

Edgbaston High School for Girls

FINANCIAL STATEMENTS

for the year ended

31 August 2014



Company Registration No. 10631
Charity Registration No. 504011

Edgbaston High School for Girls

PRINCIPAL ADVISERS

AUDITORS

Baker Tilly UK Audit LLP
Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

BANKERS

HSBC Bank plc
Birmingham Commercial Area
Ground Floor
12 Calthorpe Road
Edgbaston
Birmingham
B15 1QZ

SOLICITORS

SGH Martineau LLP
No 1 Colmore Square
Birmingham
B4 6AA

INVESTMENT ADVISERS

Standard Life Wealth (From 20 February 2014)
35 St Paul's Square
Birmingham
B3 1QX

Brewin Dolphin (To 20 February 2014)
9 Colmore Row
Birmingham
B3 2BJ

Edgbaston High School for Girls

DIRECTORS, OFFICERS AND STATUTORY INFORMATION

PRESIDENT

Sir Dominic Cadbury BA, MBA – (Appointed 8 November 2014)

The Rt Hon Sir Stephen Brown GBE Hon LLD - (Resigned 8 November 2014)

VICE PRESIDENTS

Mr D J Cadbury MSc, DSW, CQSW

Her Honour Judge S Thomas LLB

Sir Dominic Cadbury BA, MBA (Resigned 8 November 2014)

Mr Ian Marshall – (Appointed 1 September 2014)

COUNCIL

Directors appointed by the shareholders, who are also the trustees of the charity, since 1 September 2013 are:

- * Mr J D Payne BSc, MRICS – (Chairman from 8 November 2013, previously Deputy Chairman)
- * Mrs C Fatah RGN – (Deputy Chairman from 8 November 2013)
- Ms H J Arnold BSc
- Lord K Bhattacharyya KB, CBE, FREng
- Mrs S A England Kerr
- * Mrs A E S Howarth
- * Mrs D K Johnson BCom, FCA - (Resigned 14 April 2014)
- Dr J V Leadbetter PhD, BSc, PGCE, Med (Ed Psych), AFBPs, C Psychol
- Mrs V J Nicholls Chartered MCIPD
- * Mr G I Scott MA (Oxon)
- * Mr G H Tonks BSc, FCA - (Chairman to 8 November 2013)
- * Signifies members of the Executive Committee

Council Member appointed by the Old Girls' Association:

Mrs C Bell (To June 2014)

Mrs A Stanley (From June 2014)

Council Member appointed by the Edgbaston High School Parents Association:

Mr D Harrold

Mrs S Shirley Priest

HEADMISTRESS

Dr R A Weeks, BSc, PhD

HEAD OF PREPATORY SCHOOL

Mrs S Hartley BEd

FINANCE DIRECTOR

Mrs D K Johnson BCom, FCA (From 28th April 2014)

COMPANY SECRETARY

Mrs M L Osborn

COMPANY NUMBER

10631 (England and Wales)

CHARITY NUMBER

504011

REGISTERED OFFICE

Westbourne Road

Edgbaston

Birmingham

B15 3TS

Edgbaston High School for Girls

DIRECTORS' REPORT (including strategic report)

The members of Council, who are the charity trustees and directors of the company for the purposes of company law, present their annual report and financial statements for the year ended 31 August 2014. Council has adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 in preparing the annual report and financial statements of the charity.

REFERENCE AND ADMINISTRATIVE INFORMATION

The School was founded on 25 May 1876 as a private company limited by shares. The founders were a group of philanthropic Birmingham businessmen and civic dignitaries, who were concerned at the limited opportunities for the education of young girls in Birmingham at that time. The School was originally situated in a set of private buildings near Five Ways and moved to its current purpose-built premises in 1962. The members of Council, Headmistress, professional advisers and the principal address of the charity are listed on pages 1 and 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Instruments

As a private company limited by shares, the School has a Memorandum and Articles of Association. Its company number is 10631. It is also a registered charity, number 504011.

School Council

The Memorandum and Articles of Association specify a maximum of 15 and a minimum of 10 members of Council, of which at least one third shall be women.

These are all members of the Company. There are also two ex-officio members nominated by the Edgbaston High School Parents Association and the Old Girls' Association, who are not company members. Additionally, the Council may appoint a further two ex-officio members. Council also appoints a President, currently Sir Dominic Cadbury BA MBA and up to five Vice Presidents, none of whom need be members of Council.

Recruitment and training

New members of Council are recruited to fill vacancies which occur on the Skills Matrix. New members are offered induction briefings by the Headmistress. All members of Council are encouraged to attend appropriate training events.

Organisational Management

Members of Council, as trustees of the charity, are legally responsible for the overall management and control of the School. They meet a minimum of five times per year, with at least one meeting per academic term, and have appointed an Executive Committee to monitor the development and financial management of the School. The Committee meets on a minimum of eight occasions per year, normally before the main governing body and makes recommendations. The Headmistress and Finance Director attend all Council and Executive Committee meetings.

Council determines the general policy of the School and delegates day-to-day management to the Headmistress.

Edgbaston High School for Girls

DIRECTORS' REPORT (including strategic report -continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Group Structure and Relationships

Related Parties

The School has one wholly owned subsidiary: EHS (Property Services) Limited. The company was dormant in the year to 31st August 2014. From 1 September 2014 the activities of hiring the school facilities to third parties was transferred to the company from the Charity

Connected Parties

The School benefits from the generosity of both the Edgbaston High School Parents Association (EHSPA) and a thriving network of old girls. The Old Girls' Association is an association of former pupils of the School, which offers former pupils the opportunity to maintain friendships, continue interests and remain in contact. The EHSPA organise social and other events; using any surpluses made for the benefit of the School. We greatly appreciate and acknowledge the support offered by both organisations.

Other Relationships

The School also strives to optimise the use of its cultural and sporting facilities by local charities and other organisations. It encourages its pupils to participate in both the local and wider community.

Employment of the Disabled

The School is committed to securing equality of opportunity through the creation of an environment in which individuals are treated solely on the basis of their relevant merits and abilities. All members of staff and Council share this commitment. The School does not permit any offensive, discriminatory or hostile attitudes to be displayed by any person or group towards an individual with a disability.

The School's policy is to recruit disabled workers for those vacancies that they are able to fill, providing all necessary assistance with initial training and continuing career development to ensure suitable opportunities for each disabled person.

Arrangements would be made, when necessary, for retraining employees who become disabled to enable them to perform work appropriate to their aptitudes and abilities.

The school has an Accessibility Policy which is reviewed every 2 years.

Employee involvement

The School's policy is to consult employees, through regular staff meetings, on matters likely to affect employees' interests. Information on matters of concern to employees is given through bulletins, reports and presentations which seek to achieve a common awareness on the part of the employees of the financial and economic factors affecting the School's performance. The School's academic staff hold regular meetings and presentations throughout the year. The non-teaching staff also meet on a regular basis.

