COMPANY NUMBER: 01961978
CHARITY NUMBER: 293360

ST EDWARD'S SCHOOL CHELTENHAM TRUST

REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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ST EDWARD'S SCHOOL CHELTENHAM TRUST

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 AUGUST 2017

TRUSTEES

The Trustees who served the charity during the period were as follows:

Dr S Honeywill (Chair of Trustees)
Mr A Newland (Deputy Chair)
Mrs C Findlay
Mr P Goatley
Mrs G Greenwell
Mr R McGrath
Mr C Pearson
Mr P Potts
Dr S Welch
Mr A Medford (retired 5 December 2016)
Mrs E Turner (retired 17 May 2017)
Dr C Vivian (retired 5 December 2016)

CLERK TO THE TRUSTEES	Mrs K Evans (retired 5 September 2016) M L Coles (appointed 6 September 2016)
OFFICERS	Mrs J P Clayfield (Head of School) Mr S McKernan (Head of Preparatory School) Mr M L Coles (Bursar)
COMPANY NUMBER	01961978
CHARITY NUMBER	293360
REGISTERED AND PRINCIAL OFFICE	Cirencester Road Charlton Kings Cheltenham GL53 8EY
AUDITOR	Crowe Clark Whitehill LLP Statutory Auditor Carrick House Lypiatt Road Cheltenham GL50 2QJ
BANKERS	HSBC PLC 109 Bath Road Cheltenham GL53 7RA
SOLICITORS	Knights 1759 Eagle Tower Montpellier Drive Cheltenham Gloucestershire GL50 1TA

DIRECTORS' REPORT

CONSTITUTION AND OBJECTS

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 and 3 December 2014, with amendments on 1st April 2016, 10th November 2016.

The Trustees of St Edward's School Cheltenham Trust ("The Trust") present their annual report and audited accounts for the year ended 31 August 2016 and confirm they comply with the requirements of the Charities Act 2011, the trust deed and the Charities SORP (FRS 102).

The School's Objects and principal activities, as set out in the Memorandum of Association, are 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 "See of Rome"."

In furtherance to these Objects for the public benefit the School, which operates two schools (one senior and one preparatory) known collectively as St Edward's School, has established and administers bursaries, grants, awards and other benefactions, and acts as the Trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects.

AIMS and OBJECTIVES

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's public benefit guidance.

Aims

The School's aims for the public benefit are:

- to provide a first class independent education within a Christian ethos. St Edward's is a Roman Catholic foundation but warmly welcomes students of other denominations and creeds or none who are willing to support the Christian ethos of the School;
- to offer pupils a range of opportunities so that they can achieve to the best of their ability within a framework of shared values and standards;
- to value and nurture pupils as individuals, giving them a sense of their own self-worth and of the value of service to others, thus preparing them for life beyond school; and
- to establish the School as a community in which there are strong and active partnerships between parents and the School and between the local community and the School.

The Board is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011.

Primary Objectives

The primary objectives of the School to fulfil these aims are:

1. to maintain the aspiration of high standards in academic performance and extra-curricular activities whilst preserving a healthy balance between the two;
2. to widen access to the education provided by the School through the provision of financial support for children whose parents are unable to afford the full fees and also through a range of projects and activities in the local community;
3. to provide appropriate teaching resources throughout the Schools;
4. to provide an effective management structure and the administrative and logistic framework necessary to meet the needs of staff and pupils alike;
5. to provide an environment which promotes and develops independent learning and supports pupils in the achievement of their individual potential.

The primary objectives are reviewed regularly and their success is measured through regular reporting to Trustees by the Senior Management Team.

GOVERNANCE AND MANAGEMENT

There is one Board of Trustees for the two Schools. Details of the members of the Board of Trustees, together with officers and principal advisers, are given on page one.

There were nine members of the Board of Trustees at the year-end. The numbers in brackets refer to the sub-committees which each Trustee is a member of as explained below.

