy

On 1st September 2021 King Edward VI Northfield School for Girls joined King Edward VI Academy Trust Birmingham and the Foundation

Governors' report

The Governors, who are also trustees of the charity, who were in office at the date of approval of the accounts and served on the Board throughout the period are set out below, together with their membership of Committees:

Membership of Committees						
	Joint Strategy Committee	Independent Schools' Governing Body	Finance & Investment Committee	Nominations Committee	Audit Committee	Remuneration Committee
Co-opted Governors						
Professor H Thomas BA, Med, PhD (Chair)	*	*	*	*		*
Mr G Chahal BSc, PGDipPharm			*			
Mr T Clarke MA	*	*	*	*		*
Mrs G Ball OBE, FCCA	*	*		*	*	*
Mr F Kinkhabwala					*	
Mr G Marsh MBE, TD, DL, FICE	*	*	*	*		*
Mr B J Matthews BSc, FCA	*		*			
Dr N Shastri-Hurst BMedSci, BMBS, MRCS						
Mr Jonathan Crawford			*			
Mr P Burns BA		*				
Mr D J Wheeldon (Deputy Bailiff)	*			*		
Professor B Lenon CBE, MA		*				
Nominated Governors						
Ms E Conway BA, FCA (Vice Chair) <i>(University of Birmingham)</i>	*			*	*	*
Councillor R Alden <i>(Birmingham City Council)</i>						
Mr I Metcalfe <i>(Chamber of Commerce & Industry)</i>		*	*			
Mrs C Hosty <i>(Independent Schools' Teachers)</i>		*				
Mrs S Roberts BSc, FCA, FCIS (Bailiff) <i>(Grammar Schools' Parents)</i>	*	*	*	*	*	

Co-opted Governors are appointed by the Board and serve for a term of five years. Nominated Governors are appointed by the organisation indicated in italics and serve for a term of five years.

In addition to the above, the Independent Schools' Governing Body has appointed several Non-Board Governors who are not Trustees of the Foundation. They are – Dr I Yunas MB, BChir, MA, FRCGP, DCH, DRCOG, DFRSH, PGCME; Professor S West FRHists, FRSA, FHEA; Dr G Brodie PhD, FCA, CTA, SFHEA; Mrs G Sehdev LLB MBA; Mrs A Smith LLB, ACA and Mr O Choudhury BA, ACA. Lucy Williams BA, MSc was appointed to the Independent Schools' Governing Body on 1st September 2021.

The Joint Strategy Committee has appointed one Non-Board Governor who is not a Trustee of the Foundation - Mr G Dupree LLB, LPC. The Headmaster of the Foundation Dr K Ricks MA, DPhil has been appointed to the following Committees – Joint Strategy Committee, Finance and Investment Committee, and Nominations Committee.

Governors' report

Officers and Advisers

Chief Executive Officer:	Mr Jodh Dhesi
Director of Finance and Operations:	Mr Thomas Rowland The Schools of King Edward VI in Birmingham Foundation Office Edgbaston Park Road BIRMINGHAM B15 2UD
Banker:	Lloyds Bank plc PO Box 908 125 Colmore Row BIRMINGHAM B3 2SD
Legal Advisor:	Veale Wasbrough Vizards LLP 3 Brindley Place BIRMINGHAM B1 2JB
Auditors:	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
Property Advisor:	Avison Young 3 Brindley Place BIRMINGHAM B1 2JB
Investment Manager:	Barclays Wealth 1 Churchill Place London E14 5HP
Website:	www.schoolsofkingedwardvi.co.uk

Key Management Personnel

Chief Master:	Dr Katy Ricks MA, DPhil
Principal:	Mrs Kirsty Von Malaise MA (Cantab), PGCE
Chief Executive Officer:	Mr Jodh Dhesi MA (Cantab), NPQH, PGCE
Director of Finance and Operations:	Mr Thomas Rowland BA, MA
School Bursar:	Mrs Zoe Robinson BSc, ACA

Governors' report

Structure, Governance and Management

Organisation

The Governors, guided by the reports of various Committees, determine the general policy of the Foundation and are responsible for the governance of the two Independent Schools. The Foundation, as a Member of the Academy Trust, appoints a number of Trustees to the Academy Trust Board. The management of the Independent Schools is delegated to the Chief Master and Principal, and management of the Foundation to the Chief Executive Officer.

Prof H Thomas was the Chair of the Board and Ms E Conway was the Deputy Chair of the Board until 31 August 2021. In the current year that remains unchanged.

Mrs Roberts held office as Bailiff and Mr D Wheeldon Deputy Bailiff for the year to 31 August 2021. In the current year Mr D Wheeldon is the Bailiff and Mrs S Roberts is the Deputy Bailiff.

The Board of Governors meets at least six times per year and receives reports from the following Committees, membership of which is determined annually by the Governors.

The **Joint Strategy Committee** (JSC) considers matters of general policy concerning the Foundation and Academy Trust, including educational policy. This Committee is responsible for recommending to the Board the allocation and distribution of the Foundation's resources. The Foundation also has a Foundation Education Group (FEG) comprised of the Heads of the Independent Schools and Academies under the Chairship of Dr K Ricks (Headmaster of the Foundation). The Group advises and submits recommendations to JSC on matters of educational policy.

The **Independent Schools' Governing Body** (ISGB) deals with matters relating to the two Independent Schools, known as King Edward's School (KES) and King Edward VI High School for Girls (KEHS). The ISGB has a number of sub-committees which report into it, including those relating to Buildings, Finance, Risk and Compliance.

The **Finance and Investment Committee** deals with matters relating to the finances of the Foundation including budgets, pensions and investments (including stocks and shares, investment property, lands, and hereditaments of the Foundation).

The **Nominations Committee** makes recommendations about the membership of the Foundation Board and its Standing Committees.

The **Audit Committee** deals with financial reporting, internal control, risk management and internal and external audit.

The **Remuneration Committee** reviews Foundation Senior Leadership Team performance and remuneration.

The Chair and Deputy Chair of Committees during the year were as follows;

Committee	Chair	Deputy Chair
Joint Strategy Committee	Prof H Thomas	Mrs S Roberts
Independent Schools' Governing Body	Mr T Clarke	Mrs G Ball
Finance & Investment Committee	Mr G Marsh	Mr B J Matthews
Nominations Committee	Prof H Thomas	Ms E Conway
Audit Committee	Mrs G Ball	Ms E Conway
Remuneration Committee	Ms E Conway	Mr G Marsh

All Governors give of their time freely and there is no remuneration policy for Governors. Governors are able to claim travel expenses. No Governor or person connected with a Governor received any benefit from either means-tested Assisted Places or scholarships awarded to our pupils.

Procedure for Recruitment, Induction and Training of Trustees

The Foundation Board currently comprises twelve Governors appointed by the Foundation (the maximum is 12) and five Governors nominated by the following external bodies: University of Birmingham (1), Aston University (1), University of Oxford (1), Birmingham City Council (1), Greater Birmingham Chambers of Commerce (1), Grammar Schools' Parents (1), Grammar Schools' Teachers (1), Independent Schools' Parents (1), Independent Schools' Teachers (1). (There are currently six vacancies to be filled making eleven external nominees in total). Regard is given to the skills mix of the Governors to ensure that the Foundation Board has all the necessary skills required to contribute to the objects of the Charity. The Nominations Committee oversees recruitment.

The term of office for any Governor is five years. Subject to remaining eligible to be a particular type of Governor, any Governor may be reappointed or re-elected. The Governors who were in office at the date of approval of the accounts and served throughout the period, except where shown, are listed on page 5. During the period under review the Foundation Board held 6 meetings.

The induction and training of Governors is important to the Foundation. Specific steps are taken as follows:

1. Advice is offered on appointments for Governors who are appointed by external bodies. Appointments of co-opted Governors are guided by the fullest possible consideration of a Nominations Committee which meets regularly to consider the skills, attributes, and balance of Members. All appointment procedures are formal, rigorous and transparent.
2. All Governors receive a welcome pack and personal briefing.
3. Documents relating to current developments are circulated to Governors together with DfE guidance and Charity Commission documents. At meetings Governors have the benefit of specialist advice.
4. Periodic conferences and focussed training sessions are organised.
5. Subscriptions are made to appropriate organisations and publications.

Governors' report

Foundation Office

The Foundation Office provides a central bursarial function supplying financial, human resources and administrative services to the Independent Schools and the Academy Trust. This enables the Schools to reduce their cost base and concentrate more resources and management time on teaching and learning. It also enables the Independent Schools to keep fees as low as possible.

The Foundation is an equal opportunities employer and is committed to regular communication with all staff. Staff promotions are based on merit.

Arrangements for setting pay and remuneration of Key Management Personnel

Salaries of Executive personnel in the Independent Schools and the Foundation Office are reviewed by the Foundation's Remuneration Committee. Salaries are based on a review of annual performance and with reference to affordability and the local employment market.

Grants

The Foundation allocates annual grants from the expected income of the Endowment – Income Fund to the Independent Schools, in order to widen accessibility to the Schools by funding means-tested assisted places, merit-based scholarships and a staff remission scheme. The grant for Assisted Places is paid from the Foundation to the Independent Schools, who in turn then award the grants to individuals.

Fundraising

The Foundation in its own right does not carry out fundraising activities. As stated in note 18 the cost of fundraising activities is charged to the School's Fund but the activities are carried out on behalf of King Edward's School Birmingham Trust (the KES Trust, RCN 1129776) and The King Edward VI High School for Girls Birmingham Trust (the KEHS Trust, RCN 1159413). The KES Trust and The KEHS Trust exist separately to the Foundation and to support the advancement of education at each school, and particularly to raise funds actively for Assisted Places to widen access to the Schools for all those with the talent to make the most of a King Edward's education.

The Development Director reports to each group of Trustees on a termly basis, to ensure activities are properly monitored. Each Trust is a verified member of the Fundraising Regulator. Only one suppression request has been received to date, which was handled immediately. Neither Trust has received complaints regarding their activities.

Assisted Places – means-tested bursaries

The Independent Schools offer assistance to a significant number of pupils, in the form of means-tested assisted places and scholarships which are funded primarily by the income from the Foundation's capital endowment fund.

Both means-tested assisted places and scholarships are awarded on the basis of academic ability, assessed as part of the admissions process at 11+ and 16+. The funding for assistance is made by the Governors on the recommendations of the Chief Master and Principal of the Schools.

Independent Schools	2021	2020
Number of AP holders	269	285
Number of pupils in receipt of assistance	263	279
As a % of total pupils at the Schools	18%	19%
% of pupils receiving an AP covering 90% of the fees	68%	59%
Pupils receiving a 90% or over AP	180	164
Pupils receiving a 100% AP	127	112
Annual cost of AP/Benefit to Parent	£3.2m	£3.2m
Annual cost to the Schools (Note 3)	£2.4m	£2.4m
Grant to the Schools from the Foundation	£2.7m	£2.7m
King Edward VI Birmingham Trust	£565,886	£552,776
King Edward 's High School for Girls Trust	£256,422	£168,438

Around 74% of the support to Pupils is funded by the Foundation, with the balance coming from the King Edward VI Birmingham Trusts.

A further 276 pupils received scholarships, 2 pupils received a sibling discount (for being the third child) and 27 pupils benefited from the staff concession scheme; the cost of which was £1,156,473 to the schools.

Therefore, the full benefit provided by the Governors' means-tested Assisted Places, hardship payments, scholarships, sibling discounts and staff concession for both schools, as shown in Note 3, for the year was £3,581,058 representing 17% of gross fees. Further information on fees assistance is provided by each school in their respective reports. In comparison with other independent schools (both locally and nationally), fees are relatively low.

Further details of the activities and educational achievements of the schools can be found on pages 14 to 20.

“Opening Doors” for bright, disadvantaged children

The Foundation has invested in a targeted online familiarisation programme which provides educational resources for disadvantaged primary school children who have registered to sit the entrance test for our grammar schools. This includes introductory videos which explain how the entrance test works, quizzes for students to practice and develop their knowledge ahead of sitting the entrance test and interviews with some of our grammar school pupils to give prospective applicants useful information about what life at our grammar schools is really like and to showcase the wide range of enrichment activities on offer.

Our six grammar schools have also continued to offer outreach and enrichment opportunities for primary schools across the city as we continue to develop our positive relationships with the primary school sector. This has been made more challenging by the restrictions brought about by the Covid-19 pandemic, but we continue to offer face to face opportunities to local schools and their pupils wherever possible.

Governors' report

Financial Review

Financial Results

Following an update to Government Covid-19 lockdown guidelines in January 2021, the two Independent Schools switched to home learning for all year groups (although the Schools remained open for vulnerable children and children of key workers) for a period of 8 weeks, with a phased return to on-site learning from early March. Governors continued to meet regularly with management to co-ordinate the Schools approach to educational provision and risk management during the pandemic.