Edgbaston High School for Girls

DIRECTORS' REPORT (including strategic report -continued)

STRATEGIC REPORT

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The formal object of the School is:

To establish for charitable purposes only and to maintain a public day school or schools for the education of girls and to supply to girls general instruction of the highest class.

Aims and Intended Impact

In furtherance of its objects, the School continues to follow the founders' vision of providing a challenging, liberal education for girls, which combines academic rigour with a breadth of skills. The acquisition of knowledge coupled with a wide range of other accomplishments remains the School's aim. The School has a strong pastoral ethos.

Objectives for the Year

The School's primary objectives for the year have been:

- a. To maintain and improve the School's academic results;
- b. To maintain the fabric of the School at a very good standard and to improve the facilities available;
- c. To maintain and develop links with the local community;
- d. To widen access to the School through the provision of means tested bursaries;
- e. To provide continuing support of our pupils who are in receipt of means tested bursaries;
- f. To continue to make a surplus sufficient to fund future capital projects.

Strategies to Achieve the Year's Objectives

The School has a three-year Strategic Development Plan, from which an annual plan is produced for each academic year. The annual plan for 2013/14 has focussed on the following key themes:

- a. Development of the Curriculum
- b. Pastoral Care
- c. Assessment, Reporting and Recording
- d. Development of ICT
- e. Professional Development of Staff
- f. Buildings and Facilities
- g. Sustainability
- h. Marketing and Admissions

Principal Activities during the Year

The principal activity of the charity has been the provision of single-sex education for girls between the ages of 2½ and 18. In addition, it has run holiday courses during the Easter and Summer holidays. It has also continued the facilities development programme.

Public Benefit

The directors have complied with the duty of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission. As well as providing education in accordance with the Charitable Objects set out on page 5, the charity provides bursaries, community access, work experience and community services as set out on pages 6 to 8.

Edgbaston High School for Girls

DIRECTORS' REPORT (including strategic report -continued)

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

1. Access Policy

Access to an Edgbaston High School for Girls education is made possible through the allocation of means tested bursaries to those who pass our entrance examination but are unable to pay the full fees. The availability of these bursaries is outlined in our admissions policy on our web site and is included in our advertisements.

2. Bursary Provisions

The School has a comprehensive policy on means tested bursaries which are available on application to all who pass our entrance examination to the senior school. The equivalent of 4 places is available as bursary support within the Sixth Form, and 2 places for Year 7 entry. All applications are means tested, taking into account family income, investments and savings and family circumstances e.g. dependent relatives and the number of siblings. The School employs the services of an independent assessor to support this process by making home visits to all new bursary applicants.

Bursaries are also available to the parents of current pupils who may face hardships such as redundancy or a death in the family. 0.75% of the previous year's fee income is allocated to this fund.

The School does not have an endowment for bursary funding, and in funding our awards a balance has to be made between fee paying parents, many of whom make personal sacrifices to fund their child's education, and those who benefit from the awards.

Bursary awards are available up to 100% of the school fees.

3. Family Discounts

A discount is offered for the third and subsequent daughter of any one family attending the school.

4. Scholarship Awards

A year 3 scholarship is available to external or internal candidates by assessment in the Spring Term of Year 2. Scholarship awards are available on entry to the School at Year 7, based on academic achievement in the entrance examination. Music scholarships are also available following a written examination and audition. Scholarships are awarded up to a maximum of 50% of the school fees. Academic, Music, Art, Performing Arts, Food and Nutrition, Textiles and PE scholarships are available on entry to the Sixth Form for external and internal candidates. A written examination or a performance and interview are used to assess potential. These scholarships have a value of up to 30% of the school fees (50% for Music). Scholarships may be supplemented by means tested bursaries.

Scholarship Policy

The School allocates funds for the following fees remissions:

- a. Three 50% scholarships at Year 7 entry. (The Martineau, Chamberlain and Dixon, named after three of the original founders)
- b. One scholarship at Year 7 entry giving 50% remission of fees (The Anthea Cadbury)
- c. Scholarships at Sixth Form entry are normally awarded as 30% or 50% (for Music) remission of fees, up to a maximum in aggregate of seven full scholarships per financial year.
- d. Edgbaston High School for Girls scholarships at Year 7, to a maximum total value of five sets of full fees each financial year, across the seven year groups in senior school.
- e. One Year 3 scholarship which may be divided as appropriate.

Edgbaston High School for Girls

DIRECTORS' REPORT (including strategic report -continued)

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Scholarship and Bursary Assistance

In 2013/14 44 (2013: 52) pupils were assisted by means-tested bursaries, corresponding to an average termly cost of £60,278 (2013: £64,558). The number of scholarships received by pupils was 135 (2013: 123), amounting to a total of £439,138 (2013: £354,595) for the year. The continued receipt of scholarships is subject to annual review. Staff Allowances and Siblings' Allowances amounted to an average of £50,345 (2013: £38,678) and £14,043 (2013: £15,210) per term respectively.

5. Assistance for Employees

All employees of Edgbaston High School may benefit from a discount scheme should they choose to educate their children at our School.

6. Teacher Training

Edgbaston High School takes part in the Graduate Teacher Training Scheme and has supported three teachers through the scheme in the last three years; two of these graduates are still employed within the school.

Edgbaston High School supports new teachers through the NQT programme under the auspices of ISCTip.

7. Work Experience

The school offers work experience to students prior to their registration on the PGCE course; we take one student per term. We also take students on teaching placements.

8. Community Access

We assist the local community by allowing use of our facilities for a competitive fee where there is no detriment to the education of our pupils. Regular lets include the City Evangelical Church, a local choir, scuba diving club, swimming club, rooms for lecture by the Guinea Gardens and use of the all weather pitch by a local hockey club.

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

1. Pupil Numbers and Fees

Pupil numbers were 910 in the Summer Term 2014.

The fee increase for the year was 7%. Fees per term were as follows:

Westbourne	£2,319
Prep	£2,400- £3,371
Senior School	£3,568

2. Academic

Examination results for the 2013/14 academic year were as follows. At A level the pass rate was 98.1% with 15.4% of all passes being at A* grade and 69% being at A*, A or B.

At GCSE the overall pass rate was 100% with 62.3% of all passes being at A or A*. 99.5% of all pupils achieved 5 or more passes at A* to C including English and Mathematics and 36% of all candidates achieved 9 or more A* and A grades.

Edgbaston High School for Girls

DIRECTORS' REPORT (including strategic report -continued)

REVIEW OF ACTIVITIES AND ACHIEVEMENTS (continued)

3. Extra Curricular activities

The School continues to flourish in the Performing Arts, Music and PE. Productions this year in Drama have ranged from Olivia and Mini Beasts in the Preparatory School to Annie in the Senior School.

Music continues to be a strength of the School and parents and friends have enjoyed a range of high quality performances throughout the year.

Physical Education plays an important part in School life and we continue to field teams in all major sports for girls and enjoy success in matches and regional championships at all levels.

