

COMPANY NUMBER 01961978  
CHARITY NUMBER 293360

**ST EDWARD'S SCHOOL CHELTENHAM TRUST**  
**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 AUGUST 2013**

WEDNESDAY



A28 \*A2MZKVK\* 11/12/2013 #199  
COMPANIES HOUSE

**ST EDWARD'S SCHOOL CHELTENHAM TRUST**

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FOR THE YEAR ENDED 31 AUGUST 2013**

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# **ST EDWARD'S SCHOOL CHELTENHAM TRUST**

## **LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 AUGUST 2013**

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### **TRUSTEES**

P Goatley  
G Prosser (retired 31 August 2013)  
Rev M Garland  
Dr M G Hyatt-Williams  
Fr P O'Keeffe O Carm  
J Pickering  
A Stranack  
M Widdows  
Fr P H Wijngaard O Carm  
Dr C Vivian  
Mrs E Turner  
Mr P Potts (appointed 5 December 2012)

### **CLERK TO THE TRUSTEES**

Mrs L Forbes

### **COMPANY NUMBER**

01961978

### **CHARITY NUMBER**

293360

### **REGISTERED OFFICE**

Cirencester Road  
Charlton Kings  
Cheltenham  
Gloucestershire  
GL53 8EY

### **AUDITOR**

Crowe Clark Whitehill LLP  
Statutory Auditor  
Carrick House  
Lypiatt Road  
Cheltenham  
Gloucestershire  
GL50 2QJ

### **BANKERS**

HSBC PLC  
109 Bath Road  
Cheltenham  
Gloucestershire  
GL53 7RA

### **SOLICITORS**

Harrison Clark Rickerbys Limited  
Ellenborough House  
Wellington Street  
Cheltenham  
Gloucestershire  
GL50 1YD

# **ST EDWARD'S SCHOOL CHELTENHAM TRUST**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2013**

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The Trustees, who are also directors of the charitable company, have pleasure in presenting their report and financial statements for the year ended 31 August 2013

### **STATUS AND ADMINISTRATION**

St Edward's School Cheltenham Trust was founded in 1987. It is a company limited by guarantee (number 01961978), a charity registered with the Charity Commission (number 293360) and is regulated by its Memorandum and Articles of Association dated 5 December 2012.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Board of Trustees**

The Governance of the School is controlled by a Board of Trustees (who are also directors of St Edwards School Cheltenham Trust for the purposes of company law)

Mr P Goatley (1,2)  
Mrs G Prosser (1,2,4,7)  
Rev M Garland (10)  
Dr M G Hyatt-Williams (3,5)  
Fr P O'Keeffe O Carm (10)  
Mr J Pickering (1)  
Mrs A Stranack (6,8,9)  
Mr M Widdows (1)  
Fr P H Wijnngaard O Carm (10)  
Dr C Vivian (3,11)  
Mrs E Turner  
Mr P Potts

The numbers in brackets refer to the sub-committees which each Trustee is a member of at the year end as explained below

#### **Organisational Management**

The Board of Trustees take responsibility for the School. The day-to-day management is delegated to the Heads of School.

There were eleven members of the Board of Trustees at the year-end.

The following Trustees' sub-committees met during the year

- 1 Finance & General Purposes Committee (4 members),
- 2 Development Committee (2 members),
- 3 Health & Safety Committee (2 members),
- 4 Pay & Staffing Committee (1 member),
- 5 Bursaries Committee (1 member),
- 6 Special Educational Needs Committee ((Senior) 1 member),
- 7 Special Educational Needs Committee ((Junior) 1 member),
- 8 Curriculum Committee ((Junior) 1 member),
- 9 Curriculum Meeting ((Senior) 1 member),
- 10 Audit Committee (3 members),
- 11 E-safety Committee (1 member)

The Head of School, the Head of Junior School, and the Bursar attend full Board meetings. Members of the Joint Management Committee attend sub-committee meetings together with other members of staff.

#### **Recruitment and Training of Trustees**

Nominations for Trustees are presented to the AGM of the full Board of Trustees for approval. The initial term of office is three years with a proposed maximum of three terms, i.e. nine years. The nominees are selected by virtue of their personal competencies, professional skills and their availability.