Dr S Honeywill (1,2,3,4,5)
Mr A Newland (1,3, Chair of Health and Safety committee)
Mr P Goatley
Mr P Potts (2, Chair of Land and Premises committee)
Mrs C Findlay (1)
Mrs G Greenwell (1, Chair of Finance and General Purposes committee)
Mr C Pearson (5, Chair of Marketing committee)
Mr R McGrath
Dr S Welch (4, Chair of Education committee)
Fr P O'Keeffe O Carm. Ex-Officio

The following Trustees' sub-committees met during the year:

1. Finance and General Purposes committee
2. Land and Premises committee
3. Health and Safety committee
4. Education committee
5. Marketing committee

The Trustees are legally responsible for the overall management and control of both Schools. They meet at least six times a year. The work of implementing the policies is delegated to the following committees:

- The Finance & General Purposes Committee (F&GPC) scrutinises the management accounts and forecasts throughout the year and makes recommendations to the Board about any capital expenditure. They recommend the audited financial statements and annual report for approval by the Trustees. They also oversee other matters such as the review of school fees, insurance, pay and staffing. The Finance Committee is chaired by Mrs Gill Greenwell.

- The Health and Safety Committee oversees all matters relating to Health and Safety and Safeguarding. These include safeguarding policies, staff code of conduct, pupil behaviour, e-safety, information technology, data protection, cybersecurity and review of and implementation of recommendations from Health and Safety and Fire Safety audits. It is chaired by Mr Andrew Newland.
- The Education Committee oversees all matters relating to the pastoral and academic issues across both schools, including provision for individual learning needs, able, gifted and talented students, those with English as an additional language and overseas students. This committee is chaired by Dr Sarah Welch.
- The Land and Premises committee provides oversight of the programme of maintenance work for the school premises, accessibility arrangements for pupils and visitors and makes recommendations for capital expenditure on larger projects. The committee is chaired by Mr Paul Potts.
- The Marketing Committee was established during the year to provide oversight of the School's admissions and marketing strategy, including market research and communications with current and prospective pupils and parents. The committee is chaired by Mr Chris Pearson

The day to day running of the Schools is delegated to the Heads and Bursar, supported by their Senior Management Teams and a Joint Management Committee. The Heads and Bursar attend board and committee meetings of the Trustees.

Recruitment and Training of Trustees
New Trustees are elected on the basis of nominations from the Trustees based on the candidates' professional qualities, experience, personal competence and local availability.
New Trustees undergo an induction programme that includes an introduction to the Schools including Trustee Board policy and procedure, briefing by both Heads and the Bursar and training from AGBIS (Association of Governing Bodies of Independent Schools). All Trustees attend external Trustee Training and information courses designed to keep them informed and updated on current issues in the independent schools sector. Trustees visit the school and take part in lessons, staff briefings and school events during the day and after school, weekdays and weekends and make themselves available to all staff. The Chair attends a weekly meeting with both Heads and Bursar during term time.

Employment policy
The School will endeavour to recruit the most suitable staff for any post to ensure the highest standards are maintained throughout the School, both teaching and support staff. Whilst reflecting its role as a Catholic school it also pursues policies as an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Communication with staff continues throughout the year with whole school INSET briefings three times a year and after school staff meetings.

Key Management Personnel

The Trustees consider that the Joint Management Committee (JMC) of The Trust comprise the Key Management Personnel. The JMC comprises of the Headteacher of the Senior School, the Headteacher of the Preparatory School, the Deputy Headteachers of the Senior School, the Deputy Headteachers of the Preparatory School and the Bursar.

Trustees give their time freely and do not receive any remuneration. The pay and remuneration of the JMC is determined by the Finance & General Purposes Committee and is reviewed annually. A number of criteria are used in determining pay:

- The financial performance of the Trust against sector benchmarks
- The nature of the role and responsibilities
- The individual's performance
- Competitor salaries
- The sector average for comparable positions
- Inflation and the cost of living

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of St Edward's 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.

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.

STRATEGIC REPORT

VISION STATEMENT
Believe.....Strive.....Achieve

St Edward's is a Catholic School, welcoming all. We are a place of learning and a community based on Christian values. We work in partnership with parents to develop the talents and interests of all the young people entrusted to us. We aim to develop each individual pupil's potential, academically, personally and spiritually. We serve the wider community by making this education available to all, including those who cannot afford our fees, as far as we are able within our resources.

Our Vision.....*what we Believe in*.....