4. Community Service

Pupils take part in community service as part of their Duke of Edinburgh award scheme, or as part of the Sixth form enrichment programme.

The local community are invited into School to concerts and plays and to fundraising events such as the Macmillan coffee morning. Other schools are invited to academic lectures such as Classics lectures and our biennial Careers Fair.

We host and support the Edwards' Trust Remembrance service in our auditorium on an annual basis.

£16,297 was raised for Charity in the year 2013/14 as agents.

5. Sustainability

The school has gained Green Flag Status. We have pupil and staff committees throughout the School and are working to increase our sustainability. Our focus this year was on saving water.

The School's allotment is a great asset, providing valuable curriculum and social opportunities for pupils and enabling the School to make greater links with the local community. The site has an open access orchard and the remains of a bothy.

6. Old Girls Association

The Association is thriving and contributes to the community spirit of the School. Regular events such as the AGM and supper, and year group reunions serve to bring together ex pupils and staff along with current members of the School.

7. Edgbaston High School Parents Association

The school receives generous support from the EHSPA which organises social events and uses the profits for the benefit of the School.

8. Facilities

Planning permission is at present being sought to extend the Preparatory School to provide new Art Facilities, Office Space, an extension to the library and public space.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Statement of Financial Activities is on Page 13. The surplus for the year was £659,979 (2013: £634,137).

An analysis of movements on the various funds is shown at Notes 14 to 16 in these financial statements. School expenditure was over budget due to an increase in teaching staff hours, an increase in the number of bursaries awarded, increases in energy costs and a general increase in other costs. Bad debts were also higher than anticipated.

Edgbaston High School for Girls

DIRECTORS' REPORT (including strategic report -continued)

Reserves Policy

The School has received a small amount of endowment income and special funding, and therefore relies on retained surpluses to meet its future requirements. The trustees have established policies to maintain the following designated reserves:

- Tangible fixed asset fund to match the net book value of tangible fixed assets
- Bursaries and scholarships fund to generate the income necessary to provide bursaries and scholarships

The trustees also consider it prudent to hold unrestricted and undesignated reserves to meet exceptional and unforeseen contingencies of between one and four months of the resources expended, which equated to between £680,000 and £2,708,000 in general funds in 2013/14. The level of unrestricted and undesignated reserves at 31 August 2014 was £2,114,961 (2013: £1,482,988).

Investment Policy and Objectives

The School appointed a new investment manager Standard Life Wealth on 20 February 2014 to manage its investments on an arms-length basis in accordance with the School's "Statement of Investment Principles". This includes ethical restrictions on investing. The investment policy is to maintain and increase the value of the investment portfolio in real terms. The minimum total annual return expected from each of the portfolios is RPI + 2% over a three year rolling basis, after allowing for all costs of managing the portfolio.

Investment Performance against Objectives

In the year 2013/14 the capital value of the School's General Fund portfolio increased by 4.9%, this is 2.5% greater than the RPI over this period. All investments were undertaken in accordance with the School's investment principles.

FUTURE PLANS

The key objectives are to:

- Maintain the current high standards of academic achievement, measured by external public examinations and independent value-added criteria;
- Balance academic achievement with a curriculum which allows full scope for the development of extra-curricular activities;
- To continue to maintain and improve the fabric of the School's building and facilities;
- Maintain and develop the School's pastoral system;
- Provide appropriate professional development for all staff and training for new teachers;
- Continue to widen access to the School by providing scholarships and bursaries;
- Continue to widen links with local schools; and
- Foster and encourage community use of the School's facilities.

Risk Management

Council has examined the major risks to which the charity is exposed and has developed systems to monitor and control these risks, in order to mitigate any impact they may have on the School's future. A formal review of the charity's risk management matrix is undertaken annually. The key risks are considered to be:

- Maintaining adequate pupil numbers;
- Ensuring compliance with applicable regulations;
- Attracting quality teaching staff;
- Providing a safe environment for pupils and staff;
- Maintaining financial controls and systems;
- Developing investment values and returns; and
- Maintaining academic results.

Edgbaston High School for Girls

DIRECTORS' REPORT (including strategic report -continued)

The key controls used by the charity include:

- a. Formal agendas and minutes for all meetings of Council and the Executive Committee;
- b. Detailed terms of reference for the Executive Committee;
- c. Comprehensive planning, budgeting and management accounting;
- d. An established organisational structure and lines of reporting;
- e. Formal written policies including comprehensive child protection and health and safety measures;
- f. Clear authorisation and approval levels for all financial transactions;
- g. Vetting procedures for every member of the teaching staff and non-teaching staff at the Disclosure Barring Service enhanced level and for teachers checking of Prohibition orders; and
- h. The School purchases comprehensive insurance to combat business interruption.

While the Council reviews its risk assessment documentation annually, it is recognised that no system can give an absolute assurance against all risks.

Third party indemnity provision

The School has purchased and maintains insurance to cover its trustees and officers against liabilities in relation to their duties to the School at a cost of £268 (2013: £264).

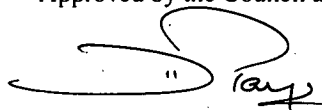
Auditors

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

Statement as to Disclosure of Information to Auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Approved by the Council and signed on their behalf by:



Mr J D Payne
Chairman

Date: 2 March 2015

Edgbaston High School for Girls

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EDGBASTON HIGH SCHOOL FOR GIRLS

We have audited the financial statements of Edgbaston High School for Girls for the year ended 31 August 2014 on pages 13 to 33. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2014 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 Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Baker Tilly UK Audit LLP

MIKE HUGGINS (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

St Philips Point

Temple Row

Birmingham

B2 5AF

Date 16 March 2015

Edgbaston High School for Girls

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 August 2014

	Notes	Unrestricted funds £	Endowment funds £	Restricted funds £	Total funds 2014 £	Total funds 2013 £
INCOMING RESOURCES						
Incoming Resources from Generated Funds						
Investment income	4	66,683	20,230		86,913	117,616
Voluntary income		-	-	-	-	6,000
Activities for generating funds						
Hire of School facilities		72,410	-	-	72,410	47,558
Incoming Resources from Charitable Activities						
	3	8,401,206	-	-	8,401,206	8,144,660
Total incoming resources		8,540,299	20,230	-	8,560,529	8,315,834
RESOURCES EXPENDED						
Costs of generating funds						
Investment management	5	14,960	4,065		19,025	6,372
Charitable Activities:						
Educational costs	5	5,484,059	-	-	5,484,059	5,484,846
Establishment costs	5	1,338,118	-	-	1,338,118	1,273,678
Support costs	5	1,197,055	-	-	1,197,055	1,209,127
Awards made	5		27,960	7,115	35,075	27,014
Governance Costs						
	5	50,342	-	-	50,342	35,995
Total resources expended		8,084,534	32,025	7,115	8,123,674	8,037,032
Net incoming/(outgoing)resources		455,765	(11,795)	(7,115)	436,855	278,802
Gains on investments						
Realised		6,707	33,861	-	40,568	37,901
Unrealised	10	168,794	13,762	-	182,556	317,434
NET MOVEMENT IN FUNDS		631,266	35,828	(7,115)	659,979	634,137
BALANCE BROUGHT FORWARD AT 1 SEPTEMBER 2013						
		15,935,597	736,863	12,337	16,684,797	16,050,660
BALANCES CARRIED FORWARD AT 31 AUGUST 2014						
		16,566,863	772,691	5,222	17,344,776	16,684,797