## **ST EDWARD'S SCHOOL CHELTENHAM TRUST**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2013**

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New Trustees are inducted into the workings of the School and Charity by being given a full tour of the school and the details of staff, classroom sizes, teaching specialities and plans, results and the process of how each pupil is taught, assessed and tested. They then give their aspirations for what they wish to achieve for the School. The Bursar gives a financial overview, any major developments or infrastructure changes, a Health and Safety overview and carries out an online CRB application prior to them being elected to the Board.

#### **Risk management**

The Trustees have examined the principal areas of the School's operations and considered the major risks faced in each of these areas. In the opinion of the Trustees the existing review system should enable the School to mitigate and manage these risks to an acceptable level in its day to day operations. A risk assessment has been carried out and this will continue to be reviewed annually or more regularly if required.

The principal risks and uncertainties that face the School stem from the economic environment.

#### **PUBLIC BENEFIT**

The Trustees confirm that they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The Trustees further confirm that the activities of the charity are carried out, in line with its objects, for the public benefit.

From its general reserves the School made available scholarships and bursaries in the year totalling £497k (2012 £591k). Such financial assistance helps the School fulfil its wider charitable objectives. This year three Bursary-Scholarships which are means-tested and were awarded to those most in financial need. The purpose is to enable low-income families, who could not afford our fees, to attend the School. The School also awards means-tested Bursaries to the families of students already in the School whose parents have encountered unforeseen financial hardship which would otherwise force the student to leave the School to the detriment of their education. In addition, the School awards some merit-based Scholarships, not means-tested, mainly in the Sixth Form.

The School offered a further three pupils who fulfil the Trustees' criteria for Bursary/Scholarship, which are means-tested, places to start in September 2013.

#### **OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

##### **Charitable Objects**

The objects of the School are set out in the Memorandum and Articles of Association as follows:

"to promote and provide for such charitable works whosoever and whatsoever as to advance the Roman Catholic religion, and, in particular but without prejudice to the generality of the foregoing to acquire, provide, conduct and develop an independent Roman Catholic School or Schools for the advancement of the education of children of any creed (with preference to children of the Roman Catholic faith) PROVIDED THAT in the memorandum the expression "Roman Catholic" shall indicate communion with the "Sea of Rome" "

##### **Aims and intended impact**

St Edward's is an independent co-educational day school established to offer education to pupils aged 2 - 18. It is the policy of the School to offer a "rounded" education to include the academic, physical, spiritual and social aspects. St Edward's is a Roman Catholic foundation but warmly welcomes students of other denominations and creeds who are willing to support the Christian ethos of the School.

## **ST EDWARD'S SCHOOL CHELTENHAM TRUST**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2013**

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#### **REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR**

##### **Operational Performance of the School**

The School showed a slight decrease in numbers overall at the year end. The Junior School had a total of 286 and 73 in the Kindergarten, the Senior School had 394 and the Sixth Form showed a stay-on percentage rate of 86%, the actual number in Sixth Form is 102.

The Junior and Senior Schools continue to maintain their excellent relationship with the local community and the facilities at both Schools were available throughout the year, both during term time and holiday periods, with the Japanese Summer School continuing to use our facilities.

Not only are our sports facilities used by a variety of local groups but the School has opened its doors to local state primary schools with events such as Technology day, where pupils from these schools spend the day at St Edward's creating works that are put to test at the end of the day. Pupils from the School continue to be involved with the wider community in all forms of activities such as charity work and assistance in the public health sector.

#### **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The deficit for the year was £15k (2012 surplus £317k) and represented -0.2% (2012 4.4%) of total incoming resources. Total incoming resources decreased by 3.0% to £7.10 million whilst total resources expended increased by 2.6% to £7.12 million.

##### **Capital expenditure**

Capital expenditure in the year was £91k. The major works undertaken and respective costs are as follows:

- New Minibus (£31k),
- New Servers and ICT Equipment (£29k),
- New Tractor (£25k),
- Sports hall projector and equipment (£6k)

##### **Reserves Policy**

The Trustees have considered the reserves held by the School at 31 August 2013.

The School's unrestricted funds stood at £4.8 million at the year end, of which £4.1m was deployed as part of the school premises and equipment giving free reserves of £0.7m.