Our vision is to help each pupil to realise they are truly unique and possess God-given gifts and talents which gives them unlimited potential. We wish to create an educational foundation whereby throughout their lives our pupils will always be ambitious for self-improvement and so develop beyond their perceived potential.

Our Vision.....*what we Strive for*.....

The School's vision is to:

- Provide excellent teaching, learning and pastoral care
- Provide a wealth of opportunities both curricular and extra-curricular
- Build a caring community based on Gospel values
- Encourage pupils to be the best they can be so that we help them to develop their untapped potential

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the Year:

St Edward's Senior School

Believe, Strive and Achieve is not just rhetoric. It is the guiding principle upon which St Edward's operates. Pupils are encouraged to **believe** they have potential, **strive** to be the best they can be – and so **achieve** success. Our staff are dedicated to providing our pupils with the best opportunities all year around and every member of the School has influence and makes a difference in the pursuit of excellence.

Visitors often refer to the special 'feel' of the School. They notice the positive atmosphere, happy pupils and the strength of their relationships with staff. There are many opportunities during the year for the school community to have fun together such as House events, Quizzes, Competitions and special days such as Languages, Mufti, World Book and Sports days. These activities galvanise the community and create lasting memories for us all. But we also aim to achieve a happiness which isn't just transitory, but deeper and longer-lasting, incorporating a genuine sense of wellbeing.

We believe that young people must learn how to be resilient, self-reliant, adaptable and aware of their responsibilities. We want to enable them to deal with whatever life delivers in a positive and constructive way. We believe that children with emotional well-being will learn more effectively and make better progress. St Edward's provides a wealth of opportunities and enables academic excellence, within a culture of positivity. These three in combination are unique and unrivalled locally.

Studies have shown that flourishing groups of children have five things in common. They experience **Positive emotions, Engagement, Strong Relationships, a sense of Meaning, and Accomplishment.** These are five core elements of psychological well-being and happiness which can help achieve fulfilment. The 'happy school' description arises because we put these five core elements into daily action, helping our pupils to develop cognitive and emotional tools and enabling them to flourish.

Positive Emotion is one of the most obvious connections to happiness. We generated a huge amount of positive emotion which promoted positive relationships, work, and inspired creativity. The most influential pupils were those with a positive outlook. Pupils gained enjoyment from intellectual stimulation in lessons and creative, inspirational teaching. One example is the result of collaboration with the University of Gloucestershire – an exciting two-year project called MYSTY or MY STORY. This involved a partnership with 4 Universities across Europe and link schools in Hungary, Italy and Austria. The themes explored were "Digital Storytelling" and "Celebrating Diversity" with Key Stage 3 pupils. It involved learning new skills which encouraged creativity and celebrated cultural diversity.

Pressures of accountability associated with the English Baccalaureate and underfunding narrow the curriculum in many state schools, with the Creative and Performing Arts being gradually squeezed out of the curriculum. At St Edward's they are strong subjects, available through to A Level. Subjects such as Art, Design Technology, Music and Drama, are a vital part of an invigorating, engaging education and generate positive emotions.

Our pupils are naturally competitive, whether in terms of academic success or sporting prowess. The culture of positivity here means pupils compete **with** not **against** each other. There was a healthy rivalry and admiration of the opposition. In a positive environment, pupils are more ambitious and willing to take chances. We encouraged perseverance when the going was tough – and taught that failure is a necessary part of learning.

Staff and Prefects were most effective at encouraging **engagement.** We enjoyed a trio of House quizzes, beginning with the annual Christmas Globetrotters Quiz run by Geography. Science, Maths and Tech Departments collaborated to produce the STEM quiz and the English Department's Literature Quiz provided great opportunities for learning and engagement in school life. At least a third of our pupils took part in each of the quizzes, concerts and the school play.

We provided an extensive range of activities to stretch intelligence, develop skills, and enhance emotional capabilities. Stride Darnley Societies, Fame Lab and the annual Year 8 Headmistress's Award presentations showed how well pupils undertook independent research and delivered engaging talks.

Knowing that pupils find enjoyment in different things, whether it is playing an instrument, sport, drama, problem solving in Maths or Science or being creative in English we provided a variety of activities to encourage engagement - there was something for everyone.