SoFA Summary

	2021 £m	2020 £m	Variance £m
Total Income	22.0	23.6	(1.6)
Total Expenditure	(26.6)	(24.6)	(2.0)
Net Inc/Exp	(4.6)	(1.0)	(3.6)
Net gains on Investments	13.9	9.8	4.1
Net gains on Investment Properties	6.9	7.8	(0.9)
Total	16.2	16.6	(0.4)

The Foundation had funds at 31 August 2021 of £179,289,851 (2020: £163,067,237) representing an 10% increase of £16,222,614. The funds comprise £3,595,920 (2020: £3,821,647) of Unrestricted Funds, a Permanent and Expendable Endowment Fund of £10,732,467 (2020: £10,361,766), Restricted Funds of £2,421,842 (2020: £2,151,876) and the Fund – Capital of £162,539,622 (2020: £146,731,948).

The total net income (before transfers) and other recognised gains and losses of all funds of the Foundation amounted to a surplus of £16,222,614 (2020 £16,628,047).

Overall, total income across all Funds decreased by £1,679,652 to £21,957,716. Total expenditure increased during the year by £1,995,841 to £26,554,016. Net gains on investments increased by £3,301,059 to £20,849,914.

Independent Schools' Fund – School fee income (net of assisted places and scholarships) increased by £1,461,244 (9.3%), and is in line with our plans.

As a response to the pressures faced by parents due to the pandemic, the Governors held the Autumn Term 2021 fees at the same level as the previous academic year, and then implemented a fee increase from 1 January 2021. This resulted in an overall year on year fee increase of 1.9% (King Edward's School) and 1.9% (King Edward VI High School for Girls). Teaching costs (including the staffing costs of the Teachers and Educational Support staff, curriculum expenditure, exam fees etc) across both Schools is the largest area of expenditure for the Foundation and increased during the year by £730,728 to £13,972,803.

Income in the **Fund - Income** rose by 4% to £3,632,782 during the year with rental income continuing to fall.

The **Fund – Capital** received the proceeds from the sale of freehold properties owned by the Foundation and realised a profit of £4,643,442. Following the valuation there was an unrealised net profit of £2,269,159 from the investment property portfolio. In terms of the listed investment portfolio, overall gains of £7,341,474 were secured. In total, overall investment gains in the Fund – Capital amounted to £13,252,329.

The gains were offset by investments costs, depreciation charged to the Fund and the FRS 102 pension deficit.

The transactions during the year in the Fund Capital were as shown below:

	£
Balance at 1 September 2020	146,731,948
Gains on investments and properties	15,521,488
Expenditure (investment costs and depreciation)	(897,720)
Transfers from Other Funds:	
Transfers to Endowment Income Funds:	(3,250,000)
- Amortisation of Sale of Interest in land	(209,536)
- Profit from sale of Investment Properties	4,643,442
	<u>1,183,906</u>
Balance at 31 August 2021	<u>162,539,622</u>

Pensions

The teaching staff of the Independent Schools are eligible to join the Teachers' Pension Scheme (TPS) to which the Governors contributed 23.68% of salaries. This is an unfunded scheme open to the teaching profession. It is not managed by the Governors.

Non-teaching staff of the Independent Schools and the Foundation Office have previously been eligible to join a pension scheme operated by the Governors. This is known as the Schools of King Edward VI in Birmingham Retirement Benefits Scheme (the Defined Benefit Scheme). As detailed in Note 21 to the accounts, this Defined Benefit Scheme was closed to new members from April 2010, and a new defined contribution scheme became operational.

The last triennial actuarial valuation of the DB Scheme liability was as at 31 March 2018 and has been considered by Governors. Since 2012 Governors have made additional contributions as part of a pension recovery plan in 2018/19. During 2020/21 this amounted to £378,240 (2019/20: £367,200)

Governors received the FRS 102 pension report on the Governors' Defined Benefit Pension Scheme which showed a reduction in the pension liability from £6,505,000 to £6,384,000. This reduction is a result of improved performance on our investment returns and a positive inflation experience over the period.

Governors' report

Charity Governance Code

The Foundation has applied the following recommended practice outlined in the Charities Governance Code for larger charities:

1. **Organisational purpose** - The board is clear about the charity's aims and ensures that these are being delivered effectively and sustainably. This has been further enhanced by a strategic review exercise that took place between January and April 2021. During the 2021/22 financial year, a series of key performance indicators were developed to drive and monitor progress against the strategic priorities and objectives set out in the Foundation Strategy. The Board receives regular progress reports in relation to these objectives.
2. **Leadership** - The charity is led by an effective board that provides strategic leadership in line with the charity's aims and values. This will be further enhanced by a revised set of governance arrangements which the Charity plans to introduce in September 2022. The Foundation Strategy clearly sets out a range of strategic priorities and objectives that are in line with the charity's aims and values and against which the Board can hold the senior executive team to account.
3. **Integrity** - The board acts with integrity, adopting values and creating a culture which help achieve the organisation's charitable purposes. The board is aware of the importance of the public's confidence and trust in charities, and trustees undertake their duties accordingly. The Board ensures that appropriate risk management processes are in place, ensures that appropriate safeguarding training and procedures are in place, is cognisant of the Foundation's Equality, Diversity and Inclusion policy and is working with the senior executive team to develop an action plan for delivering the Foundation's sustainability strategy.
4. **Decision-making, risk and control** - The board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored. This is further enhanced by work from our third-party internal audit provider. The Board describes the charity's approach to risk in its annual report and in line with regulatory requirements. The Board and all of its committees have clear terms of reference which are reviewed and signed off on a periodic basis. The Foundation's Scheme of Financial Delegation clearly sets out the specific resourcing decisions which can be taken at committee level (through the Finance and Investment Committee) and reported to Board.
5. **Board effectiveness** - The board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions. This will be further enhanced by a revised set of governance arrangements which the Charity plans to introduce in September 2022. The Board has a Nominations Committee, regularly considers whether the appropriate mix of knowledge and skills are in place, ensures that Governor induction processes and training and development opportunities are in place and arranges an annual Governor Conference where issues relating to Board effectiveness can be discussed.
6. **Equality, diversity and inclusion** - The board's approach to diversity supports its effectiveness, leadership and decision-making. This has been further enhanced by the establishment of an Equality, Diversity and Inclusion Committee in October 2020. The Committee has established a clear set of objectives and associated key performance indicators and has undertaken both staff and governor surveys. This has provided a baseline for perceptions of equality, diversity and inclusion issues across the organisation and will support decision making moving forward. Training has also been a key area of focus for the committee to ensure that staff and governors are aware of equality, diversity and inclusion issues.
7. **Openness and accountability** - The board leads the organisation in being transparent and accountable. The charity is open in its work, unless there is good reason for it not to be. The Foundation has developed a high-level external relations strategy and will be working over the coming months to increase capacity and focus in this area, including the production of a detailed action plan. The Board maintains a register of interests for Governors and senior staff to ensure that any potential conflicts of interest are identified and appropriately managed.

Risk Management Policy and Systems

The objectives of the Foundation's Risk Management Policy are to:

1. Manage risk in accordance with best practice;
2. Anticipate and respond to changing social, environmental and legislative requirements;
3. Prevent loss, disruption, damage, injury and reduce the cost of risk (thereby maximising resources);
4. Inform policy and operational decisions by identifying risks and their likely impact;
5. Raise awareness of the need for risk management;
6. Integrate risk management into the culture of the Foundation.

Separate risk registers are maintained for the Foundation and each of the two Independent Schools. Periodically, risk registers are presented to and discussed at Foundation Audit Committee meetings.

During 2020/21, the Foundation Office used an education sector-focused risk management system called GRC-ONE, which includes a range of pre-populated core risks and associated threats drawn from the legislative and compliance environment that educational providers operate in. These risks and threats have been amended, deleted or added to in order to create a bespoke risk register for the Foundation. The risks and threats each have a nominated owner from the relevant department within the Foundation Office, and each is assigned a residual (post-mitigation) risk score. The GRC-ONE system includes a wide range of reporting functionality to ensure that staff and Governors can be provided with an appropriate level of information and analysis. During the 2021/22 financial year the Foundation will, in line with recommendations received in a recent internal audit, be augmenting its use of the GRC-ONE system to take advantage of the full range of functionality on offer. This will include an increasing focus on pre-mitigation risk scores, target risk scores, action, controls and associated timescales.

Governors' report

The Foundation's core risks and associated plans and strategies for managing those risks are as follows:

Core Risk	Description	Plans and strategies for managing the risk
The Foundation's operations are poorly managed or ineffective	Poor management can cause organisations to perform poorly or ultimately fail. Poor leadership results in high turnover of employees and low morale and the cost of recruitment and training becomes prohibitive, which can impact a business's ability to continue operations.	The Foundation has recognised the need to enhance capacity and capability in how its operations are managed. Following the creation of Director of Operations and Head of Special Projects posts in 2016/17, additional posts have been recruited to, including a Head of Systems Transformation, an IT Desktop Support Technician, a Head of Procurement and a Collaboration Manager. An organisation-wide performance management process has been introduced to ensure that staff set individual and team objectives, with line management and regular one-to-one arrangements in place to ensure that progress and performance are closely monitored. Several new systems have been introduced (including risk management, HR and finance) to ensure that the Foundation's operations are as effective as possible, and this roll-out of new systems will continue in future years. All major personnel and systems changes are approved and overseen by Governors to ensure that robust business cases and effective implementation plans are in place to fully realise the stated benefits.
There are insufficient funds to deliver the Foundation's services to the appropriate level	Poor management of finances may lead to the budget being overextended in comparison with revenues or contributions received. Without sufficient business reserves it may not be able to absorb consistent losses, and the organisation can fail.	Several actions have been taken to strengthen the management of the Foundation's finances and build on the established finance policies and procedures already in place. The Foundation Finance function has been restructured and strengthened, with a dedicated full time Director of Finance post being created to ensure a strategic approach. Additional financial and management accounting capacity and capability has also been added in recent years. A project to replace the Foundation's Sage 200 finance system with the PS Financials cloud-based system has now been completed. This provides greater functionality and the ability to generate a multitude of financial reports to assist with financial planning, management and budgetary control. The Finance and Investment and Audit Committees continue to oversee the management of the Foundation's finances, reporting regularly to the Foundation Board to ensure that performance and progress are monitored, and risks identified and managed.
The Foundation fails in its compliance responsibilities	Failure to comply with these compliance requirements can have serious consequences for both organisations and individuals. Sanctions can include letters for improvement, fines, prosecution, imprisonment and disqualification from continuing to transact business or practice.	The Foundation has enhanced its capacity and capabilities to ensure that compliance responsibilities are being met. A Risk and Compliance Manager has been appointed, with this individual also acting as the Foundation's Data Protection Officer. Compliance policies have been reviewed and augmented and are available for FO staff to access. The Foundation Board and its Committees consider and review compliance procedures, issues and risks on a regular basis. The GRC-One risk management system has been introduced which provides the Foundation with a set of pre-populated risks based on the legislative and compliance environment in which providers of education operate.
The Foundation suffers from a significant or prolonged governance failure	Poor governance can affect the ability of the organisation to achieve its objectives, manage its finances and operations, meet its compliance responsibilities and protect its reputation.	Governors' conferences provide Foundation Governors with a forum to discuss key issues, including reviewing the effectiveness of current governance arrangements. In 2018/19 a Joint Strategy Committee was introduced covering both the Foundation and the Academy Trust. The Foundation is an ongoing member of the National Governance Association, which provides access to best practice, training and thought leadership.
The Foundation fails to adequately protect its reputation	Risk to reputation is caused by a misalignment of values; the organisation failing in some way to meet stakeholder expectations, delivering significantly below expectation. As reputation is a relational concept this failure can manifest itself in a number of different ways.	The GRC-One risk management system provides an important platform for identifying and managing reputational risks. Actions taken to manage and mitigate reputational risks include: <ul style="list-style-type: none"> • The Foundation has recently introduced greater clarity in relation to its overarching mission, principles and objectives. • Robust governance arrangements are in place and are reviewed on an ongoing basis and amended and enhanced when necessary. • Recent investment in personnel and systems has increased capacity and capability, contributing to the overall effectiveness of the Foundation's operations and providing greater alignment between strategic direction and the operational actions required to deliver this strategy. <p>The Foundation also has a Marketing and Communications team who oversee reputational considerations, and are currently recruiting to an Associate Director of External Relations post to increase strategic focus in this area.</p>

Governors' report

Reserves Policy

Governors recognise that the Foundation's endowment cannot be regarded as entirely free funds given the degree of dependence upon the income from it. Governors seek to maximise the return from this endowment within the context of acceptable risk to capital and apply a total return approach in the strategic management of the investment portfolio.

Governors endeavour as a minimum to maintain, in real terms, a constant income in perpetuity and to spend this income upon the charitable objects in the year of receipt or subsequently. This entails holding appropriate reserves. Where the income standards above can be exceeded, Governors balance the desirability and value of immediate expenditure with the alternative of increasing the Endowment Fund and future long-term sustainable income. Where the income standards above cannot be met, Governors will seek to reduce expenditure. They seldom envisage spending the capital endowment fund and will do so only in exceptional circumstances (and in line with the total return approach to managing investments).

In short, the Governor's policy is to generate sufficient income to provide support for the Schools and the Foundation Office whilst maintaining the real value of the capital endowment fund for the long term. Governors recognise that over the short to medium term, as the Foundation delivers its strategic objectives on widening accessibility and continues to focus on reducing the DB Pension Scheme deficit, additional financial resources will be required.