The Trustees consider that although the present situation is sustainable it would be prudent to improve the free reserves balance in order to cover the risks and uncertainties of operating as an independent day school.

The policy is therefore to aim for a minimum Investment Surplus of 10% and to build up reserves by retaining 10% out of annual operating surpluses, subject to the full Board of Trustees agreeing to prior demands of further capital expenditure to equip the School with the up-to-date facilities needed to maintain the standard of educational services currently provided.

The Trustees will review the total reserves position annually.

##### **Achievements**

- Stay on rate for the Sixth Form was 86%,
- The academic performances continue to be high in both GCSE and A-level results and one Oxbridge place being secured,
- Three further pupils have fulfilled the School's criteria in awarding a means-tested position,
- The delivery of learning support throughout the Junior School, having been re-organised, continues to flourish.

## **ST EDWARD'S SCHOOL CHELTENHAM TRUST**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2013**

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#### **FUTURE PLANS**

The Trustees aims are to continue the growth of the School and investment in the capital expenditure in accordance with the School's three year Academic and Development Plans. These will be reviewed annually. The main objectives within the plans are

- To maintain pupil numbers in the face of the economic situation,
- To maintain numbers in the Sixth Form and therefore retain the stay-on rate,
- To maintain the present size of teaching groups throughout the School,
- The Junior School plans are to continue to upgrade and enhance the outdoor education facilities, sport facilities and ICT infrastructure
- To continue to improve academic performance, as detailed in the School's Development Plan,
- To continue with access to the School through the provision of means tested bursaries/scholarship for full fee paying places each academic year in line with the Government's initiative on Public Benefit,
- To consolidate our financial position in view of the present economic situation,
- To continue to build and grow the present community access to the School's facilities

The Senior School has focused on raising academic achievement over the last few years. This has been tremendously successful with record GCSE and A level results. All students are supported in achieving their desired courses in Higher Education. The focus again is to increase and improve the sporting infrastructure on the Senior School site with the following projects

- Modernisation of the Gym/Swimming pool complex,
- New netball courts

The Junior School places a sharp focus on high quality standards and has recently been recommended for the Extended Framework Silver Award of Investors in People, which is an outstanding achievement. The Kindergarten and Early Years provision has received recent investment resulting in outstanding outdoor play facilities. Both the Kindergarten and the Infant Department deliver best practice in all areas with a focus on creativity and providing a balanced and holistic start to formal education. The Junior Department continues to prepare pupils for successful transition to the Senior School and local Grammar schools with a focus on a favourably low teacher pupil ratio, and low set groups in Maths and English thereby increasing maximum return for pupil outcomes. A plethora of extracurricular activities makes good use of a very spacious and unique woodland location.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

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

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

## ST EDWARD'S SCHOOL CHELTENHAM TRUST

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2013

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The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

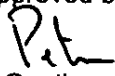
Insofar as each of the Trustees of the School at the date of approval of this report is aware, there is no relevant audit information of which the School's auditor is unaware. Each of the Trustees have each taken all the steps that they ought to have taken as a Trustee in order to make themselves aware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

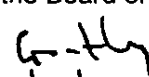
#### AUDITOR

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

Approved by the Board on

and signed on its behalf by

  
P Goatley  
Trustee

  
4/12/13



## **ST EDWARD'S SCHOOL CHELTENHAM TRUST**

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

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We have audited the financial statements of St Edward's School Cheltenham Trust for the year ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 16

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 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, the Trustees (who are also the directors of the charitable company for the purpose 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 Ethical Standards for Auditors.

#### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Trustees, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **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 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**ST EDWARD'S SCHOOL CHELTENHAM TRUST**

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

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**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

- adequate accounting records have not been kept, 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

Martin Regan  
Senior Statutory Auditor  
For an on behalf of  
**Crowe Clark Whitehill LLP**  
Statutory Auditor