The Statement of Financial Activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

Edgbaston High School for Girls

SUMMARY INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 August 2014

	2014 £	2013 £
Gross income	8,560,529	8,315,834
Total expenditure	(8,123,674)	(8,037,032)
Net incoming resources	436,855	278,802
Gains on disposal of fixed asset investments	40,568	37,901
NET INCOME FOR THE YEAR	477,423	316,703

The net incoming resources for the year arise from the company's continuing activities.

A detailed analysis of income by source and expenditure is provided in the Statement of Financial Activities.

The above statement constitutes an income and expenditure account for the purposes of the Companies Act 2006. The net movement in funds presented in the Statement of Financial Activities on page 13 of £659,979 (2013: £634,137) includes total unrealised gains of £182,556 (2013: £317,434) which would not ordinarily be included in an income and expenditure account for Companies Act 2006 purposes. This item has, therefore, been eliminated in arriving at the net income for the year of £477,423 (2013: £316,703), presented above.

Edgbaston High School for Girls

BALANCE SHEET

as at 31 August 2014

Company Number: 10631

	Notes	2014 £	2013 £
FIXED ASSETS			
Tangible assets	9	12,198,582	12,199,289
Investments	10	3,913,815	3,730,453
		<u>16,112,397</u>	<u>15,929,742</u>
CURRENT ASSETS			
Debtors	11	455,607	642,004
Cash at bank and in hand - unrestricted		2,061,234	1,365,085
- restricted funds and endowment		18,962	18,347
		<u>2,535,803</u>	<u>2,025,436</u>
CREDITORS: Amounts falling due within one year	12	(1,303,424)	(1,270,381)
NET CURRENT ASSETS		<u>1,232,379</u>	<u>755,055</u>
TOTAL NET ASSETS		<u><u>17,344,776</u></u>	<u><u>16,684,797</u></u>
Endowment funds	15	772,691	736,863
Restricted funds	14	5,222	12,337
Unrestricted funds			
Designated funds and called up share capital	16	14,451,902	14,452,609
Other funds	16	2,114,961	1,482,988
SHAREHOLDERS' FUNDS		<u><u>17,344,776</u></u>	<u><u>16,684,797</u></u>

Approved by the Council and authorised for issue on 2 March 2015 and signed on their behalf by:



Mr J D Payne



Mr G H Tonks

Edgbaston High School for Girls

CASH FLOW STATEMENT

for the year ended 31 August 2014

	Notes	2014 £	2013 £
Reconciliation of operating surplus to net cash inflow from operating activities			
Net incoming resources		436,855	278,802
Add: Net outgoing endowment resources		11,795	2,647
Subtract: Dividend income and fixed interest income		(58,882)	(93,792)
Subtract: Bank interest and interest on short term deposits received		(7,801)	(5,252)
Add:			
Depreciation		503,663	515,312
Decrease/(Increase) in debtors		167,458	(13,047)
Increase in creditors		33,043	47,845
		<hr/>	<hr/>
Net cash inflow from operating activities		1,086,131	732,515
		<hr/>	<hr/>

CASH FLOW STATEMENT		2014 £	2013 £
Net cash inflow from operating activities		1,086,131	732,515
Returns on investments	19a	85,622	100,241
Capital expenditure and financial investment	19a	(463,194)	(277,736)
		<hr/>	<hr/>
Cash inflow before financing		708,559	555,020
Financing	19a	(11,795)	(2,647)
		<hr/>	<hr/>
Increase in cash		696,764	552,373
		<hr/>	<hr/>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS (Note 19b)		2014 £	2013 £
Increase in cash in the period	19b	696,764	552,373
Net funds at 1 September		1,383,432	831,059
		<hr/>	<hr/>
Net funds at 31 August		2,080,196	1,383,432
		<hr/>	<hr/>

Edgbaston High School for Girls

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention as modified by the inclusion of fixed asset investments at market value, and in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2005), applicable UK Accounting Standards and the Companies Act 2006.

The company has taken advantage of the exemption provided by section 405(2) Companies Act 2006 not to prepare group accounts as the subsidiary is not material to the financial statements. These financial statements therefore present information about the individual company rather than the group as a whole.

INCOME AND EXPENDITURE

Income represents fees invoiced for services provided. Income and expenditure are accounted for on an accruals basis.

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School but include contributions received from restricted funds for scholarships, bursaries and other grants.

Fees received in advance of education to be provided in future years are treated as deferred income and included within creditors.

Donations and gifts are accounted for on a receivable basis.

RECOGNITION OF LIABILITIES

Liabilities are recognised when either a constructive or legal obligation exists.

GOVERNANCE COSTS

Governance costs comprise the costs of running the charity. This includes external activities, any legal advice for the governors and all costs of complying with constitutional and statutory requirements such as the costs of Council and Executive committee meetings, the preparation of statutory accounts, and satisfying public accountability.

SUPPORT COSTS

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources e.g. staff costs by time spent and other costs by usage.

COSTS OF GENERATING FUNDS

Costs of generating funds are those costs incurred in the management and administration of the charity's investments.

CHARITABLE ACTIVITIES

Charitable activities include expenditure on providing education and include both direct costs and support costs relating to the activity.

AWARDS AND BURSARIES

Awards from restricted funds are included as expenditure in the period for which the award is given. Bursaries and other allowances from unrestricted funds towards School fees are netted off against school fee income.

FUND ACCOUNTING

General unrestricted funds comprise the accumulated surpluses and deficits on general funds and the cumulative realised and unrealised gains on investments. They are available for use at the discretion of the trustees in furtherance of the general charitable objectives. In addition, the trustees have designated certain funds for particular purposes.

Edgbaston High School for Girls

ACCOUNTING POLICIES (continued)

FUND ACCOUNTING (continued)

Endowment funds relate to those assets which represent the permanent capital base of the charity and which may not be spent.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for a particular restricted purpose. Expenditure is charged to the statement of financial activities when incurred.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost less accumulated depreciation. All fixed asset purchases greater than £1,000 are capitalised. Any purchases less than £1,000 are written off to the Statement of Financial Activities.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Long leasehold properties	- over the unexpired term of the lease at the point of addition
Plant and machinery	- over 5 to 10 years on a straight line basis
ICT hardware	- over 5 years

Assets in the course of construction are transferred to the above categories on completion and depreciated from the date the asset comes into use.