The Foundation has set a target for annual expenditure to be no more than 3.5% of the value of the endowment. Although the current level of expenditure is above this target, the excess has reduced steadily in the last two years and the five year financial forecast shows a positive direction of travel, with the 3.5% target being achieved by the end of the five year forecasting period.

The Governors calculate that the free reserves available to the Foundation, comprising the Unrestricted Funds and the Endowment Fund – Capital, amount to £166,135,542 (2020: £150,553,595), although in practice the Capital Endowment Fund is managed as if it is a Permanently Endowed Fund with all spending from the Fund carefully considered. The amount of funding that could be realised by disposing of tangible fixed assets is £27,005,374 (2020: £27,678,701).

It is possible that in the short term, as withdrawals are made from capital, the value of the property and listed investment portfolio will not keep pace with inflation.

Within the total of free reserves is a Designated Fund of £915,165 (2020: £860,165). This represents funds that have been set aside in previous accounting periods. Within this balance, only the funds set aside within the Widening Access Fund (£259,083) will be committed over the next year. The timing of when commitments will be required in relation to other elements of the Designated Fund is to be determined.

The amount of funds that are held by the Foundation which are restricted and not available for the general purposes of the charity are those funds held within the Permanent and Expendable Endowment Fund and the Restricted Fund of £13,154,309 (2020: £12,513,642).

As set out in note 20 there were no capital commitments (2020: £nil) in the year.

Going Concern

The Governors assess whether the use of the going concern basis for preparing the financial statements is appropriate and whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

The Governors have considered the principal risks and uncertainties facing the Charity (for example, whether the economic climate particularly during the Covid 19 pandemic, has affected the ability of some parents to pay School fees which, alongside the value of the Foundation's endowment and the income derived from it, is an important factor in long term financial planning). The management team also carefully monitor the level of scholarships and bursaries to ensure that the grant commitments are maintained at a sustainable level.

The Governors believe that the preparation of these accounts under the going concern basis remains appropriate, and they have made this assessment in respect of a period of one year from the date of approval of the financial statements.

Investment Powers and Policy

Investment Powers are governed by the 1900 Act as amended by the Scheme of 2012 and the Trustee Act 2000. The investments comprise the property portfolio and narrow and wide range quoted investments.

The policy of the Foundation is to manage the Foundation assets in accordance with statutory constraints, with a view to achieving an income that will allow it to further its educational objectives immediately, whilst at the same time bearing in mind that the assets must be invested in such a manner that they produce appropriate future income. The Foundation has delegated the day-to-day management of the listed investment portfolio to Barclays Wealth.

The investments have continued to be managed in line with the Governors' policy and instructions. Portfolio performance is measured regularly against a custom benchmark, comprising an appropriate market index selected for each asset class as agreed between the Investment Managers and the Governors. The overall total return performance achieved on the main portfolio for the year to 31 August 2021 was 16.6% (2020: 12.14%) net of fees, against a composite benchmark of 3.69%.

Ethical Investment Policy

The Foundation's overarching responsibility is to maximise its returns on investments in order to pursue its charitable objectives. Specific investments are made in properties and listed investments in accordance with an overall strategic investment asset allocation policy approved by the Finance and Investment Committee. This Committee regularly reviews the investments and engages in pragmatic dialogue with the Foundation's Investment Manager and Property Advisor about any areas of ethical concern which they have identified.

The Foundation will, after a full evaluation of the known facts, consider disinvesting or refraining from investing in specific securities, assets or businesses that are associated with activities perceived to be unethical. The Foundation believes that this ethical investment policy will not result in any significant financial detriment, with the balance of all impartial research indicating that an ethical investment policy neither adds to nor detracts from investment performance.

Auditors

Crowe U.K. LLP are the external auditors for the 2020/21 financial year.

The Governors are not aware of any relevant audit information of which the auditors are unaware. The Governors have taken all steps they consider necessary to make themselves aware of any relevant information and to establish that the auditors are aware of that information.

Future Plans

In order to meet their aims and objectives, Governors have planned the following activities:

- Governors will continue to keep a close watch on the financial and property markets and wider economic climate to ensure that they maximise opportunities for growth of the current portfolios and income, whilst being aware of the potential long- term headwinds which may result from the Covid 19 global health pandemic.
- Plans for a new Design centre at King Edward VI High School for Girls are well underway, alongside a significant capital maintenance programme at both King Edward's School and King Edward VI High School for Girls to modernise and future proof fundamental infrastructure.
- Governors will continue to work with the Trustees of the Academy Trust to increase the number of children in Birmingham that can benefit from an education supported by the Foundation. An overarching principle will be that such growth is manageable and targeted at more disadvantaged areas of the city. King Edward VI Northfield School for Girls (formerly Turves Green Girls' School) formally joined the Academy Trust and the Foundation in September 2021 and conversations are ongoing with the Heads of other comprehensive schools that have expressed an initial interest in joining the Academy Trust and Foundation. The most advanced of these conversations is with Lordswood Academies Trust, which comprises Lordswood Girls' School and the Lordswood Sixth Form Centre. Approval has been granted by the West Midlands Advisory Board for Lordswood Academies Trust to transfer into the King Edward VI Academy Trust Birmingham on 1st September 2022.
- There will be further development and implementation of an approach to school improvement that can harness the best talent already working in our schools, as well as partnering with other schools, Multi Academy Trusts, Charities and stakeholders. To enable this we created an Educational Support and Growth team in 2019/20, developed a Foundation strategy in 2020/21 centred around learning with us, working with us and partnering with us. In December 2021 we appointed a Director of Education who will begin working with us in April 2022 to extend our programme of school improvement and collaborative activities to benefit staff and students across and beyond the Foundation's schools. A particular focus will continue to be placed on remote and blended learning utilising technology, supporting disadvantaged pupils and engaging in meaningful 'catch up' initiatives to counteract the impacts of lost learning during the Covid 19 pandemic.
- Continued implementation of an HR strategy will improve the recruitment, development, deployment and retention of staff across our schools. This will be supported by a new integrated HR and Payroll system that will reduce the level of manual processing and enhance efficiency as new schools join.
- Implementing revised governance structures is a priority. The creation of the Academy Trust has led to a proliferation of committees and meetings, with many Governors expected to serve on multiple overlapping committees. We will aim to adopt a new structure that streamlines our governance whilst simultaneously providing more strategic oversight of our legal entities and schools.
- In order to continue to develop and improve our support services, we will focus in particular on developing and implementing a unified digital strategy, creating an enhanced estates function, increasing our external relations capacity and capability and further developing and implementing our sustainability strategy and approaches to equality, diversity and inclusion.

Governors' Report

Schools Information: Independent Schools

King Edward's School, Birmingham

King Edward's School, Birmingham was founded in 1552 by King Edward VI and is one of the leading independent schools in the UK. Based in Edgbaston, the School shares a 50-acre site with King Edward VI High School for Girls, which provides extensive space and facilities matched by few day schools in the country.

King Edward's School is a boys' day school with around 880 pupils aged from 11 to 18. The majority of our pupils join at age 11 and continue through until they are 18 but a few boys join us at 13 and into the Sixth Form.

The School has a longstanding tradition of ensuring that a King Edward's education is open to all boys of ability, whatever their family or financial situation. In addition to the £1m each year provided by the King Edward VI Foundation for the provision of places under the Assisted Places Scheme, in recent years over £12m has been raised for this purpose from alumni and other supporters. This drive for accessibility remains central to the School and the long-term aim is for the School to become need-blind.

We are committed to an academically ambitious curriculum, alongside an imaginative and wide-ranging co-curricular programme, in which every individual can find his particular enthusiasm and areas of expertise. Above all, we foster a culture of open-mindedness and kindness, an environment where every boy is known and appreciated, as we support their development from 11-year-old boys to young men, ready to contribute to the world beyond school. Boys enjoy considerable academic success and, as an IB World School, our pupils are prepared for a global future.

The individual boy is paramount and there is a great respect for, and celebration of, variety and difference. Our teaching staff are passionate about their subjects and support each boy to succeed to the best of his abilities, helping him grow and develop in the best way for him.

The School offers a rich and vibrant educational experience and we want boys to come here that not only love to learn but want to take part in all of the opportunities that the School provides. The substantial co-curricular programme and extensive opportunities to participate in sport and the performing arts means that each boy can find something to enrich his life and breed the courage, relationships and resilience that he will need to take on the challenges of the world.

The School's aims

'Our aim is to make available to the widest possible range of able boys an educational experience that is the richest, most diverse, and most exciting possible in an atmosphere that provides support, encouragement and care for everyone, pupils and staff, here. We want our pupils to love coming here and to go from here prepared for all that human life has to offer.'

In order to achieve this aim and to remain true to our historic purpose, the school sets out to be:

- an academic school
- an intellectual school
- a human school
- a local school
- and a global school.

An academic school: we have the highest academic standards and performance, so that we are recognised as the best academic school in the region and a school of national academic reputation.

An intellectual school: this means that success in public examinations is a necessary, but not sufficient, condition for success. The school must encourage the exploration of the world beyond learning and preparation for exams. This involves the generation of curiosity and the provision of a breadth of intellectual experience and the intellectual life is not confined to study in the classroom.

A human school: this means that our education allows boys to develop in physical as well as human terms, to be active and serve others in a variety of ways, to find some things that make life worth living, to form relationships, to understand, respect and care for each other, to be ready for life beyond school and university.

A local and global school: this school is one of the most socially and ethnically diverse independent schools in this country. In such an unusual context, we must want our boys to know their own community, to be involved in their own community and to want to serve it. However, we must also ensure that we use the scale of our links with that wider world through families to alumni to offer our boys a wide experience of the world in which they will live.

2. Review of activities

In 2021 KES was proud to be named The Sunday Times Schools Guide 'West Midlands Independent Secondary School of the Decade'.

a. Academic results

King Edward's School is one of the leading independent schools in the UK and pupils achieve excellent exam results each year.

International Baccalaureate (IB) Diploma results 2021

The 99 boys who sat the IB Diploma in 2021 achieved excellent results, highlights of which include:

- 7 boys gained the maximum 45 points – a score achieved by less than 0.5% of students worldwide
- 20 boys gained 44 or 43 points
- 62% of the cohort scored 40 points or above
- Average points score per pupil of 40.3 (7 points above the world average).

	Average score	40+ points
2021	40.3	62%
2020	39.1	49%
2019	37.9	41%
2018	37.9	46%

Comparing our 2021 Higher Level IB results to equivalent A-level grades provides the following:

Higher Level IB grade	Equivalent A-level grade	% of grades achieved
7	A*	49%
7/6	A*/A	91%
7/6/5	A*/A/B	99%

GCSE results 2021

The 123 boys who took their GCSEs in 2021 produced another set of outstanding results, highlights of which include: 45 boys with 10 or 11 9s/8s

- 66 boys with 9, 10 or 11 9s/8s

Governors' Report

	9/8 (A*)	9/8/7 (A*/A)
2021	73.8%	89.3%
2020	71.7%	88.7%
2019	67.6%	85.4%
2018	64.5%	84.5%

b. Assisted Places

The central aim of King Edward's School is to provide education for able boys, regardless of the financial circumstances of their families. Funding for Assisted Places is provided thanks to a substantial grant from the Governors of the King Edward VI Foundation and generous donations from Old Edwardians.

An Assisted Place is awarded on academic merit based on the school's own entrance examination at 11+ and academic interview at 16+. Assisted Places are means-tested, based on family income and assets.

c. Co-curricular activities

Part of what gives King Edward's School its unique character is the exciting and diverse range of co-curricular opportunities on offer. We strive to have the widest range of activities so that every boy can find at least one thing that enlivens and enriches his life. Such activities form a fundamental part of the development of the boys as confident, resilient and independent young men

Sport

We take pride in the breadth of sport we offer; from competitive inter-school competitions to friendlier House events, we aim to make sport accessible for every pupil. Major sports offered include rugby, hockey and cricket, though there are many other options available. The School offers 21 different sports with a vast range of opportunities for boys to take part. There is a very healthy balance struck between breadth of participation and top-level performance – in both teams and individual sports.

Performing arts

The performing arts are central to the lives of many pupils at King Edward's School and there is a wealth of music and drama opportunities for boys to get involved in throughout their time at the School. Drama was inevitably impacted by the pandemic in 2020/21 with no Junior or Senior Production able to take place. However, whilst music was also impacted, the School was able to perform a number of performances, both remotely and in person as restrictions eased.

Clubs and societies

Clubs and societies provide an integral part of school life for our pupils. With around 50 to choose from, including Model United Nations, Lifeguarding and Debating, there is an opportunity for everyone. Clubs and societies were impacted by the pandemic but numerous clubs have continued to operate throughout the periods of lock down and restrictions, utilising Zoom and other similar platforms, and our pupils took the initiative in launching new clubs and societies during this time.