Carrick House  
Lypiatt Road  
Cheltenham  
Gloucestershire  
GL50 2QJ

9 December 2013

# ST EDWARD'S SCHOOL CHELTENHAM TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2013

		Unrestricted funds 2013 £'000	Endowment funds 2013 £'000	Total 2013 £'000	Total 2012 £'000
	Notes				
<b>INCOMING RESOURCES</b>					
<b>Income from charitable activities</b>					
School fees	2	6,544	-	6,544	6,654
Ancillary trading income	3	433	-	433	473
<b>Incoming resources from generated funds</b>					
Investment income		4	-	4	4
Non ancillary trading income	3	68	-	68	77
Other incoming resources	3	56	-	56	19
<b>Total Incoming Resources</b>		<b>7,105</b>	<b>-</b>	<b>7,105</b>	<b>7,227</b>
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>					
Education and grant making		7,095	-	7,095	6,882
Governance costs		25	-	25	28
<b>Total Resources Expended</b>	5	<b>7,120</b>	<b>-</b>	<b>7,120</b>	<b>6,910</b>
<b>(Deficit)/Surplus for the year</b>		<b>(15)</b>	<b>-</b>	<b>(15)</b>	<b>317</b>
<b>NET MOVEMENT IN FUNDS</b>					
Fund balances at 1 September 2012		4,802	10	4,812	4,495
<b>Fund balances at 31 August 2013</b>	1 1	<b>4,787</b>	<b>10</b>	<b>4,797</b>	<b>4,812</b>

All amounts relate to continuing operations

The Statement of Financial Activities contains all the gains and losses recognised in the current and preceding year

The notes on pages 13 to 20 form part of these financial statements

**ST EDWARD'S SCHOOL CHELTENHAM TRUST**

**COMPANY REGISTRATION NUMBER: 01961978**

**BALANCE SHEET**

**AS AT 31 AUGUST 2013**

	Notes	£'000	2013 £'000	2012 £'000
<b>FIXED ASSETS</b>				
Tangible assets	6		4,124	4,256
<b>CURRENT ASSETS</b>				
Debtors	7	209		233
Cash at bank and in hand	8	1,097		1,076
		<u>1,306</u>		<u>1,309</u>
<b>CREDITORS</b> – amounts falling due within one year	9	(520)		(595)
<b>NET CURRENT ASSETS</b>			<u>786</u>	<u>714</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>4,910</b>	<b>4,970</b>
<b>CREDITORS</b> – amounts falling due after more than one year	10		<u>(113)</u>	<u>(158)</u>
<b>TOTAL NET ASSETS</b>	11		<u><b>4,797</b></u>	<u><b>4,812</b></u>
<b>FUNDS</b>				
Endowed funds	12		10	10
Unrestricted funds	13		<u>4,787</u>	<u>4,802</u>
<b>TOTAL FUNDS</b>	11		<u><b>4,797</b></u>	<u><b>4,812</b></u>

Approved and authorised for issue by the Trustees on

and signed on its behalf by

*Peter Goatley 4/12/13*  
P Goatley  
Trustee

The notes on pages 13 to 20 form part of these financial statements

**ST EDWARD'S SCHOOL CHELTENHAM TRUST**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2013**

	Notes	2013 £'000	2012 £'000
<b>Net cash inflow from operating activities</b>	<b>1</b>	<b>150</b>	<b>530</b>
<b>Returns on investment and servicing of finance</b>			
Interest received		<u>4</u>	<u>4</u>
<b>Net cash inflow from returns on investment and servicing of finance</b>		<b>4</b>	<b>4</b>
<b>Capital expenditure and financial investment</b>			
Purchase of fixed assets		<u>(91)</u>	<u>(103)</u>
<b>Net cash outflow from investing activities</b>		<b>(91)</b>	<b>(103)</b>
<b>Net cash inflow before financing</b>		<b>63</b>	<b>431</b>
<b>Financing</b>			
Repayment of loans		<u>(30)</u>	<u>(30)</u>
<b>Net cash outflow from financing</b>		<b>(30)</b>	<b>(30)</b>
<b>Advanced fees</b>			
Net payments from deposits		<u>(12)</u>	<u>(3)</u>
<b>Net cash outflow from advanced fees</b>		<b>(12)</b>	<b>(3)</b>
<b>Net cash inflow for the year</b>	<b>2</b>	<b><u>21</u></b>	<b><u>398</u></b>