Assets with an expected useful life in excess of 50 years are subject to an annual impairment review.

INVESTMENTS

The investment in the subsidiary company is stated at Trustees' estimate of open market value.

Other investments listed on a recognised stock exchange are stated at closing mid-market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities. Realised gains and losses on investments are calculated as the difference between the disposal proceeds and the amount at which the investment was valued at the beginning of the year, or cost if purchased during the year. Income from listed investments is accounted for on a receivable basis.

PENSIONS CONTRIBUTIONS

Retirement benefits to employees of the school are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the school.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the school 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 quinquennial valuations using a prospective benefit method. As stated in Note 23, the TPS is a multi-employer scheme and the school is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

For non-teaching staff the School makes defined contribution payments into individual personal pension schemes. The amount charged to the Statement of Financial Activities in respect of these pension costs is the contributions payable by the School in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

Edgbaston High School for Girls

ACCOUNTING POLICIES (continued)

OPERATING LEASES

The annual rentals for “operating leases” are charged to the income and expenditure account on a straight line basis over the lease term.

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.

Edgbaston High School for Girls

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2014

1 TURNOVER AND NET INCOMING RESOURCES

The School's income and net incoming resources were all derived from its principal activity. All fees were earned in the United Kingdom.

2 SCHOOL FEES	2014 £	2013 £
The School's fee income comprised:		
Gross fees	8,554,500	8,241,539
Less: Total bursaries, grants and allowances	(785,366)	(698,350)
	<u>7,769,134</u>	<u>7,543,189</u>
Add back: bursaries, grants and allowances paid for from restricted and endowment funds	27,768	28,323
	<u>7,796,902</u>	<u>7,571,512</u>

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	2014 £	2013 £
Fees receivable	7,796,902	7,571,512
Registration fees	25,875	27,900
After School cover	63,130	61,957
Catering income	479,543	452,129
Other income from charitable activities	35,756	31,162
	<u>8,401,206</u>	<u>8,144,660</u>

4 INVESTMENT INCOME	2014 £	2013 £
Income from listed investments	78,129	112,364
Bank interest and interest on short term deposits	8,784	5,252
	<u>86,913</u>	<u>117,616</u>

Edgbaston High School for Girls
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2014

5 ANALYSIS OF TOTAL RESOURCES EXPENDED

	<i>Staff costs</i>	<i>Other costs</i>	<i>Depreciation</i>	<i>2014 Total</i>	<i>2013 Total</i>
	£	£	£	£	£
Cost of generating funds:					
Investment management	-	19,025	-	19,025	6,372
Charitable activities:					
Educational costs	5,028,124	455,935	-	5,484,059	5,484,846
Establishment costs	519,521	818,597	-	1,338,118	1,273,678
Support costs	400,368	293,024	503,663	1,197,055	1,209,127
Awards made	-	35,075	-	35,075	27,014
Governance costs	19,627	30,715	-	50,342	35,995
Total – 2014	5,967,640	1,652,371	503,663	8,123,674	8,037,032
Total – 2013	5,895,586	1,626,134	515,312		

Support costs include administration costs; including salaries, professional fees and depreciation.
Governance costs include £27,558 relating to audit fee (2013: £19,960).

6 NET INCOMING RESOURCES

	<i>Unrestricted funds</i>	
	<i>2014</i>	<i>2013</i>
	£	£
Net incoming resources are stated after charging:		
Depreciation and amounts written off tangible fixed assets:		
Charge for the year: owned assets	503,663	515,312
Operating lease rentals:		
Land and buildings	1,792	1,870
Plant and machinery	11,255	18,709
Auditors' remuneration:		
Audit fees current year	22,548	19,960
Audit fees prior year	5,010	-
Trustee Indemnity Insurance	268	264

Edgbaston High School for Girls

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2014

7	EMPLOYEES	2014	2013
		No	No
	The average weekly number of persons employed by the School during the year was:		
	Teaching and allied staff	146	142
	Others	66	62
		<u>212</u>	<u>204</u>
		2014	2013
		No	No
	The average weekly number of full time equivalent employees employed by the School during the year was:		
	Teaching and allied staff	120	118
	Others	39	38
		<u>159</u>	<u>156</u>
		2014	2013
		£	£
	Staff costs for above persons:		
	Wages and salaries	4,995,402	4,923,955
	Social security costs	381,604	382,062
	Other pension costs	590,634	589,569
		<u>5,967,640</u>	<u>5,895,586</u>
	The number of employees whose emoluments amounted to over £60,000 in the year were as follows:		
		2014	2013
		No.	No.
	£60,000 - £69,999	1	-
	£120,000 - £129,999	1	1

Contributions totalling £25,528 (2013: £16,920) were paid to defined benefit pension schemes in respect of the above higher paid employees.

Edgbaston High School for Girls

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2014

7 EMPLOYEES (continued)

TRUSTEES

No travelling costs were reimbursed to trustees during the year (2013: £Nil). An amount of £400 (2013: £25) was paid to one trustee, Mrs Nicholls, in respect of netball coaching and umpiring. All transactions were carried out in the normal course of business and on an arm's length basis.

The charity has purchased trustee indemnity insurance. The cost is disclosed in note 6.

8 TAXATION

The School is a registered charity and as such its charitable activities are not liable to UK corporation tax.

9 TANGIBLE FIXED ASSETS

	<i>Assets in course of construction</i> £	<i>Long leasehold property</i> £	<i>Plant and machinery and ICT hardware</i> £	<i>Total</i> £
Cost				
1 September 2013	-	13,698,952	2,829,716	16,528,668
Additions	78,511	32,247	392,198	502,956
Disposals	-	-	(170,514)	(170,514)
31 August 2014	78,511	13,731,199	3,051,400	16,861,110
Depreciation				
1 September 2013	-	2,559,257	1,770,122	4,329,379
Charged in the year	-	232,320	271,343	503,663
Disposals	-	-	(170,514)	(170,514)
31 August 2014	-	2,791,577	1,870,951	4,662,528
Net book value				
31 August 2014	78,511	10,939,622	1,180,449	12,198,582
31 August 2013	-	11,139,695	1,059,594	12,199,289

All tangible fixed assets are used for direct charitable purposes.