Friday afternoon activities

Friday afternoons are entirely set aside for such activities as the Combined Cadet Force, the Leadership programme and a wide range of Service and Outreach activities such as music and sports coaching and visits to primary schools, care homes, hospitals, animal sanctuaries and organisations supporting refugees. Again the Outreach activities were severely impacted by the pandemic and thus the Friday afternoon involvement in these activities. While the usual face-to-face Friday afternoon programme ceased during lockdown periods, boys continued with charitable service activities: for example, the King Edward's Food Bank was established during this time and the seeds sown for the creation of the King Edward's Home Bank, a joint KES and KEHS initiative.

Trips

The variety of trips on offer at the school are a really important part of our co-curricular life and contribute enormously to the school's appeal and reputation. Although a part of school life that was most severely impacted by the pandemic, it was also the area that parents were most keen to see up and running again when lockdowns eased. With great tenacity and determination the school managed to run a programme of UK-based trips including residential camps for Years 7, 8 and 9.

3. Outreach

The KES Outreach Programme aims to engage with children under the age of 11 to raise aspirations by supporting and extending what they are learning in school. It provides a range of free masterclasses, workshops, competitions, concerts and use of our facilities for local primary schools. In a typical year, over 13,000 children from more than 200 schools across Birmingham and the wider region take part in our Outreach Programme each year. While we were unable to visit schools and they were unable to visit us for much of 2020/21, some outreach activities did take place in person including cricket coaching in the summer term. We also held a joint outreach information session with KEHS which looked to reinvigorate interest in the programme in readiness for the start of the 2021/22 academic year.

4. Future Plans

In order to continue to provide an exceptional education that is rich and varied where boys excel academically and develop the qualities to succeed, the School has ambitious plans for the future.

Plans for 2020/21 include:

- Ongoing developments to the curriculum to ensure that KES remains at the forefront of academic excellence
- Engagement with the 2022 Commonwealth Games; KES has been selected as the rhythmic gymnastics, discus and hammer training venue for the Games and the School will facilitate further engagement opportunities for KES pupils and other schools through outreach
- Continued development of the Outreach programme.
- Reinvigoration of the Assisted Places fundraising.
- Continued improvements to the fabric of the buildings and longer-term planning for the development of the facilities on the site – including a Master-planning exercise.
- Collaborating closely with King Edward VI High School for Girls (KEHS) on all of the above and, together, developing common threads with the Foundation Strategy, so that we build on our unique position locally and nationally.

Governors' report

King Edward VI High School for Girls, Birmingham

1. Aims and ethos

King Edward VI High School for Girls has roots dating back over 600 years to the Gild of the Holy Cross, but it was not until much later, in 1864, that the new liberal-controlled town council recommended the creation of an upper school for girls, a boys' high school and a boys' middle school. Founded in 1883 on the New Street site, where King Edward's School was already based, King Edward VI High School for Girls encouraged students to go from elementary school through grammar school and high school to university. In 1931, it was decided that the two schools needed a new site and only the Calthorpe Estate could offer sufficient space within reach of the city centre. The Foundation Stone was laid in the autumn of 1938. Today, King Edward VI High School for Girls is a wonderful blend of tradition and innovation with its beautiful library, and the Sir Paul and Lady Ruddock Performing Arts Centre, which is shared with KES. The emphasis on liberal learning, established by the first Headmistress, continues today, in a broad and balanced academic curriculum, which promotes intellectual freedom and discovery, coupled with a wider range of extra-curricular activities, and outstanding facilities for sport, music, drama and art.

School aims

KEHS is a school synonymous with intellectual ambition. With a mission to offer an unrivalled education to the brightest girls in the region, irrespective of their social or economic background, KEHS is a leading voice in the educational life of the UK.

We aim:

- To impart the joy of learning and enquiry together with intellectual courage, with the resilience and adaptability requisite for this
- To develop integrity, resolve, self-knowledge, compassion, and respect for others
- To inspire the confidence and purpose to make a difference to our community and beyond.

To realise these aims:

- We provide outstanding teaching through a forward-looking and challenging curriculum and a culture of scholarship, going beyond the confines of the exam specifications, and making connections across disciplines
- We provide proactive pastoral support which promotes the development of balanced, self-reflective and assertive pupils with a strong moral compass
- We offer an education rich in extra-curricular opportunities, which develop leadership and wider skills, as well as character and perspective
- We provide high-quality training for staff to ensure ongoing professional and institutional development, building on a long tradition of our staff nourishing the intellectual life of the school through their own interests
- We offer means-tested Assisted Places and help those outside the school with a strong outreach and community service programme.

2. Review of activities

The Sunday Times recently rated KEHS number one in the Midland's Top 10 Independent Schools for our outstanding education.

At A Level: 51.5% of grades at A* and 84% at A*/A.
GCSE Results: 96% grades at 9-7 or A*/A equivalent, 49% of the year achieved at least eight grade 9's and 21 girls secured grade 9 in all subjects.

a. Academic results

GCSE	Year	9/8 (A*)	9/8/7 (A*/A)
	2021	87.3	96.4
	2020	85.7	94.5
	2019	82.5	93.2
	2018	80.7	92.8

A Level	Year	A*	A*-B
	2021	51.5	96.9
	2020	48.4	98.7
	2019	36	95.5
	2018	32.9	91

b. Assisted Places

King Edward VI High School for Girls aims to offer an exceptional education to the brightest girls in the Birmingham area, irrespective of their parents' ability to pay fees. Funding for Assisted Places is provided thanks to a substantial grant from the Governors of the King Edward VI Foundation and generous donations from Old Edwardians.

An Assisted Place is awarded on academic merit based on the school's own entrance examination at 11+ and academic interview at 16+. Assisted Places are means-tested, based on family income and assets.

c. Extra-curricular activities

At KEHS, we believe extra-curricular activities are vital in developing rounded, balanced students who enrich the life of the school as well as fulfilling their academic potential. We offer over 70 clubs and societies per week for girls to sample exciting experiences from Martial Arts, Ultimate Frisbee and Football Club to Philosophy Society, Schools' Challenge quizzing, Code Club, Gardening Club and Spoken Word. Increasing numbers of students help to run existing clubs or even start their own, to share their interests, develop their leadership skills and become role models within the school community. Along with Drama and Music clubs, many other societies are run jointly with KES including Christian Union, Law Society, Physics Society and MedSoc.

Taking part in these activities, which are usually held at lunchtimes or after school, also helps girls build a wide range of friendships up and down the school, boosting their confidence and social skills. A growing body of research shows the benefits of extra-curricular experiences in developing teamwork, time management and resilience and providing crucial relief from the pressures of the modern world.

We invite numerous speakers, theatre groups, writers, artists, musicians and other guests into school each year to inspire students and broaden their experience. During 2020/21 speakers continued to play a significant part in the co-curricular life of the School and the use of Zoom has made this accessible to more girls and has allowed even more speakers to engage with the school including author Lewis Dartnell, the BBC's Political Correspondent Laura Kuenssberg and celebrity entrepreneur Tru Powell.

Whilst the pandemic had significant impacts on some of the aspects of co-curricular activities at the School, for example we were unable to have a Junior or Senior Production during the year, KEHS has managed to continue with the vast majority of its clubs and societies either operating via Zoom or in person as restrictions began to ease later in the academic year.

Governors' report

Despite the pandemic the school continued to participate in the Duke of Edinburgh scheme. In 2020/21 figures attaining awards were as follows:

Full award: 9 bronze, 5 gold, 4 silver. Certificate of Achievement: 16 bronze, 7 silver and 4 gold. Participants also completed 975 hours of volunteering.

3. Outreach

The KEHS Outreach Programme engages with primary school children in and around Birmingham.

One of our school aims is to make a difference to our community and beyond, and the outreach programme is an important way in which we seek to do this. The programme aims to support primary teachers in raising aspirations, by offering free activities and access to our facilities to complement and extend what children are doing in school.

Whilst our usual outreach activities were severely curtailed by the pandemic, we used the time to survey primary schools about how we could support them through outreach going forwards and ran a joint outreach information session with KES to reinvigorate interest in the programme. Our PE department, which produced care packages for our own pupils during lockdown were also able to distribute them to primary schools thanks to donations from our parents.

Our nationally-recognised TuneUp programme is also part of our outreach activities. TuneUp aims to enable as many young people as possible to participate in uplifting arts activities. It went global during November 2020 when more than 110,000 pupils around the world took part in an online event to mark TuneUp Tuesday, and it was shortlisted in the Community Outreach category at the Independent Schools of the Year 2021 Awards.

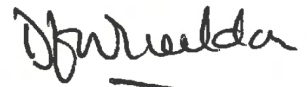
4. Future Plans

The years 2021 - 2023 will see us focusing on strengthening the distinctive hallmarks of a KEHS education by:

- Developing our curriculum and resources to the benefit of our students and staff, focusing on academic excellence, co-curricular distinction, and developing character and leadership
- Exploring how we can shape our approach to learning to ensure that students thrive and are prepared for the opportunities and challenges of their future lives
- Developing our site and facilities and maximising the opportunities of our fabulous spaces – including a project to refurbish and extend the existing Art Block to create a new Design Centre, incorporating space for Design Technology and Computing
- Progressing a drive for people in the community, from current students, alumnae and parents to local influencers, to advance the school
- Collaborating closely with King Edward's School (KES) on all of the above and, together, developing common threads with the Foundation Strategy, so that we build on our unique position locally and nationally.



Prof H Thomas
Chair



Mr D Wheeldon
Bailliff

Statement of Financial Activities For the Year ended 31 August 2021

	Note	Unrestricted Funds			Fund Capital	Permanent & Expendable Endowment Fund	Restricted Fund	Total Funds Year 2021	Total Funds Year 2020
		Schools Fund	Designated Fund	Fund Income					
		£	£	£	£	£	£	£	
INCOME AND ENDOWMENTS FROM:									
Donations and legacies		-	-	-	-	-	795	795	2,000,565
Charitable activities									
Fees receivable	3	17,122,071	-	-	-	-	-	17,122,071	15,660,827
Ancillary trading income									
Catering income		551,741	-	-	-	-	-	551,741	692,129
Extra-curricular activities		284,445	-	-	-	-	-	284,445	529,223
Registration fees		32,138	-	-	-	-	-	32,138	36,836
Other ancillary income		60,739	-	-	-	-	-	60,739	105,706
Non-ancillary trading income									
Lettings		56,023	-	-	-	-	-	56,023	127,182
Investments									
Rental income		-	-	1,864,911	-	105	-	1,865,016	1,946,676
Investment income		-	-	1,040,939	-	40,880	26,680	1,108,499	1,084,883
Bank and other interest		10	-	961	-	202	85	1,258	40,236
Other income		<u>149,020</u>	<u>-</u>	<u>725,971</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>874,991</u>	<u>1,413,105</u>
Total		<u>18,256,187</u>	<u>-</u>	<u>3,632,782</u>	<u>-</u>	<u>41,187</u>	<u>27,560</u>	<u>21,957,716</u>	<u>23,637,368</u>
Expenditure on:									
Raising funds									
Investment management		-	-	183,894	183,894	-	-	367,788	382,316
Estate management		<u>-</u>	<u>-</u>	<u>207,711</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>207,711</u>	<u>287,262</u>
		<u>-</u>	<u>-</u>	<u>391,605</u>	<u>183,894</u>	<u>-</u>	<u>-</u>	<u>575,499</u>	<u>669,578</u>
Charitable activities									
Education		20,776,241	-	2,409,756	713,826	101,912	11,152	24,012,887	22,752,639
Grant-making		<u>67,152</u>	<u>-</u>	<u>1,898,478</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,965,630</u>	<u>1,135,959</u>
		<u>20,843,393</u>	<u>-</u>	<u>4,308,234</u>	<u>713,826</u>	<u>101,912</u>	<u>11,152</u>	<u>25,978,517</u>	<u>23,888,598</u>
Total	4	<u>20,843,393</u>	<u>-</u>	<u>4,699,839</u>	<u>897,720</u>	<u>101,912</u>	<u>11,152</u>	<u>26,554,016</u>	<u>24,558,176</u>
Net income/(expenditure) before gains and losses		<u>(2,587,206)</u>	<u>-</u>	<u>(1,067,057)</u>	<u>(897,720)</u>	<u>(60,725)</u>	<u>16,408</u>	<u>(4,596,300)</u>	<u>(920,808)</u>
Net gains on investments		-	-	-	13,252,329	431,426	253,558	13,937,313	9,842,771
Net gains/(losses) on investment properties		<u>-</u>	<u>-</u>	<u>-</u>	<u>6,912,601</u>	<u>-</u>	<u>-</u>	<u>6,912,601</u>	<u>7,706,084</u>
Net (Expenditure)/Income		<u>(2,587,206)</u>	<u>-</u>	<u>(1,067,057)</u>	<u>19,267,210</u>	<u>370,701</u>	<u>269,966</u>	<u>16,253,614</u>	<u>16,628,047</u>
Transfers between funds	17	2,598,747	55,000	805,789	(3,459,536)	-	-	-	-
Actuarial gains on defined benefit pension	22	<u>-</u>	<u>-</u>	<u>(31,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31,000)</u>	<u>(89,000)</u>
Net Movement in Funds		<u>(11,541)</u>	<u>55,000</u>	<u>(292,268)</u>	<u>15,807,674</u>	<u>370,701</u>	<u>269,966</u>	<u>16,222,614</u>	<u>16,539,047</u>
Reconciliation of funds									
Fund balances at 1 September 2020		<u>2,655,932</u>	<u>860,165</u>	<u>305,550</u>	<u>146,731,948</u>	<u>10,361,766</u>	<u>2,151,876</u>	<u>163,067,237</u>	<u>146,528,190</u>
Fund balances at 31 August 2021		<u>2,667,473</u>	<u>915,165</u>	<u>13,282</u>	<u>162,539,622</u>	<u>10,732,467</u>	<u>2,421,842</u>	<u>179,289,851</u>	<u>163,067,237</u>