The notes on page 12 form part of this cash flow statement

# ST EDWARD'S SCHOOL CHELTENHAM TRUST

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2013

### 1 RECONCILIATION OF NET (OUTGOING)/INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2013 £'000	2012 £'000
Net (outgoing)/incoming resources for the year	(15)	317
Interest received	(4)	(4)
Depreciation charges	220	235
Decrease/(increase) in debtors	24	(23)
(Decrease)/increase in creditors	(78)	5
Loss on disposal of fixed assets	3	-
<b>Net cash inflow from operating activities</b>	<b>150</b>	<b>530</b>

### 2 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2013 £'000	2012 £'000
Increase in cash in the year	21	398
Cash outflow from decrease in debt	30	30
<b>Change in net funds resulting from cash flows</b>	<b>51</b>	<b>428</b>
Non cash movement	26	-
<b>Net funds at 1 September 2012</b>	<b>1,017</b>	<b>589</b>
<b>Net funds at 31 August 2013</b>	<b>1,094</b>	<b>1,017</b>

### 3. ANALYSIS OF NET FUNDS

	At 1/09/2012 £'000	Cash flow £'000	Non-cash changes £'000	At 31/08/2013 £'000
Cash at bank and in hand	1,076	21	-	1,097
Debt due <1 year	(30)	1	26	(3)
Debt due > 1 year	(29)	29	-	-
	<b>1,017</b>	<b>51</b>	<b>26</b>	<b>1,094</b>

# ST EDWARD'S SCHOOL CHELTENHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

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### 1 STATEMENT OF ACCOUNTING POLICIES

#### a) Basis of Preparation of Financial Statements

The financial statements are prepared under the Companies Act 2006 using the historical cost convention, and in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting by Charities", issued in March 2005

#### b) Going Concern

The School has cash resources and has no requirement for external funding. The Trustees have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

#### c) Fees and Similar Income

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.

All other income is included in the Statement of Financial Activities when the School is legally entitled to the income and the amount can be quantified with reasonable accuracy.

#### d) Tangible Fixed Assets

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

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

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

Freehold buildings	2% straight line or the expected remaining life of the building
Furniture, fixtures and fittings	10% - 20% straight line
Motor vehicles	25% - 30% straight line
Plant and equipment	10% - 33% straight line

Land is not depreciated.

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

#### e) Restricted Funds

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

#### f) Endowed Funds

These are funds which have been raised in the memory of Edward Maguire and the fund is used to provide Bursaries. The balance remaining represents capital that is invested to provide an income.

# ST EDWARD'S SCHOOL CHELTENHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2013

### 1. ACCOUNTING POLICIES (continued)

#### g) Designated Funds

These 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.

#### h) Resources Expended

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

Costs of generating funds – include all fund raising and financing support costs

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

Governance costs – include audit, legal and professional costs

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

#### i) Recognition of Liabilities

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

#### j) Finance and Operating Leases

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

#### k) Pension Schemes

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme, which are attributable to the School. In accordance with FRS17 therefore, the scheme is accounted for as a defined contribution scheme. The School also contributes to personal pension schemes for non-teaching staff and these contributions are accrued accordingly.

#### l) Taxation

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

### 2. FEES RECEIVABLE

Income represents gross School fees invoiced less discounts and allowances

	2013 £'000	2012 £'000
Gross School fees	7,442	7,639
Less total scholarships, bursaries, grants and allowances	(898)	(985)
	<u>6,544</u>	<u>6,654</u>



# ST EDWARD'S SCHOOL CHELTENHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2013

<b>3. OTHER INCOME</b>	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
<b>Ancillary trading income</b>		
Sale of meals	109	121
School trips	169	201
Application fees	7	8
Special needs fees	45	44
Examination fees	54	54
Fee deposits	34	22
Bus income	9	11
Other fees as extras	6	12
	<b>433</b>	<b>473</b>
<b>Non ancillary trading income</b>		
Direct Debit surcharge	8	9
Hire of buildings and grounds	60	68
	<b>68</b>	<b>77</b>
<b>Other incoming resources</b>		
Insurance income	56	19
<b>4. STAFF COSTS</b>	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	3,895	3,875
Social security costs	303	313
Teachers' pension contributions	377	388
Non-teachers' pension contributions	32	28
	<b>4,607</b>	<b>4,604</b>
The weekly average number of full time equivalent employees during the year was made up as follows	<b>No.</b>	<b>No</b>
Scholastic	83	82
Administration	41	37
	<b>124</b>	<b>119</b>
The number of employees paid in excess of £60,000 during the year were as follows	<b>No</b>	<b>No</b>
£60,001 - £70,000	1	-
£70,001 - £80,000	3	1
£80,001 - £90,000	-	1
£90,001 - £100,000	-	1