Edgbaston High School for Girls

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2014

10	FIXED ASSET INVESTMENTS	<i>Unrestricted Funds</i>		<i>Endowment Funds</i>	
		<i>Unlisted</i>	<i>Listed</i>	<i>Listed</i>	<i>Total</i>
		<i>(subsidiary)</i>			
		£	£	£	£
	Market value				
	1 September 2013	94,207	2,918,029	718,217	3,730,453
	Additions	-	3,298,178	759,546	4,057,724
	Disposals	-	(3,324,344)	(732,574)	(4,056,918)
	Net investment gains	-	168,794	13,762	182,556
	31 August 2014	94,207	3,060,657	758,951	3,913,815
	Historical cost as at 31 August 2014	100,000	2,969,592	739,005	3,808,597
	Historical cost as at 31 August 2013	100,000	2,642,024	626,473	3,368,497

The listed investments are held to provide an investment return. Investments comprising over 5% of the total value of the investment portfolio are as follows:

	2014	2013
	£	£
Name		
Pimco Funds Global	232,247	-
Threadneedle Investments Fund	199,924	-
Standard Life Investments	962,006	-

The company holds directly more than 10% of the share capital of the following undertaking:

<i>Name</i>	<i>Country of incorporation</i>	<i>Class of holding</i>	<i>Proportion held</i>	<i>Nature of business</i>
EHS (Property Services) Limited	England	Ordinary	100%	Dormant

The company was dormant in the year to 31st August 2014. From 1 September 2014 the activities of hiring the school facilities to third parties was transferred to the company from the Charity

The aggregate capital and reserves of the above company at 31 August 2014 is shown below:

	<i>Aggregate capital and reserves</i>
	£
EHS (Property Services) Limited	94,207

The trustees have valued unlisted investments at 31 August 2014 at £94,207 (2013: £94,207).

Edgbaston High School for Girls
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2014

10 FIXED ASSET INVESTMENTS (continued)

Split of investments between UK and overseas:

Market value	<i>Unlisted</i> £	<i>Listed</i> £	<i>Endowment</i> £	<i>Total</i> £
UK	94,207	2,063,427	173,556	2,331,190
Overseas	-	997,229	585,396	1,582,625
	<u>94,207</u>	<u>3,060,656</u>	<u>758,952</u>	<u>3,913,815</u>

11 DEBTORS

	2014 £	2013 £
Due within one year:		
Fees and disbursements	192,271	198,685
Other debtors	37,098	29,337
Prepayments	226,238	395,043
Accrued income	-	18,939
	<u>455,607</u>	<u>642,004</u>

12 CREDITORS: Amounts falling due within one year

	2014 £	2013 £
Trade creditors	312,462	357,993
Other creditors	83,498	121,297
Accruals	48,353	31,815
Deferred income	764,904	665,069
Amounts owed to subsidiary undertakings	94,207	94,207
	<u>1,303,424</u>	<u>1,270,381</u>

DEFERRED INCOME

	2014 £	2013 £
1 September	665,069	461,519
Additions	764,904	665,069
Released	(665,069)	(461,519)
	<u>764,904</u>	<u>665,069</u>

Deferred income relates to school fee income received in advance of education to be provided in future years.

Edgbaston High School for Girls

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2014

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed assets £	Investments £	Net current assets £	Fund balances £
Restricted funds			5,222	5,222
Unrestricted funds:				
Designated funds	12,198,582	2,250,000	3,320	14,451,902
Other funds	-	904,864	1,210,097	2,114,961
Endowment funds	-	758,951	13,740	772,691
	<u>12,198,582</u>	<u>3,913,815</u>	<u>1,232,379</u>	<u>17,344,766</u>

14 RESTRICTED FUNDS: MOVEMENTS IN THE YEAR

	Balance at 1 September 2013 £	Incoming resources £	Outgoing resources/ transfers £	Balance at 31 August 2014 £
Special funds and awards:				
Initiative Award	755	-	(755)	-
Special bursaries fund	11,582	-	(6,360)	5,222
	<u>12,337</u>	<u>-</u>	<u>(7,115)</u>	<u>5,222</u>

Initiative award

Funded by donations from the EHSPA and the OGA and provides for travel for educational purposes in this country or elsewhere. Applications are considered by a Committee chaired by the Headmistress and to include a representative from the EHSPA and OGA.

Special Bursaries Fund

A donation of £6,000 was received every year for seven years, starting in August 2006, to help promising girls with their tuition fees. Bursaries have been awarded since September 2006. No further funds are being added to this account.

Edgbaston High School for Girls

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2014

15 ENDOWMENT FUNDS: MOVEMENTS IN THE YEAR

	Balance at 1 September 2013 £	Incoming resources £	Outgoing resources £	Investment gain £	Balance at 31 August 2014 £
Special funds and awards:					
Anthea Cadbury Award	706,049	19,249	(28,637)	48,354	745,015
Prizes and Awards fund	30,814	981	(3,388)	(731)	27,676
	<u>736,863</u>	<u>20,230</u>	<u>(32,025)</u>	<u>47,623</u>	<u>772,691</u>

The School has one linked charity – The School Fund Trust (504011-3) which contains the Anthea Cadbury Award.

The purpose and restrictions of the Anthea Cadbury Award Fund and the Prizes and Awards fund are outlined below:

Anthea Cadbury award

The fund was founded by Mr and Mrs Laurence Cadbury in memory of their daughter Anthea, a pupil of Edgbaston High School from 1940 to 1954. In February 1964 Anthea and her husband lost their lives in an air disaster. The fund is restricted to an annual scholarship award to either an external or internal candidate. Council decided in December 1997 that the income should fund up to 50% of one 11+ scholarship throughout the nominated scholars' time in the Senior School.

The Prizes and Awards fund

This fund consists of seventeen small funds: Barker, Birtles, Cadbury, Caswell, Cotterill, Dawson, Ducroix, Dunn, Garrard, Greening, Gregg, Hockney, Hopkins, Jelf, Stacey, Turner and Weston Smith which provide for an income to fund a number of academic prizes which are awarded annually.

Edgbaston High School for Girls

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2014

16 UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR

	Balance at 1 September 2013 £	Incoming resources £	Outgoing resources £	Gains on investments £	Transfers £	Balance at 31 August 2014 £
Designated funds						
Tangible fixed asset fund	12,199,289	-	-	-	(707)	12,198,582
Bursaries and Scholarship fund	2,250,000	49,021	(53,952)	4,931	-	2,250,000
Called up share capital	3,320	-	-	-	-	3,320
	<u>14,452,609</u>	<u>49,021</u>	<u>(53,952)</u>	<u>4,931</u>	<u>(707)</u>	<u>14,451,902</u>
General reserve	<u>1,482,988</u>	<u>8,491,778</u>	<u>(8,030,582)</u>	<u>170,570</u>	<u>707</u>	<u>2,114,961</u>
Total unrestricted funds	<u>15,935,597</u>	<u>8,540,299</u>	<u>(8,084,534)</u>	<u>175,501</u>	<u>-</u>	<u>16,566,863</u>

The tangible fixed asset fund represents the net book value of tangible fixed assets. The transfer in the year has been made to decrease the value of the fund to equal the net book value of tangible fixed assets.

The Bursaries and Scholarships fund is held to generate income, recognised in the General Reserve, necessary to provide bursaries and scholarships.

The general reserve fund represents those funds which are unrestricted and not designated for other purposes.