All activities arise from continuing operations

Balance Sheet

At 31 August 2021

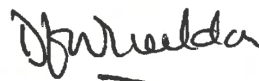
	Note	£	31 August 2021 £	£	31 August 2020 £
Fixed Assets					
Intangible assets	6		167,609		178,509
Tangible assets	6		27,005,374		27,678,701
Investment property	7		47,717,137		51,853,872
Investments	8		<u>101,052,910</u>		<u>89,997,228</u>
			175,943,030		169,708,310
Current Assets					
Debtors	9	850,884		1,604,001	
Short term deposits		850,120		149,845	
Cash at bank and in hand		<u>14,449,232</u>		<u>7,311,999</u>	
			16,150,236	9,065,845	
Liabilities					
Creditors: amount falling due within one year	10	<u>(5,341,759)</u>		<u>(8,116,756)</u>	
Net Current Assets			<u>10,808,477</u>		<u>949,089</u>
Total Net Assets less current liabilities					
Creditors: Amounts falling due after more than one year	10		<u>(1,077,656)</u>		<u>(1,085,162)</u>
Total Net Assets before pension deficit			185,673,851		169,572,237
Pension scheme funding deficit	22		<u>(6,384,000)</u>		<u>(6,505,000)</u>
Net Assets			<u>179,289,851</u>		<u>163,067,237</u>
Represented by:					
Unrestricted funds					
Designated fund	12		915,165		860,165
Schools' fund	13		2,667,473		2,655,932
Fund – Income		6,397,282		6,810,550	
Less FRS 102 Pension Deficit	22	<u>(6,384,000)</u>		<u>(6,505,000)</u>	
	14		<u>13,282</u>		<u>305,550</u>
			3,595,920		3,821,647
Permanent and Expendable Endowment fund					
Fund – Capital	14		162,539,622		146,731,948
Restricted fund	16		<u>2,421,842</u>		<u>2,151,876</u>
Total Funds	11		<u>179,289,851</u>		<u>163,067,237</u>

The financial statements on pages 19 to 45 were approved by the Board on 23rd March 2022, and authorised for issue on its behalf by:

Prof H Thomas
Chair



Mr D Wheeldon
Bailiff



Statement of Cash Flows

For the Year ended 31 August 2021

	31 August 2021 £	31 August 2020 £
Cashflow from operating activities		
Net cash utilised by operating activities	<u>(7,828,871)</u>	<u>(3,356,254)</u>
Cash flows from investing activities		
Interest received	1,258	40,236
Rent received from investment properties	1,865,016	1,946,676
Proceeds from the sale of investment properties	18,299,336	2,313,491
Payments to acquire tangible fixed assets	(130,862)	(511,392)
Sale of investments in shares	31,989,094	21,711,643
Purchase of investments in shares	(27,384,997)	(21,754,214)
Purchase of investment properties	(7,250,000)	-
Movement in cash awaiting investment in shares	<u>(1,722,466)</u>	<u>407,059</u>
Net Cash provided by investing activities	<u>15,666,379</u>	<u>4,153,499</u>
Change in cash and cash equivalents in the reporting period	7,837,508	797,245
Cash and cash equivalents at the start of the period	<u>7,461,844</u>	<u>6,664,599</u>
Cash and cash equivalents at the end of the period	<u>15,299,352</u>	<u>7,461,844</u>
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period	16,253,614	16,628,047
Adjustment for:		
Net gains on investments	(20,849,914)	(17,548,855)
Depreciation of tangible fixed assets	815,089	796,740
Retirement Benefits Scheme costs less contributions paid	(152,000)	(121,000)
Interest received	(1,258)	(40,236)
Rent received from investment property	(1,865,016)	(1,946,676)
Decrease/(increase) in debtors	753,117	(107,052)
Increase/ (decrease) in creditors	<u>(2,782,503)</u>	<u>(1,017,222)</u>
Net cash (outflow) from operating activities	<u>(7,828,871)</u>	<u>(3,356,254)</u>
Analysis of cash and cash equivalents		
Cash in hand	14,449,232	7,311,999
Short term deposits	<u>850,120</u>	<u>149,845</u>
Total cash and cash equivalents	<u>15,299,352</u>	<u>7,461,844</u>

Notes to the Accounts

1 - Statement of Accounting Policies

Accounting policies

The Schools of King Edward VI in Birmingham (the "Foundation") is a charitable trust. The address of its registered office and principal place of business is given on page 4 and the nature of its operations are set out in the trustees' report.

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, are set out below.

Basis of accounting

The financial statements have been prepared in accordance with the 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 2015 (Charities SORP FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Foundation meets the definition of a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the Foundation.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the accounting policy.

Monetary amounts shown in these financial statements are rounded to the nearest £1.

Income recognition

Fees and Similar Income

Fees receivable and charges for the use of premises and facilities are accounted for in the year in which the service is provided. Fees receivable are stated after deducting bursaries, scholarships and other remissions allowed by the Schools. Provisions are made for fees that are considered difficult to recover.

Rents and Letting income

Rental and Letting income is recognised as received or receivable in respect of the financial year.

Lease Incentives

Lease incentives, such as up-front cash payments, received from the lessee are treated as deferred income and are released on a straight line basis over the life of the lease.

Sales of interest in land

Sales of interests in land are recognised as income in the year of receipt and credited to the Endowment Fund – Capital. The receipts are amortised over the length of the lease and transfers made to the Endowment Fund – Income.

Investment Income

Income, in the form of fixed interest and equity dividends, is earned from investments held during the year, and recognised when receivable.

Donations and legacies

Donations and legacies are accounted for on a receivable basis when receipt is probable and the amount can be reliably measured.

Expenditure recognition

Liabilities are recognised when either a constructive or legal obligation exists. Expenditure is accounted for on an accruals basis. The irrecoverable element of VAT is included within the item of expense to which it relates.

Raising funds

The cost of generating funds consists of management costs and certain legal fees.

Grant making

Grant making costs shown on the Statement of Financial Activities include the costs associated with the activity and the support costs of the Foundation Office and are charged to the Endowment - Income Fund.

The Foundation provides annual grants to the two Independent Schools from the Endowment Fund – Income and small annual widening accessibility grants to all Academies where sufficient funds are available.

Grants awarded to the Independent Schools are shown as a transfer from the Endowment – Income Fund to the School's Fund on the Statement of Financial Activities.

Costs of the Foundation Office (both governance and grant making) are not allocated to any other fund.

Operating lease costs are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Intangible fixed assets

Intangible fixed assets are depreciated on a straight line basis over their useful economic life, and charged to the Endowment – Capital Fund

Software – this relates to the new finance system (PS Financials Cloud software) which we expect to have in use for at least five years.

Tangible fixed assets

Land, buildings, equipment and donated assets are capitalised as tangible fixed assets at historic cost, and accounted for in the Endowment Fund - Capital. Assets with a cost below £20,000 are not capitalised.

No depreciation is provided on freehold land, but other assets are depreciated on a straight line basis over their useful economic life, and charged to the Endowment – Capital Fund or Permanent & Expendable Endowment Fund.

Buildings - new 50 years

Buildings - refurbished: 10 years

Plant & Equipment - 10 years

Vehicles - 5 years

Leasehold property - Length of lease

Assets in the course of construction are transferred to the above categories on completion and depreciated from the date the asset comes into use.

Historic assets have been excluded from the balance sheet as reliable cost information is not available and the historic cost is not believed to be material to the accounts.

Notes to the Accounts

1 - Statement of Accounting Policies (*continued*)

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date stated at closing mid-market value. Any realised and unrealised gains and losses on revaluation or disposals are combined in the statement of financial activities.

The Charity does not acquire put options, derivatives or other complex financial instruments.

Investment properties are initially measured at cost and subsequently measured at fair value. The investment properties are valued every five years in line with the Royal Institution of Chartered Surveyors Red Book guidance. An Annual Asset Valuation is carried out on an annual basis.

No depreciation is charged on investment properties.

Impairments

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards. Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairments. All impairment losses are recognised in the Statement of Financial Activities.

Debtors

Fees and other debtors which are receivable within one year are initially recognised at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash and bank balances

Cash and bank balances includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition.

Trade creditors and other liabilities

Trade creditors and other liabilities payable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Financial Instruments

The Charity 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.

Pension schemes

Teaching staff are eligible to join the Teachers' Pension Scheme administered by the Department for Education. Eligible non-teaching staff may join the Defined Contribution Scheme. Contributions to the Teachers' Pension Scheme and the Defined Contribution Scheme are charged to the Statement of Financial Activities in the year they become payable.

Teachers' Pension Scheme (TPS)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over teachers' working lives, in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is a multi-employer scheme but there is insufficient information available to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Governors' Defined Benefit scheme

The Governors' Defined Benefit Pension Scheme, which was closed to new members in 2010, is valued every three years by a professionally qualified independent actuary, who determines the rates of contribution payable. The pension charge in the accounts represents the regular charge adjusted by amortisation of the pension scheme surplus or deficit.

The net gain/loss on the net defined benefit liability is recognised in the Statement of Financial Activities. The difference between the scheme liabilities and the scheme assets is recognised in the unrestricted fund.

Funds

Schools' Fund - An unrestricted fund which comprises the surpluses arising from the activities of the two Independent Schools - King Edward's School, and King Edward VI High School for Girls.

Designated Fund - The Governors exercise their discretion to make provision for future expenditure on specific projects of a non-recurring nature from which the Designated Fund is constituted.

Endowment Fund - This fund is used at the discretion of the Governors in furtherance of the objectives of the Foundation.

The fund comprises two elements. Capital, being the accumulation of capital gains derived from its investments, and Income, being the surplus arising from the income generated by its investments, after deduction of management costs and grant distributions to the schools.

On an annual basis, and in line with levels of realised and unrealised capital growth in the Endowment Fund Capital the Governors will approve a transfer if necessary to maintain a surplus balance on the Endowment fund Income. The fund is not restricted as a permanent endowment.

Government Grants

Government grants are credited to the consolidated statement of financial activities as the related expenditure is incurred at School level.

Notes to the Accounts

1 - Statement of Accounting Policies (*continued*)

Expendable Endowment Fund - The fund has been established by the receipt of donated funds and has been used by Governors to part-finance the construction of a Performing Arts Centre for the benefit of King Edward VI High School for Girls and King Edward's School and for a new classroom block in King Edward's School.

Restricted Fund - This fund is a consolidation of a number of individual funds, all of which have restrictions placed on them regarding the expending of capital and/or income.

The policy on the fund's reserves can be found in the Governors' Report.

Operating Leases

Lessor - Rental income from operating leases is credited to the Statement of Financial Activities on a straight-line basis over the term of the relevant lease. Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

Lessee - Rental paid under operating leases are charged to the Statement of Financial Activities on a straight - line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

Critical Accounting Estimates and Areas of Judgement

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year.

All significant estimates and assumptions are included in the relevant accounting policy.

The present value of the Governors' Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2018 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Foundation has included an estimated value of the cost of services (as disclosed in note 4) donated to the King Edward VI Academies. The value of services received by the Academies should be the value of the price that the Academy estimates it would pay in the open market. As it is not practical to measure the value of the services using an open market (fair value basis), SORP 2015 permits donated services received to be measured on the basis of the cost of the gift to the Academy from the Foundation. The cost has therefore been calculated based on an individual estimate of time spent by Foundation staff providing services to the school allocated across the salary costs (including provision for pension and national insurance) but excluding any provision for overheads. Support costs at the Foundation have therefore been allocated between educational support and grant making.

The investment property portfolio is externally valued once every five years, with an interim valuation each year. Property valuations are derived from the rental income received on the land or property owned together with the length of the lease. Further information is disclosed in note 7. Other property transactions, such as lease incentives are treated in accordance with the relevant accounting policy.

Going Concern

The Governors assess whether the use of the going concern basis for preparing the financial statements is appropriate and whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Governors have made this assessment in respect of a period of one year from the date of approval of the financial statements.

During the year, the Coronavirus pandemic has caused significant strains on businesses. The Charity has responded to the crisis adjusting its teaching methods and staffing levels. Budgets and forecasts have been stress tested to assess how the Schools could cope under different scenarios. The Governors have concluded that the Charity is well placed to cope with the continuing uncertainties and has adequate resources to continue providing educational excellence to its pupils for the foreseeable future.