Contributions to the Teachers' Pension Scheme were made for the benefit of three (2012 two) higher paid employees. Payments made in the year for these members of staff into the Teachers' Pension Scheme totalled £17,933 (2012 £22,202)

The Trustees received no remuneration in either year, and no expenses were paid on behalf of Trustees in either year

# ST EDWARD'S SCHOOL CHELTENHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2013

### 5 ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs £'000	Other £'000	Depreciation £'000	Total £'000	2012 £'000
<b>Charitable activities</b>					
Education	4,046	598	6	4,650	4,732
Welfare	17	318	-	335	319
Premises	191	866	214	1,271	1,217
Support costs	346	493	-	839	614
	4,600	2,275	220	7,095	6,882
<b>Governance Costs</b>	7	18	-	25	28
<b>Total</b>	<b>4,607</b>	<b>2,293</b>	<b>220</b>	<b>7,120</b>	<b>6,910</b>

<b>Charitable activities expenditure includes</b>	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Depreciation - owned	220	235
Loss on disposal of fixed assets	3	-
Operating leases - plant and machinery	12	8
- land and buildings	95	95

<b>Governance costs comprise</b>	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Auditor's remuneration – audit services	10	9
Auditor's remuneration – non-audit services	2	1
Legal and professional	5	7
Staff costs	7	6
Other costs	1	5
	<b>25</b>	<b>28</b>

# ST EDWARD'S SCHOOL CHELTENHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2013

### 6 TANGIBLE FIXED ASSETS

	Balance at 1/09/2012 £'000	Additions £'000	Disposals £'000	Balance at 31/08/2013 £'000
<b>Cost</b>				
Freehold land and buildings	6,745	-	(3)	6,742
Furniture, fixtures and fittings	69	-	(4)	65
Motor vehicles	81	55	(30)	106
Plant and equipment	988	36	(129)	895
	<u>7,883</u>	<u>91</u>	<u>(166)</u>	<u>7,808</u>
	Balance at 1/09/2012 £'000	Provision for year £'000	Disposals £'000	Balance at 31/08/2013 £'000
<b>Depreciation:</b>				
Freehold land and buildings	2,564	158	-	2,722
Furniture, fixtures and fittings	69	-	(4)	65
Motor vehicles	77	10	(30)	57
Plant and equipment	917	52	(129)	840
	<u>3,627</u>	<u>220</u>	<u>(163)</u>	<u>3,684</u>
Net book value	<u>4,256</u>			<u>4,124</u>

### 7 DEBTORS

	2013 £'000	2012 £'000
Net School fee debtors	102	110
Prepayments	80	69
Other debtors	27	54
	<u>209</u>	<u>233</u>

### 8. CASH AT BANK AND IN HAND

	2013 £'000	2012 £'000
Current account	108	130
Fees account	65	59
Money market account	910	865
Second-hand uniform accounts	8	16
Alumni account	5	5
Petty cash	1	1
	<u>1,097</u>	<u>1,076</u>

# ST EDWARD'S SCHOOL CHELTENHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2013

### 9 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £'000	2012 £'000
Sodexho loan	3	30
Trade creditors	75	105
Fees received in advance	319	364
Other creditors	38	41
Pension creditor	2	4
Accruals	59	31
	<u>496</u>	<u>575</u>
Advance fee deposits (see note 10)	<u>24</u>	<u>20</u>
	<u>520</u>	<u>595</u>

### 10 CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2013 £'000	2012 £'000
Sodexho loan	-	29
Advance fee deposits	<u>113</u>	<u>129</u>
	<u>113</u>	<u>158</u>

	Advance fee deposits		Sodexho Loan	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
Repayable as follows				
In one year or less, or on demand	24	20	3	30
Between one and two years	29	18	-	29
Between two and five years	59	81	-	-
Greater than five years	25	30	-	-
	<u>137</u>	<u>149</u>	<u>3</u>	<u>59</u>

Advance fee deposits represent amounts received on confirmation of a place. Monies will be repaid on leaving the School.