Edgbaston High School for Girls

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2014

17	SHARE CAPITAL	2014 £	2013 £
	Equity share capital		
	Authorised:		
	750 ordinary shares of £10 each	7,500	7,500
		<hr/>	<hr/>
	Allotted, issued and fully paid:		
	332 ordinary shares of £10 each	3,320	3,320
		<hr/>	<hr/>
18	RECONCILIATION OF MOVEMENT IN FUNDS	2014 £	2013 £
	Net income for the year	477,423	316,703
	Other recognised gains and losses relating to the year	182,556	317,434
		<hr/>	<hr/>
	Net additions to funds	659,979	634,137
	Opening funds	16,684,797	16,050,660
		<hr/>	<hr/>
	Closing funds	17,344,776	16,684,797
		<hr/>	<hr/>

Edgbaston High School for Girls

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2014

19	CASH FLOWS	2014 £	2013 £
a	Gross cash flows		
	Returns on investments		
	Income from listed investments	76,838	94,989
	Bank interest and interest on short term deposits	8,784	5,252
		<u>85,622</u>	<u>100,241</u>
	Capital expenditure and financial investments		
	Endowment fund:		
	Purchase of investments	(759,546)	(159,459)
	Proceeds from sale of investments	766,435	137,000
		<u>6,889</u>	<u>(22,459)</u>
	Unrestricted funds:		
	Purchase of tangible fixed assets	(502,956)	(254,527)
	Purchase of investments	(3,298,178)	(588,940)
	Proceeds from sale of investments	3,331,051	588,190
		<u>(470,083)</u>	<u>(255,277)</u>
		<u>(463,194)</u>	<u>(277,736)</u>

Edgbaston High School for Girls
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2014

19	CASH FLOWS (continued)		2014 £	2013 £
a	Gross cash flows (continued)			
	Financing			
	Endowment fund income		20,230	18,572
	Endowment fund expenditure		(32,025)	(21,219)
			<u>(11,795)</u>	<u>(2,647)</u>
b	Analysis of changes in net funds	<i>1 September 2013 £</i>	<i>Cash flows £</i>	<i>31 August 2014 £</i>
	Cash at bank and in hand			
	– unrestricted funds	1,365,085	701,371	2,066,456
	– restricted funds	18,347	(4,607)	13,740
		<u>1,383,432</u>	<u>696,764</u>	<u>2,080,196</u>

20 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Land and buildings expiring after 5 years	1,792	1,870
Other		
Expiring within 1 year	-	1,050
expiring between 1 and 2 years	9,882	1,873
expiring between 2 and 5 years	1,373	9,726
	<u>13,047</u>	<u>14,519</u>

21 CAPITAL COMMITMENTS

As at 31 August 2014 the company had £Nil capital commitments (2013: £Nil).

Edgbaston High School for Girls

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2014

22 RELATED PARTY TRANSACTIONS

The School does not have an ultimate controlling party, its body of Trustees of Edgbaston High School for Girls govern the School.

Transactions with trustees are disclosed in Note 7.

During its normal course of business there were no transactions with EHS (Property Services) Limited, a subsidiary of the company. The amount due to EHS (Property Services) Limited at the balance sheet date is £94,207 (2013: £94,207).

23 PENSION CONTRIBUTIONS

Teachers' Pension Scheme

The Teachers' Pensions Scheme ("TPS") is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010. Retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pensions Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001 to 31 March 2011, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pensions Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these were being discussed in the context of the design for a reformed TPS, and as set out in the Proposed Final Agreement, and scheme valuations had been suspended since the last valuation in 2004.

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate ("SCR") is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

Valuations of the TPS are now required under the Public Service Pensions Act 2013 every 4 years and are required to be carried out in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury.

An actuarial valuation of the TPS in accordance with these Directions was published in June 2014 assessing the TPS as at 31 March 2012. The GA's report revealed that the total liabilities of the

Edgbaston High School for Girls

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2014

Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £191,500 million. The notional value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £176,600 million. The assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

Employer and employee contribution rates

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced – effective for the first time for the 2008 valuation – a 14% cap on employer contributions payable.

From 1 April 2013 to 31 March 2014, the employee contribution rate will range between 6.4% and 11.2%, depending on a member's Full Time Equivalent salary and for 2014/15 will range between 6.4% and 12.4%. Thereafter members will be expected to pay an average contribution rate of 9.6%.

The TPS valuation for 2012 determined an employer contribution rate of 16.4% from September 2015 and an employee cost cap of 10.9%, both to be set in regulations until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

There will be further reforms and changes to the TPS with a new 2015 scheme.

The pension charge for the year includes contributions payable to the TPS of £490,382 (2013: £493,802). At the year-end £Nil (2013: £Nil) was accrued in respect of contributions to this scheme.

For non-teaching staff the company directly employed 81 members of staff (2013: 68) who had pension rights accruing under individual personal pension schemes on a defined contribution basis. The total pension cost for the period in respect of these schemes was £100,252 (2013: £95,767).

There were outstanding contributions at 31 August 2014 totalling £10,442 (2013: £9,953).

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The School is unable to identify its share of the underlying assets and liabilities of the scheme.

Accordingly, the School has taken advantage of the exemption in FRS17 and has accounted for its contributions to the scheme as if it were a defined-contribution scheme. The School has set out above the information available on the scheme and the implications for the School in terms of the anticipated contribution rates.

Edgbaston High School for Girls

INCOME AND EXPENDITURE ACCOUNT – UNRESTRICTED FUNDS

for the year ended 31 August 2014

INCOME	2014	2013
	£	£
TUITION		
Preparatory Department and Westbourne	3,425,492	3,275,741
Senior School	5,129,008	4,965,798
Bursaries paid for by restricted funds	27,768	28,323
Less: Bursaries, Assisted Place Bursaries and Scholarships:		
Sixth Form Scholarship	(87,237)	(106,924)
11+ Scholarship	(330,492)	(247,671)
Academic bursaries	(71,717)	(93,714)
Sixth Form Bursaries	(52,985)	(38,019)
General Bursaries	(49,774)	(50,359)
Fee remission	(193,161)	(161,663)
	<hr/>	<hr/>
	7,796,902	7,571,512
	<hr/>	<hr/>
OTHER OPERATING INCOME		
After School Cover	63,130	61,957
Registration fees	25,875	27,900
Hire of sports and other facilities	72,410	47,558
Sundry items	35,756	31,162
Catering income	479,543	452,129
	<hr/>	<hr/>
	676,714	620,706
	<hr/>	<hr/>
INVESTMENT INCOME		
Income from listed investments	58,881	93,808
Bank interest	102	19
Interest on short term deposits	7,700	5,217
	<hr/>	<hr/>
	66,683	99,044
	<hr/>	<hr/>
TOTAL INCOME – UNRESTRICTED FUNDS	<hr/> <hr/> 8,540,299	<hr/> <hr/> 8,291,262

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Edgbaston High School for Girls