Notes to the Accounts

2 - Comparative information - Statement of Financial Activities

	Note	Schools Fund	Unrestricted Funds Designated Fund	Fund Income	Fund Capital	Permanent & Expendable Endowment Fund	Restricted Fund	Total Funds
		£	£	£	£	£	£	£
INCOME AND								
ENDOWMENTS FROM:								
Donations and legacies		-	-	-	-	-	2,000,565	2,000,565
Charitable activities								
Fees receivable	3	15,660,827	-	-	-	-	-	15,660,827
Ancillary trading income								
Catering income		692,129	-	-	-	-	-	692,129
Extra-curricular activities		529,223	-	-	-	-	-	529,223
Registration fees		36,836	-	-	-	-	-	36,836
Other ancillary income		105,706	-	-	-	-	-	105,706
Non-ancillary trading income								
Lettings		127,182	-	-	-	-	-	127,182
Investments								
Rental income		-	-	1,946,571	-	105	-	1,946,676
Investment income		-	-	981,234	-	65,306	38,343	1,084,883
Bank and other interest		2,202	-	37,214	-	521	299	40,236
Other income		<u>895,645</u>	-	<u>517,460</u>	-	-	-	<u>1,413,105</u>
Total		<u>18,049,750</u>	-	<u>3,482,479</u>	-	<u>65,932</u>	<u>2,039,207</u>	<u>23,637,368</u>
Expenditure on:								
Raising funds								
Investment management		-	-	191,158	191,158	-	-	382,316
Estate management		-	-	<u>287,262</u>	-	-	-	<u>287,262</u>
		-	-	<u>478,420</u>	<u>191,158</u>	-	-	<u>669,578</u>
Charitable activities								
Education		19,566,754	9,576	2,252,026	695,478	106,878	121,927	22,752,639
Grant-making		<u>12,784</u>	-	<u>1,123,175</u>	-	-	-	<u>1,135,959</u>
		<u>19,579,538</u>	<u>9,576</u>	<u>3,375,201</u>	<u>695,478</u>	<u>106,878</u>	<u>121,927</u>	<u>23,888,598</u>
Total	4	<u>19,579,538</u>	<u>9,576</u>	<u>3,853,621</u>	<u>886,636</u>	<u>106,878</u>	<u>121,927</u>	<u>24,558,176</u>
Net income /(expenditure) before gains and losses		<u>(1,529,788)</u>	<u>(9,576)</u>	<u>(371,142)</u>	<u>(886,636)</u>	<u>(40,946)</u>	<u>1,917,280</u>	<u>(920,808)</u>
Net gains on investments		-	-	-	9,744,080	62,051	36,640	9,842,771
Net gains/(losses) on investment properties		-	-	-	<u>7,706,084</u>	-	-	<u>7,706,084</u>
Net (Expenditure)/Income		<u>(1,529,788)</u>	<u>(9,576)</u>	<u>(371,142)</u>	<u>16,563,528</u>	<u>21,105</u>	<u>1,953,920</u>	<u>16,628,047</u>
Transfers between funds	17	2,563,124	60,000	(100,096)	(1,023,028)	-	(1,500,000)	-
Actuarial gains on defined benefit pension	21	-	-	<u>(89,000)</u>	-	-	-	<u>(89,000)</u>
Net Movement in Funds		<u>1,033,336</u>	<u>50,424</u>	<u>(560,238)</u>	<u>15,540,500</u>	<u>21,105</u>	<u>453,920</u>	<u>16,539,047</u>
Reconciliation of funds								
Fund balances at 1 September 2019		<u>1,622,596</u>	<u>809,741</u>	<u>865,788</u>	<u>131,191,448</u>	<u>10,340,661</u>	<u>1,697,956</u>	<u>146,528,190</u>
Fund balances at 1 September 2020		<u>2,655,932</u>	<u>860,165</u>	<u>305,550</u>	<u>146,731,948</u>	<u>10,361,766</u>	<u>2,151,876</u>	<u>163,067,237</u>

Notes to the Accounts

3 - Fees Receivable

	2021 £	2020 £
Fees receivable comprise:		
Gross school fees (net of bad debts)	20,703,129	19,317,856
Less:		
Governors' Assisted Places Scheme	(2,424,585)	(2,487,194)
Scholarships, Remission & Staff	<u>(1,156,473)</u>	<u>(1,169,835)</u>
Concessions		
	<u>17,122,071</u>	<u>15,660,827</u>

Scholarships, bursaries and other awards were made to 507 pupils (2020: 573). Within this means tested bursaries totalling £2,424,585 were paid to 263 pupils (2020: £2,487,194 to 238 pupils).

4 – Analysis of total expenditure

(a) Total expenditure

	Staff cost	Depreciation	Other	Total 2021	Total 2020
Costs of generating funds					
Investment management	-	-	367,788	367,788	382,316
Estates management	<u>-</u>	<u>-</u>	<u>207,711</u>	<u>207,711</u>	<u>287,262</u>
Total costs of generating funds	<u>-</u>	<u>-</u>	<u>575,499</u>	<u>575,499</u>	<u>669,578</u>
Charitable expenditure					
Education and grant making					
Teaching	10,985,366	-	2,987,437	13,972,803	13,242,075
Welfare	532,101	-	85,350	617,451	306,144
Premises	963,051	815,089	3,027,453	4,805,593	4,134,450
Support costs and governance	3,636,186	-	(31,299)	3,604,887	3,909,768
Donated services to Academies	998,478	-	-	998,478	1,121,225
Grants, awards and prizes	<u>-</u>	<u>-</u>	<u>13,675</u>	<u>13,675</u>	<u>38,977</u>
	<u>17,115,182</u>	<u>815,089</u>	<u>6,082,616</u>	<u>24,012,887</u>	<u>22,752,639</u>
Grant making					
Capital grants to Academies			67,152	67,152	12,784
Other	<u>-</u>	<u>-</u>	<u>1,898,478</u>	<u>1,898,478</u>	<u>1,123,175</u>
	<u>-</u>	<u>-</u>	<u>1,965,630</u>	<u>1,965,630</u>	<u>1,135,959</u>
Total charitable expenditure	<u>17,115,181</u>	<u>815,090</u>	<u>8,048,246</u>	<u>25,978,517</u>	<u>23,888,598</u>
Total expended	<u>17,115,181</u>	<u>815,090</u>	<u>8,623,745</u>	<u>26,554,016</u>	<u>24,558,176</u>

(b) Governance included in support costs

	2021 £	2020 £
Remuneration paid to auditor for auditor services	42,200	30,345
Remuneration paid to auditor for other services	13,272	20,798
Reimbursement of expenses to Governors	<u>-</u>	<u>-</u>
	<u>55,472</u>	<u>51,143</u>

Travel expenses were paid to 0 (2020:0) Governors during the year.

Notes to the Accounts

5 – Staff costs

	Year 2021 £	Year 2020 £
Staff costs for the year are:		
Wages and salaries	13,486,058	13,015,702
Social security costs	1,383,908	1,325,644
Pension contributions – defined benefits	1,971,887	1,982,606
defined contribution	272,105	168,958
Pension payments to former staff	<u>1,224</u>	<u>1,285</u>
	<u>17,115,182</u>	<u>16,494,195</u>

	2021 No.	2020 No.
The emoluments (excluding employer pension contributions) of full-time employees earning over £60,000 fell within the following bands:		
£60,001 - £70,000	6	7
£70,001 - £80,000	6	6
£80,001 - £90,000	1	-
£90,001 - £100,000	1	2
£100,001 - £110,000	-	-
£110,001 - £120,000	1	-
£130,001 - £140,000	1	-
£160,001 - £170,000	1	-
£170,001 - £180,000	-	-
£180,001 - £190,000	-	1
£190,001 - £200,000	-	1
£200,001 - £210,000	-	-
£230,001 - £240,000	1	1

The total employee benefit including pension contributions payable to key management personnel of the charity was £878,977 (2020: £1,041,733).

Average head count (number of staff employed by the Charity) was as follows:

	Year 2021	Year 2020
Teaching	187	187
Education support	51	60
Maintenance, cleaning, catering and grounds	81	83
Administration	<u>81</u>	<u>77</u>
	<u>400</u>	<u>407</u>

During the year there were five settlement agreement payments made in the sum of £109,117 (2020: £13,047 - two) which is included in staff costs. There were no payments outstanding at the year-end.

Notes to the Accounts

6 – Intangible and Tangible fixed assets

	Intangible Assets	Freehold Sites	Buildings	Course of Construction	Plant and Equipment	Total
		£	£	£	£	£
Cost at 1 September 2020	223,066	578,543	38,566,095	249,313	494,712	40,111,729
Additions	56,282	-	-	74,580	-	130,862
Transfers	-	-	-	-	-	-
At 31 August 2021	279,348	578,543	38,566,095	323,893	494,712	40,242,591
Depreciation at 1 September 2020	44,557	-	11,817,160	-	392,802	12,254,519
Charge for the year	67,182	-	727,168	-	20,739	815,089
At 31 August 2021	111,739	-	12,544,328	-	413,541	13,069,608
Net book values						
At 31 August 2021	167,609	578,543	26,021,767	323,893	81,171	27,172,983
Net book values						
At 31 August 2020	178,509	578,543	26,748,935	249,313	101,910	27,857,210

7 - Investment property

Governors have agreed that a Royal Institution of Chartered Surveyors (RICS) Red Book valuation will be carried out at least every five years, with Annual Asset Valuations in interim years, prepared in accordance with the RICS Valuation – Global Standards Effective from 31 January 2020 and the UK National Standards, and complying with Financial Reporting Standard 102 (UK Generally Accepted Accounting Practice) and the Charities SORP (Statements of Recommended Practice). An Annual Asset Valuation was carried out at 31 August 2021 by Avison Young, acting as the Property Advisors to the Governors, with the investment portfolio valued at £47,717,137, based on open market value. The valuation was carried out in accordance with the guidelines set out by the RICS.

	31 August 2021 £	31 August 2020 £
Market value at 1 September	51,853,872	46,461,279
Additions at cost	7,250,000	-
Unrealised Gain	2,269,159	6,574,192
Realised Gain	4,643,442	1,131,892
Disposals of property during the year	<u>(18,299,336)</u>	<u>(2,313,491)</u>
Market value at 31 August	<u>47,717,137</u>	<u>51,853,872</u>

It is not possible to provide an accurate historical cost of the property portfolio. A significant part of the portfolio was given as charter land at no cost, and costs are not available for acquisitions made some considerable time ago.

Notes to the Accounts

8 - Listed investments

Barclays Wealth is responsible for the day to day management of the listed investment portfolio.

Market Value	Shares	Cash	2021 £	2020 £
Market value at 1 September	<u>89,923,272</u>	<u>73,956</u>	<u>89,997,228</u>	<u>80,518,945</u>
Net income/(outgoings)		(381,632)	(381,632)	(364,488)
Additions at cost	27,384,996	(27,384,996)	-	21,754,214
Disposals	(31,989,094)	29,489,094	(2,500,000)	(19,394,178)
Realised Gains	7,637,739		7,637,739	2,317,638
Unrealised gains on revaluation at 31 August 2021	6,299,575		6,299,575	5,165,097
Market value at 31 August	<u>99,256,488</u>	<u>1,796,422</u>	<u>101,052,910</u>	<u>89,997,228</u>

Analysis of capital and income By type of investment

	Market Value as at 31 August 21 £	Capital Market Value as at 31 August 20 £
United Kingdom		
Fixed Interest	14,551,531	11,661,476
Equities	<u>3,282,342</u>	<u>3,223,854</u>
	17,833,873	14,885,330
Overseas Equities	57,301,124	48,606,956
Overseas Bonds	9,820,518	6,810,264
Global Fund	1,449,279	4,583,723
Commodities	4,551,790	3,812,531
Hedge Funds	<u>8,299,904</u>	<u>11,224,468</u>
Sub total	99,256,488	89,923,272
Cash at bank awaiting Investment	<u>1,796,422</u>	<u>73,956</u>
Total investments at market value	<u>101,052,910</u>	<u>89,997,228</u>
Total investments (excl. cash) at cost	<u>64,051,168</u>	<u>62,962,891</u>

Notes to the Accounts

9 – Debtors

	31 August 2021 £	31 August 2020 £
Fees net of provision	334,437	379,476
Rents	148,839	622,201
Prepayments and accrued income	<u>367,608</u>	<u>602,324</u>
	<u>850,884</u>	<u>1,604,001</u>

10 - Creditors: amounts falling due within one year

	31 August 2021 £	31 August 2020 £
Trade creditors	927,422	870,805
Other creditors	306,851	320,239
Accruals and deferred income	1,831,460	2,407,462
Pupil Education Deposits	584,913	529,003
Pensions	262,272	243,728
Taxation and Social Security	1,428,841	706,364
Grant due to King Edward VI Academy Trust, Birmingham	-	<u>3,039,155</u>
	<u>5,341,759</u>	<u>8,116,756</u>

	31 August 2021 £	31 August 2020 £
Amounts falling due within more than one year:		
Deferred Income	<u>1,077,656</u>	<u>1,085,162</u>

	31 August 2021 £	31 August 2020 £
Deferred Income		
Deferred Income at 1 September	1,805,153	1,452,933
Resources deferred in the year	895,384	1,805,153
Amounts released from previous years	<u>(1,805,153)</u>	<u>(1,452,933)</u>
Deferred Income at 31 August	<u>895,384</u>	<u>1,805,153</u>

Amounts deferred at 31 August 2021 relate to fees received in advance of £528,976 (2020: £542,139), rents received in advance of £124,968 (2020: £513,872), trip income received in advance from parents of £241,441 (2020: £220,042) and upfront lease receipts of £1,085,161 (2020: £1,092,666) which are being released over the life of the lease of 150 years.