### 11. ALLOCATION OF THE NET ASSETS BETWEEN FUNDS

	Fixed Assets £'000	Net Current Assets £'000	Long term Liabilities £'000	Total £'000
Endowed Funds	-	10	-	10
Unrestricted Funds	<u>4,124</u>	<u>776</u>	<u>(113)</u>	<u>4,787</u>
	<u>4,124</u>	<u>786</u>	<u>(113)</u>	<u>4,797</u>

# ST EDWARD'S SCHOOL CHELTENHAM TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2013

### 12. PERMANENT ENDOWED FUNDS

	<i>Balance 1/09/2012 £'000</i>	<i>Incoming Resources £'000</i>	<i>Resources Expended £'000</i>	<i>Balance 31/08/2013 £'000</i>
Edward Maguire Fund	<u>10</u>	<u>-</u>	<u>-</u>	<u>10</u>

These are funds which have been raised in the memory of Edward Maguire and the fund is used to provide Bursaries. The balance remaining represents capital that is invested to provide an income.

### 13. UNRESTRICTED FUNDS

	<i>Balance 1/09/2012 £'000</i>	<i>Incoming Resources £'000</i>	<i>Resources Expended £'000</i>	<i>Transfer of funds £'000</i>	<i>Balance 31/08/2013 £'000</i>
Designated	189	36	(13)	-	212
General reserve	<u>4,613</u>	<u>7,069</u>	<u>(7,107)</u>	<u>-</u>	<u>4,575</u>
	<u>4,802</u>	<u>7,105</u>	<u>(7,120)</u>	<u>-</u>	<u>4,787</u>

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

### 14. PENSIONS

The School participates in a number of pension schemes. The assets of each scheme are held separately from those of the School in independently administered funds.

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to consistently identify the liabilities of the TPS which are attributable to the School. As required by FRS17 "Retirement Benefits", the School accounts for this scheme as if it were a defined contribution scheme.

The pension charge for the year includes contributions payable to the TPS of £376,664 (2012 £387,802). At the year-end £Nil (2012 £141) was accrued in respect of contributions to this scheme.

On 4 July 2012 the Chief Secretary to the Treasury confirmed that the Government would be taking forward legislation based on the reformed scheme design for the Teachers' Pension Scheme to be introduced in 2015 as set out in the Teachers' Pension Scheme – Proposed Final Agreement ("the TPS Agreement"). The TPS Agreement sets out the main parameters for both the provision of future pension benefits and the structuring of the future contributions to the TPS including the basis for increasing average employee contribution rates up to 2015.

## ST EDWARD'S SCHOOL CHELTENHAM TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2013

#### 14. PENSIONS (continued)

On 31 January 2013, the Department for Education published the outcome of the consultation on further contributions increases that will apply to members of the TPS in financial year 2013-14 as well as the removal of provisions governing scheme valuations and cap and share arrangements. A revised eight tier salary and employee contribution rate structure has been introduced from 1 April 2013 with employee rates varying between 6.4% and 11.2%. Employer contributions will continue for this period at the current rate 14.1%.

On 25 April 2013 the Public Service Pensions Act 2013 was enacted and provides the arrangements for managing the future TPS costs, including a requirement for scheme regulations which must set an employer cost cap which will be required to be in accordance with Treasury directions.

In light of the new arrangements for setting contribution rates the Government has concluded that there is now no need to carry out the currently suspended TPS actuarial review or the cap and share processes.

Other schemes established by the School are based on the defined contributions payable to the funds and amounted to £31,656 (2012 £28,198). Contributions totalling £1,606 (2012 £4,023) were payable to the funds at the year end and included in creditors.

#### 15. FINANCIAL COMMITMENTS

Annual commitments under non-cancellable operating leases are as follows

	Plant and Equipment		Land and Buildings	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
Operating leases which expire				
Within one year	19	12	-	-
One to two years	11	-	-	-
In two to five years	1	2	-	-
In over five years	-	-	95	95
	<u>31</u>	<u>14</u>	<u>95</u>	<u>95</u>

#### 16. CAPITAL COMMITMENTS

At 31 August 2013 the School had capital commitments as follows

	2013 £'000	2012 £'000
Contracted for but not provided in these financial statements	<u>-</u>	<u>12</u>