INCOME AND EXPENDITURE ACCOUNT – UNRESTRICTED FUNDS

for the year ended 31 August 2014

EXPENDITURE	2014	2013
	£	£
EDUCATIONAL COSTS		
TEACHING AND ALLIED STAFF		
Direct charitable expenditure:		
Salaries:		
Teaching staff	4,006,709	3,992,889
Staff substitutes	8,919	19,975
Technicians	150,851	148,513
Superannuation	531,764	535,107
Earnings related contributions	329,881	336,145
	<hr/>	<hr/>
	5,028,124	5,032,629
	<hr/>	<hr/>
TUITION		
Direct charitable expenditure:		
Departments:		
Arts	59,539	62,850
Domestic science	4,110	2,840
Science departments	14,729	27,461
Gym / swimming pool / games	18,567	17,565
Preparatory	59,001	61,609
Westbourne	8,383	8,896
ICT	137,763	131,060
Printing and stationery	68,651	84,740
Incidental expenses	85,192	55,196
	<hr/>	<hr/>
	455,935	452,217
	<hr/>	<hr/>
TOTAL EDUCATIONAL COSTS	5,484,059	5,484,846
	<hr/>	<hr/>

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Edgbaston High School for Girls

INCOME AND EXPENDITURE ACCOUNT – UNRESTRICTED FUNDS for the year ended 31 August 2014

	2014 £	2013 £
ESTABLISHMENT COSTS		
GENERAL OVERHEADS		
Direct charitable expenditure:		
Repairs and renewals	207,737	159,990
Ground rent	1,792	1,870
Rates	36,613	36,610
Gas	97,265	115,412
Water	23,221	32,504
Electricity	113,452	90,592
Fire insurance – buildings	25,127	24,461
	<hr/>	<hr/>
	505,207	461,439
	<hr/>	<hr/>
HOUSEHOLD AND GROUNDS		
Direct charitable expenditure:		
Salaries:		
Nurses and matron	23,488	21,617
Caretakers and grounds staff	142,637	139,500
Catering staff	206,409	199,390
Cleaners	116,023	117,869
Earnings related contributions	30,964	28,890
Laundry and cleaning materials	25,878	25,995
Other catering costs	266,713	257,163
Refuse collection	17,296	19,823
Service contracts and sundries	3,503	1,992
	<hr/>	<hr/>
	832,911	812,239
	<hr/>	<hr/>
TOTAL ESTABLISHMENT COSTS	<hr/> <hr/> 1,338,118	<hr/> <hr/> 1,273,678

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Edgbaston High School for Girls

INCOME AND EXPENDITURE ACCOUNT – UNRESTRICTED FUNDS for the year ended 31 August 2014

	2014 £	2013 £
SUPPORT COSTS		
GENERAL ADMINISTRATION		
Direct charitable expenditure:		
Salaries	372,462	319,085
Earnings related contributions	27,906	25,481
Agency staff	-	503
Incidental expenses	5,672	4,136
Postage	12,822	9,879
Telephone	13,474	11,397
Printing and stationery	10,410	7,953
	<hr/>	<hr/>
	442,746	378,434
	<hr/>	<hr/>
PROFESSIONAL AND FINANCE		
Direct charitable expenditure:		
Bank charges	2,665	2,382
Insurance	40,789	36,845
Accountancy	3,160	1,150
Legal costs	21,999	15,835
	<hr/>	<hr/>
	68,613	56,212
	<hr/>	<hr/>

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Edgbaston High School for Girls

INCOME AND EXPENDITURE ACCOUNT – UNRESTRICTED FUNDS for the year ended 31 August 2014

	2014 £	2013 £
SUPPORT COSTS (continued)		
OTHER EXPENSES		
Direct charitable expenditure:		
Depreciation of leasehold property	232,320	232,321
Depreciation of plant	132,872	145,084
Depreciation of motor vehicles	4,579	-
Depreciation of computer equipment	133,892	137,909
Bad debts	57,492	111,039
Amenities fund	13,353	19,394
School functions	29,680	37,701
Vehicle expenses	16,468	9,895
Interest payable	-	-
Advertising and recruitment	65,040	81,138
	<u>685,696</u>	<u>774,481</u>
TOTAL SUPPORT	<u>1,197,055</u>	<u>1,209,127</u>
Cost of generating funds:		
Stockbroker fees	14,960	5,163
	<u>14,960</u>	<u>5,163</u>
Governance costs:		
Audit	27,558	19,960
Salaries	19,627	15,771
Investment advice	2,889	-
Trustee Indemnity Insurance	268	264
	<u>50,342</u>	<u>35,995</u>
TOTAL EXPENDITURE – UNRESTRICTED FUNDS	<u>8,084,534</u>	<u>8,008,809</u>
Transfer between funds	-	-
SURPLUS FOR YEAR – UNRESTRICTED FUNDS	<u>455,765</u>	<u>282,453</u>

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Edgbaston High School for Girls

ANALYSIS OF FEES

for the year ended 31 August 2014

	<i>Average number of pupils</i>	<i>Fees £</i>
Senior School	479	5,150,416
Preparatory and Westbourne	428	3,425,492
	<u>907</u>	<u>8,575,908</u>
TOTAL FOR YEAR ENDED 31 AUGUST 2014		
TOTAL FOR YEAR ENDED 31 AUGUST 2013	<u>923</u>	<u>8,241,539</u>
TOTAL FOR YEAR ENDED 31 AUGUST 2012	<u>941</u>	<u>7,967,095</u>
TOTAL FOR YEAR ENDED 31 AUGUST 2011	<u>948</u>	<u>7,651,963</u>
TOTAL FOR YEAR ENDED 31 AUGUST 2010	<u>945</u>	<u>7,314,719</u>
TOTAL FOR YEAR ENDED 31 AUGUST 2009	<u>994</u>	<u>7,408,587</u>
TOTAL FOR YEAR ENDED 31 AUGUST 2008	<u>992</u>	<u>7,152,335</u>
TOTAL FOR YEAR ENDED 31 AUGUST 2007	<u>946</u>	<u>6,487,685</u>
TOTAL FOR YEAR ENDED 31 AUGUST 2006	<u>933</u>	<u>6,097,221</u>
TOTAL FOR YEAR ENDED 31 AUGUST 2005	<u>929</u>	<u>5,866,320</u>
TOTAL FOR YEAR ENDED 31 AUGUST 2004	<u>933</u>	<u>5,465,848</u>
TOTAL FOR YEAR ENDED 31 AUGUST 2003	<u>943</u>	<u>5,034,216</u>
TOTAL FOR YEAR ENDED 31 AUGUST 2002	<u>936</u>	<u>4,649,051</u>
TOTAL FOR YEAR ENDED 31 AUGUST 2001	<u>948</u>	<u>4,449,906</u>
TOTAL FOR YEAR ENDED 31 AUGUST 2000	<u>981</u>	<u>4,346,008</u>
TOTAL FOR YEAR ENDED 31 AUGUST 1999	<u>986</u>	<u>4,186,021</u>

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