Notes to the Accounts

11 - Analysis of net assets between funds

	Schools	Designated	Endowment Income/Capital	Permanent and Expendable Endowment	Restricted	Total 31 August 2021
	£	£	£	£	£	£
Intangible fixed assets	-	-	167,609	-	-	167,609
Tangible fixed assets	-	-	19,909,098	7,096,276	-	27,005,374
Investment property	-	-	47,541,237	175,900	-	47,717,137
Investments	-	-	100,618,224	-	434,686	101,052,910
Net current assets	2,667,473	915,165	1,778,392	3,460,291	1,987,156	10,808,477
Long term creditors	-	-	(1,077,656)	-	-	(1,077,656)
Pension Scheme funding deficit	-	-	(6,384,000)	-	-	(6,384,000)
	<u>2,667,473</u>	<u>915,165</u>	<u>162,552,904</u>	<u>10,732,467</u>	<u>2,421,842</u>	<u>179,289,851</u>

	Schools	Designated	Endowment Income/Capital	Permanent and Expendable Endowment	Restricted	Total 31 August 2020
	£	£	£	£	£	£
Intangible fixed assets	-	-	178,509	-	-	178,509
Tangible fixed assets	-	-	20,481,164	7,197,537	-	27,678,701
Investment property	-	-	51,677,972	175,900	-	51,853,872
Investments	-	-	85,171,807	3,175,840	1,649,581	89,997,228
Net current assets	2,655,932	860,165	(2,881,792)	(187,511)	502,295	949,089
Long term creditors	-	-	(1,085,162)	-	-	(1,085,162)
Pension Scheme funding deficit	-	-	(6,505,000)	-	-	(6,505,000)
	<u>2,655,932</u>	<u>860,165</u>	<u>147,037,498</u>	<u>10,361,766</u>	<u>2,151,876</u>	<u>163,067,237</u>

12 - Designated fund

	2021 £	2020 £
Balance at 1 September	860,165	809,741
Transfer of Funds designated for specific purposes:		
Schools – Minor works (note 17)	55,000	60,000
Funds paid or payable during the year:		
All-weather pitches expenditure	-	(9,576)
Balance at 31 August	<u>915,165</u>	<u>860,165</u>

The balance in the Designated Fund at 31 August 2021 includes £579,057 (2020: £524,057) designated for School minor works; £259,083 (2020: £259,083) designated to support the Schools in Widening Accessibility and £77,025 (2020: £77,025) as an equipment and furniture replacement fund for the Performing Arts Centre.

Notes to the Accounts

13 - Schools' fund

	King Edward's School		King Edward VI High School for Girls		Total	Total
	Year 2021 £	Year 2020 £	Year 2021 £	Year 2020 £	Year 2021 £	Year 2020 £
Balance at 1 September	<u>1,071,878</u>	<u>461,584</u>	<u>1,584,054</u>	<u>1,161,012</u>	<u>2,655,932</u>	<u>1,622,596</u>
Income	11,042,991	11,113,445	7,213,195	6,936,295	18,256,186	18,049,750
Expenditure	<u>(12,120,966)</u>	<u>(11,880,095)</u>	<u>(8,722,426)</u>	<u>(7,699,443)</u>	<u>(20,843,392)</u>	<u>(19,579,538)</u>
Net resources	<u>(1,077,975)</u>	<u>(766,640)</u>	<u>(1,509,231)</u>	<u>(763,148)</u>	<u>(2,587,206)</u>	<u>(1,529,788)</u>
Transfers between funds (note 17):						
Grants from the Foundation	1,519,434	1,519,434	1,226,190	1,226,190	2,745,624	2,745,624
Interest to the Foundation	(91,877)	(122,500)			(91,877)	(122,500)
To designated fund – as per note 12	<u>(20,000)</u>	<u>(20,000)</u>	<u>(35,000)</u>	<u>(40,000)</u>	<u>(55,000)</u>	<u>(60,000)</u>
Total transfers	<u>1,407,557</u>	<u>1,376,934</u>	<u>1,191,190</u>	<u>1,186,190</u>	<u>2,598,747</u>	<u>2,563,124</u>
Net movement	329,582	610,294	(318,041)	423,042	11,541	1,033,336
Balance at 31 August	<u>1,401,460</u>	<u>1,071,878</u>	<u>1,266,013</u>	<u>1,584,054</u>	<u>2,667,473</u>	<u>2,655,932</u>

Notes to the Accounts

14 - Endowment fund

	Income £	Capital £	Total 2021 £
Balance at 1 September 2020	<u>305,550</u>	<u>146,731,948</u>	<u>147,037,498</u>
Income	3,632,782	-	3,632,782
Expenditure	<u>(4,699,839)</u>	<u>(897,720)</u>	<u>(5,597,559)</u>
	<u>(1,067,057)</u>	<u>(897,720)</u>	<u>(1,964,777)</u>
Transfers:			
between other funds	(2,653,747)	-	(2,653,747)
within fund	<u>3,459,536</u>	<u>(3,459,536)</u>	-
	<u>805,789</u>	<u>(3,459,536)</u>	<u>(2,653,747)</u>
Investment gains	-	20,164,930	20,164,930
Actuarial (loss) on defined benefit pension	<u>(31,000)</u>	-	<u>(31,000)</u>
Net movement in fund	<u>(292,268)</u>	<u>15,807,674</u>	<u>15,515,406</u>
Balance at 31 August 2021	<u>13,282</u>	<u>162,539,622</u>	<u>162,552,904</u>
	Income £	Capital £	Total 2020 £
Balance at 1 September 2019	<u>865,788</u>	<u>131,191,448</u>	<u>132,057,236</u>
Income	3,482,479	-	3,482,479
Expenditure	<u>(3,853,621)</u>	<u>(886,636)</u>	<u>(4,470,257)</u>
	<u>(371,142)</u>	<u>(886,636)</u>	<u>(1,257,778)</u>
Transfers:			
between other funds	(2,623,124)	1,500,000	(1,123,124)
within fund	<u>2,523,028</u>	<u>(2,523,028)</u>	-
	<u>(100,096)</u>	<u>(1,023,028)</u>	<u>(1,123,124)</u>
Investment gains	-	17,450,164	17,450,164
Actuarial (loss) on defined benefit pension	<u>(89,000)</u>	-	<u>(89,000)</u>
Net movement in fund	<u>(560,238)</u>	<u>15,540,500</u>	<u>14,980,262</u>
Balance at 31 August 2020	<u>305,550</u>	<u>146,731,948</u>	<u>147,037,498</u>

The transfer during the year relates to termly grants paid over to the two independent schools.

Notes to the Accounts

15 - Permanent and Expendable Endowment fund

	Performing Arts Centre £	Other Donations £	Total 2021 £
Balance at 1 September 2020	<u>4,339,525</u>	<u>6,022,241</u>	<u>10,361,766</u>
Funds received during the year			
Investment Income	-	41,188	41,188
Expenditure during the year			
Prizes		(652)	(652)
Depreciation	(101,261)	-	(101,261)
Investment gains	<u>-</u>	<u>431,426</u>	<u>431,426</u>
Balance at 31 August 2021	<u>4,238,264</u>	<u>6,494,203</u>	<u>10,732,467</u>

	Performing Arts Centre £	Other Donations £	Total 2020 £
Balance at 1 September 2019	<u>4,440,786</u>	<u>5,899,875</u>	<u>10,340,661</u>
Funds received during the year			
Investment Income	-	65,932	65,932
Expenditure during the year			
Prizes		(5,617)	(5,617)
Depreciation	(101,261)	-	(101,261)
Investment gains	<u>-</u>	<u>62,051</u>	<u>62,051</u>
Balance at 31 August 2020	<u>4,339,525</u>	<u>6,022,241</u>	<u>10,361,766</u>

The Performing Arts Centre Expendable Endowment Fund is a separately identifiable fund set up as part of the terms of the donation to the Independent Schools.

Notes to the Accounts

16 - Restricted fund

	Funds brought forward at 1 September 2020	Income	Expenditure	Transfer	Realised and Unrealised Gains	Funds carried forward at 31 August 2021
	£	£	£	£	£	£
Benjamin Cowie	530,903	6,352	-	-	52,256	589,511
The Webster Bequest	493,060	5,732	-	-	47,144	545,936
Special Funds	<u>1,127,913</u>	<u>15,476</u>	<u>(11,152)</u>	<u>-</u>	<u>154,158</u>	<u>1,286,395</u>
31 August 2020	<u>2,151,876</u>	<u>27,560</u>	<u>(11,152)</u>	<u>-</u>	<u>253,558</u>	<u>2,421,842</u>

Special funds are the following:

Brode Fund	500,000	1,804	-	-	17,973	519,777
The Margaret Davis Fund	180,574	812	-	-	8,090	189,476
Lee Childs fund	13,272	57	(5,699)	-	571	8,201
Other small funds	<u>434,067</u>	<u>12,803</u>	<u>(5,453)</u>	<u>-</u>	<u>127,524</u>	<u>568,941</u>
	<u>1,127,913</u>	<u>15,476</u>	<u>(11,152)</u>	<u>-</u>	<u>154,158</u>	<u>1,286,395</u>

	Funds brought forward at 1 September 2019	Income	Expenditure	Transfer	Realised and Unrealised Gains	Funds carried forward at 31 August 2020
	£	£	£	£	£	£
Benjamin Cowie	510,677	10,352	-	-	9,874	530,903
The Webster Bequest	474,808	9,345	-	-	8,907	493,060
Brode	-	2,000,000	-	(1,500,000)	-	500,000
Special Funds	<u>712,471</u>	<u>19,510</u>	<u>(121,927)</u>	<u>-</u>	<u>17,859</u>	<u>627,913</u>
31 August 2020	<u>1,697,956</u>	<u>2,039,207</u>	<u>(121,927)</u>	<u>(1,500,000)</u>	<u>36,640</u>	<u>2,151,876</u>

Special funds are the following:

The Margaret Davis Fund	182,312	2,658	(4,396)	-	-	180,574
Old Edwardian Association bursaries	95,423	-	(95,423)	-	-	-
Lee Childs fund	13,822	-	(550)	-	-	13,272
Other small funds	<u>420,914</u>	<u>16,852</u>	<u>(21,558)</u>	<u>-</u>	<u>17,859</u>	<u>712,471</u>
	<u>712,471</u>	<u>19,510</u>	<u>(121,927)</u>	<u>-</u>	<u>17,859</u>	<u>627,913</u>

Notes to the Accounts

Benjamin Cowie	The bequest, received in 1982, is used to support pupils in financial need, subsidise activities, and meet leadership training costs for both masters and boys at King Edward's School.
The Webster Bequest	The fund was bequeathed to King Edward's School in 2000 and is used for the purpose of funding scholarships in the school.
Special Funds	This comprises of over 300 individual funds, providing prizes, grants and scholarships to pupils at the schools of the Foundation. They include the following;
The Albion Trust	The fund is to encourage students from inner city Birmingham to apply to King Edward VI Aston School for their compulsory or sixth form education.
The Margaret Davis Funds	The fund was bequeathed to the Foundation to support an archiving project.
Brode Fund	Part of a £2m donation to improve sporting facilities at the Boys' school
Lee Child's Fund	This was a donation to be used to purchase books.

Notes to the Accounts

17 – Transfers to/(from funds)

	Schools Fund	Designated Fund	Endowment Fund Income	Endowment Fund Capital	Permanent & Expendable	Restricted Fund
	£	£	£	£	£	£
Revenue grant to the Schools from Endowment income fund	2,745,624	-	(2,745,624)	-	-	-
Interest paid to Foundation	(91,877)		91,877			
Funds set aside for specific projects	(55,000)	55,000	-	-	-	-
Transfer of funds				-	-	-
Amortisation of the capital receipts arising from sales of interests in land	-	-	209,536	(209,536)	-	-
Annual transfer as per accounting policy	-	-	<u>3,250,000</u>	<u>(3,250,000)</u>	-	-
Year to 31 August 2021	<u>2,598,747</u>	<u>55,000</u>	<u>805,789</u>	<u>(3,459,536)</u>	-	-

	Schools Fund	Designated Fund	Endowment Fund Income	Endowment Fund Capital	Permanent & Expendable	Restricted Fund
	£	£	£	£	£	£
Revenue grant to the Schools from Endowment income fund	2,745,624	-	(2,745,624)	-	-	-
Contribution from Endowment Fund towards widening access programme	(122,500)		122,500			
Funds set aside for specific projects	(60,000)	60,000	-	-	-	-
Transfer of funds				1,500,000		(1,500,000)
Amortisation of the capital receipts arising from sales of interests in land			2,523,028	(2,523,028)	-	-
Annual transfer as per accounting policy						
Year to 31 August 2020	<u>2,563,124</u>	<u>60,000</u>	<u>(100,096)</u>	<u>(1,023,028)</u>	-	<u>(1,500,000)</u>

Notes to the Accounts

18 - Related Party Transactions

The Foundation considers itself related to the King Edward VI Academy Trust Birmingham (Co. no.10654935). The Trust consists of nine academies of which five were initially established as Voluntary Aided Grammar Schools by the Foundation. The Trust is considered a related party by virtue of the fact that the Foundation office provides finance, accounting, payroll and personnel, and governance services to the academies and the Foundation owns the land and buildings at the academies. There is a licence to occupy the land and buildings between the Foundation and the academies rent free. There is currently an SLA for the services provided by the Foundation, whereby a contribution of £595,000 (2020: £335,000) was received during the year.

Transactions with the Trust during the year include:

	2021 £	2020 £
Income		
Costs incurred by Foundation and reimbursed by the Trust	34,360	31,629
Contributions to the Foundation for services	786,214	416,489
Expenditure		
Grants paid/payable	984,700	10,200
Fees paid for KES Teachers training at KEC	13,200	1,000
Costs incurred by the Trust and reimbursed by the Foundation	35,578	30,936
Payments from restricted funds	345	5,611
Other income received and passed over to Trust	-	1,000

At the year-end there were the following balances held in the balance sheet:

	2021 £	2020 £
Debtor at year end	17,923	-
Creditor at year end	(7,572)	(7,022)
Grant payable at year end	-	(3,049,356)

The Chief Master and Deputy Chief Master are trustees of The King Edward's School Birmingham Trust (Charity no: 1129776). The Trust provides King Edward's School with funding for Assisted Places. £565,886 (2020: £552,776) was paid to cover Assisted Places supported by the Trust.

The Principal and a Governor are also trustees of The King Edward VI High School for Girls Birmingham Trust (Charity no: 1159413). The Trust was set up during 2014/15 to provide King Edward VI High School for Girls with funding for Assisted Places. £256,422 (2020: £168,438) was paid to cover Assisted Places supported by the Trust.

Ms E Conway is Finance Director of the University of Birmingham. During the year £1,108 (2020: £9,746) was paid to the organisation and £16,000 (2020: £16,000) lease rentals were invoiced to the organisation. There were no amounts outstanding at the end of the year (2020: £8,000 lease rentals).

Development Funding and Finance services are also provided by King Edward's School to the two Trusts. No charge is made for the services provided. The cost of the Development Team for the year at King Edward's School was £111,659 (2020: £103,842) and £81,621 (2020: £74,553) at King Edward VI High School for Girls.

None of the Governors received any remuneration during the year.

There are no other related party transactions.

Notes to the Accounts

19 – Operating leases

The total future minimum lease payments under non-cancellable operating leases are set out below:

	31 August 2021 £	31 August 2020 £
Within one year	60,972	62,772
Between two and five years	146,908	221,197
Over five years	<u>-</u>	<u>-</u>
	<u>207,880</u>	<u>283,969</u>

The cost during the year included in charitable expenditure was £62,772 (2020: £82,073).

The total future minimum lease income from investment property rent under non-cancellable operating leases are set out below:

	31 August 2021 £	31 August 2020 £
Within one year	1,647,138	1,876,321
Between two and five years	6,058,794	7,440,035
Over five years	<u>152,548,205</u>	<u>177,380,039</u>
	<u>160,254,137</u>	<u>186,696,395</u>

The amount of rental income recognised in the year is £1,865,016 (2020: £1,946,676).

20 – Capital commitments

	31 August 2021 £	31 August 2020 £
At the year-end capital commitments were:		
Contracted but not provided for	-	-

21 – Events occurring after the reporting period

An investment property, 9 Silver Hill, Winchester, was sold on 1st November 2021 for £6,450,000. It was valued at £6,450,000 in the accounts for the year-ending 31st August 2021.

22 – Pension and similar obligations

Employees belong to two principal defined benefit pension schemes: The Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and The Schools of King Edward the Sixth Retirement Benefit Scheme ("the Scheme") for non-teaching staff. Both are multi-employer benefit schemes. A further defined contribution pension scheme is in operation for non-teaching staff since April 2010.

In addition to the aforementioned Schemes, the Governors provide discretionary unfunded pensions out of general income. These amounted to £1,223 in the year ended 31 August 2021 (2020: £1,285).

Defined contribution scheme

New staff, or those staff who had been eligible but had not joined the defined benefits scheme are eligible to participate in a defined contribution scheme, administered by Scottish Widows. By 31 August 2021, 134 members of staff had joined (2020: 118). The employer contributions for the defined benefit contribution scheme totalled £272,105 (2020: £168,958) based on rates of up to 8%. At year end £42,804 (2020: £35,323) was payable to the scheme and included within creditors.

Teachers' Pension Scheme

The Schools participate in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,819,183 (2020: £1,741,274) and at the year-end £216,215 (2020 - £205,525) 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. As a result of the consultation, 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.

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.

Notes to the Accounts

22 – Pension and similar obligations (*continued*)

The Schools of King Edward VI in Birmingham Retirement Benefit Scheme

Other staff of the Independent Schools and Foundation Office have been eligible to join a defined benefits Scheme operated by the Governors of the Foundation. In March 2010 the Governors took the decision to close the Governors' Pension Scheme to new members.

The desktop actuarial valuation of the Scheme as at 31 March 2021 showed a small improvement in the funding shortfall. As a result of the deficit the Governors agreed to extend the period of increased contributions until January 2028.

Period	Foundation Contributions towards the shortfall
1 January 2020 to 31 December 2020	£30,900 per month
1 January 2021 to 31 December 2021	£31,830 per month
1 January 2022 to 31 March 2022	£32,780 per month
1 April 2022 to 31 March 2023	£34,042 per month
1 April 2023 to 31 March 2024	£35,063 per month
1 April 2024 to 31 March 2025	£36,115 per month
1 April 2025 to 31 March 2026	£37,198 per month
1 April 2026 to 31 March 2027	£38,314 per month
1 April 2027 to 31 January 2028	£39,464 per month

From 1 April 2022, as a result of the 2021 valuation, the employer contributions rate was set at 27.3% with Scheme expenses being paid by the Foundation and not the Scheme Fund.

The Scheme is known as the Schools of King Edward VI in Birmingham Retirement Benefits Scheme (the Scheme). The Scheme provides benefits based on salary and length of service on retirement, leaving service or death. The following disclosures exclude any allowance for defined benefit schemes operated by the Foundation.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Foundation must agree with the Trustees of the Scheme the contributions to be paid to meet any shortfall against the Statutory Funding Objective and to pay for the future accrual of benefits.

The Foundation expects to contribute £590,000 to the Scheme during the year to 31 August 2022.

The Scheme is managed by a board of Trustees appointed in part by the Foundation and part from elections by members of the Scheme. The Trustees have responsibility for obtaining valuations of the fund, administering benefit payments and investing the Scheme's assets. The Trustees delegate some of these functions to their professional advisers where appropriate.

There were no plan amendments, curtailments or settlements during the period.

Notes to the Accounts

22 – Pension and similar obligations (*continued*)

The principal assumptions used to calculate Scheme liabilities include:

	31 August 2021	31 August 2020
Discount rate	1.70%	1.60%
Inflation assumption (RPI)	3.40%	3.00%
Inflation assumption (CPI)	3.00%	2.20%
Salary increases	3.00%	3.00%
Pension increase (RPI capped at 5% pa)	3.40%	3.00%
Pension increase (CPI capped at 5% pa)	3.00%	2.20%

Post retirement mortality assumption	S2NA table with CMI 2017 year of birth projections and long term rate of improvement of 1.25% pa	S2NA table with CMI 2017 year of birth projections and long term rate of improvement of 1% pa
Early retirements	40% of active members who joined pre 2007 are assumed to retire at age 60, remainder at age 65	40% of active members who joined pre 2007 are assumed to retire at age 60, remainder at age 65
Commutation	80% of members are assumed to take 25% of their pension as tax free cash	80% of members are assumed to take 25% of their pension as tax free cash
Tax free cash	80% of members are assumed to take 25% of their pension as tax free cash	80% of members are assumed to take 25% of their pension as tax free cash
Proportion of members with a spouse or dependant	80%	80%

Under the adopted mortality tables, the future life expectancy at 65 is as follows:

	31 August 2021	31 August 2020
Male currently aged 45	88.6	88.2
Female currently aged 45	91.1	90.3
Male currently aged 65	87.3	87.1
Female currently aged 65	89.7	89.1

The current asset split is as follows:

Asset category	31 August 2021	31 August 2020
	£,000	£,000
Equities and other growth assets	15,232	13,100
Cash	<u>227</u>	<u>323</u>
Total	<u>15,459</u>	<u>13,423</u>

The actual return on the Scheme's assets net of expenses over the period to the Review Date was £1,886,000 (2020: £457,000) i.e. + 12% of the asset value (2020: +3% of the asset value). The assets do not include any investments linked to the Foundation.

Notes to the Accounts

22 – Pension and similar obligations (continued)

Reconciliation of Assets and Defined Benefit Obligation

	Value at 31 August 2021 £	Value at 31 August 2020 £
The change in the assets over the period was:		
The movement in assets over the period was:		
Fair value of assets at the beginning of the period	13,423,000	12,845,000
Interest on assets	216,000	239,000
Foundation contributions	531,000	535,000
Contributions by Scheme participants	53,000	56,000
Benefits paid (including expenses)	(434,000)	(470,000)
Return on plan assets	<u>1,670,000</u>	<u>218,000</u>
Fair value on assets at the end of the period	<u>15,459,000</u>	<u>13,423,000</u>
The change in the Defined Benefit Obligation over the period was:		
Defined Benefit Obligation at the beginning of the period	19,928,000	19,382,000
Current service cost	279,000	298,000
Contributions by Scheme participants	53,000	56,000
Interest cost on liabilities	316,000	355,000
Benefits paid	(434,000)	(470,000)
Actuarial loss on defined benefit obligation	<u>1,701,000</u>	<u>307,000</u>
Defined Benefit Obligation at the end of the period	<u>21,843,000</u>	<u>19,928,000</u>

Amounts recognised in the Balance Sheet at 31 August 2021

Asset category	Value at 31 August 2021 £	Value at 31 August 2020 £
Fair Value of assets	15,459,000	13,423,000
Present value of Scheme Liabilities	<u>(21,843,000)</u>	<u>(19,928,000)</u>
Deficit	<u>(6,384,000)</u>	<u>(6,505,000)</u>

Notes to the Accounts

22 – Pension and similar obligations (*continued*)

Amounts recognised in the Statement of financial activities over the year

	Value at 31 August 2021 £	Value at 31 August 2020 £
Current service cost	279,000	298,000
Net interest cost	<u>100,000</u>	<u>116,000</u>
Total	<u>379,000</u>	<u>414,000</u>

Remeasurements over the period

	Value at 31 August 2021 £	Value at 31 August 2020 £
(Gains)/loss on assets in excess of interest	(1,670,000)	(218,000)
Experience (gains)/loss on liabilities	131,000	(172,000)
Losses/(gains) from changes to demographic assumptions	294,000	0
(Gains)/loss from changes to financial assumptions	<u>1,276,000</u>	<u>479,000</u>
Total Remeasurements	<u>31,000</u>	<u>89,000</u>

Notes to the Accounts

23 – Financial Instruments

	Value at 31 August 2021 £	Value at 31 August 2020 £
Financial assets		
Equity instruments measured at fair value through the profit & loss	<u>99,256,488</u>	<u>88,924,101</u>

The Foundations income, expense, gains and losses in respect of financial instruments are summarised below:

	Value at 31 August 2021 £	Value at 31 August 2020 £
Total investment income for financial assets measure at fair value through income and expenditure	<u>1,109,757</u>	<u>1,125,118</u>
Net gains on financial assets measured at fair value through income and expenditure	<u>13,937,313</u>	<u>9,842,773</u>
Impairment losses on financial assets measured at amortised cost	<u>66,750</u>	<u>57,546</u>

Statement of Governors' Responsibilities

The Governors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Charity Law, the Governors 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Governors are required to:

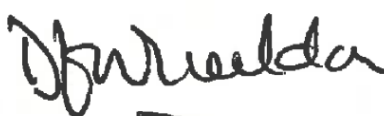
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Governors on 23rd March 2022, and signed on its behalf by:



Prof H Thomas
Chair



Mr D Wheeldon
Bailiff

Independent auditor's report to the Governors of the Schools of King Edward VI in Birmingham

Opinion

We have audited the financial statements of The Schools of King Edward VI in Birmingham for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the cashflow statement and notes to the financial statements, including 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 2021 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 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 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 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 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 and returns; 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 set out on page 48, 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 liquidate the charity or 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 144 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.

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:

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company 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, taxation legislation, 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 charitable company'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, General Data Protection Regulation (GDPR), Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the 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 within the completeness of recognition of donation and ancillary income, procurement processes for significant capital projects and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit 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 income, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and 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 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 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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 4 May 2022

Crowe U.K. LLP 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.