We continually reinforced the importance of respect for oneself and for each other. We promoted positive relationships between all members of the community and we were inclusive. Our pastoral structure was robust and provided excellent care. Relationships based on trust and respect were formed because children were known individually.

We reached out to our local community through charity fundraising and service to others. Key Stage 3 pupils performed at St Rose's School for children with disabilities. Year 11 and Sixth Form hosted the Highbury Club of local elderly people for afternoons of music and companionship. Charities such as Sue Ryder, Mary's Meals, Help for Heroes, LEPRA all benefited from charity initiatives during the year. Young Minds was presented with a cheque for almost £2000 and Macmillan Cancer Trust were the beneficiary of proceeds from the German Market and Cake Sales. Further afield, World Book Day activities enabled us to send money to Book Aid International.

Spirituality – or a **sense of meaning,** the fourth ingredient of well-being was developed through daily interactions, assemblies, the liturgical programme, and teaching. We reinforced that fulfilment is not just the pursuit of pleasure and material wealth. It comes from contributing, trying hard, knowing you have done your best. We taught the importance of recognising and valuing everyone; that every person is part of the jigsaw which forms our school community, and that which extends beyond.

Striving to be the best you can be led to **accomplishments**, the fifth core element of well-being. We encouraged pupils to set ambitious goals. The individual meetings with Form Tutors which took place six times a year as well as the target setting routinely carried out within subject areas, offered perfect opportunities to review success and set improvement targets. A huge amount was accomplished this year through the many opportunities and experiences provided.

The increase in musical opportunities was phenomenal. Our pupils performed in the Scratch Youth Messiah at the Royal Albert Hall for the second time this year. The annual Carol Service at Tewkesbury Abbey was spine-tingling. The Pump Room Concert featured an increase in student-led groups and the high standard of performance demonstrated our pupils' willingness to challenge themselves and gain the sense of accomplishment we are seeking. We appeared on BBC's Songs of Praise for the first time this year.

The exceptional achievement of the cast and crew in the production of 'The Crucible' this year stayed firmly in the mind. The contrast from the previous year's, Little Shop of Horrors, was immense, and yet our pupils demonstrated tremendous diversity in their skill set. Comical light-hearted characters from Little Shop took on the dark and difficult text, of Arthur Miller's the Crucible.

Opportunities existed for pupils to practise their Public Speaking skills in a range of contexts. For the third time in four years St Edward's won the Gloucestershire finals of the English Speaking Union with Emily Scarborough winning Best Questioner. Annabel Sykes and lily Jennings in year 8 won won the Gloucestershire Latin Reading Competition.

House Captains devised imaginative ways to engage and promote the house spirit through assemblies. House Dance was added to the busy Calendar and is now an annual event. Sports Day was another wonderful occasion, with 22 school records broken and huge numbers of pupils taking part.

Sport at St Edward's had a fantastic year and proved that sport is for everyone at every level. In the Independent Schools Association National tennis competitions, James Findlay won the U15 singles title, James Findlay & James Sykes won the U15 National Tennis Doubles title. The 1st XI Girls Hockey won the County Plate tournament and the U13 Rugby 7s were 2nd in the ISA National Cup. The U14 Boys Hockey won the ISA National South Hockey and there were many outstanding individual performances. Emma Hansen qualified for the English Schools Athletics Championships in the 800m. Alice Whitehead and Mary Bradley won gold as part of the Gloucestershire water polo team at a national competition and Alice has since qualified to represent England at the English Schools Waterpolo tournament in Malta. Jamie Carmichael continued to be successful in squash, qualifying for national tournaments and secured 36th position in the British Junior Squash Open Championships. Tommy Sheerin had many successes in Judo this year and won a silver medal at the British Schools Championships. Our U16 Netball team became regional champions.

The Combined Cadet Force had their biennial inspection by Colonel Hutchinson from the Royal Signal Corps. The contingent underwent a rigorous inspection and were delighted with the final report. Colonel Hutchinson wrote: "*This was an exceptional visit. The Cadets were 'sparky', engaging, interesting and motivated; a real credit to both the School and CCF Contingent*.....he went on to say, *if ever there was a blueprint for how a CCF Contingent should sit within an educational framework then this must be it.*" High praise indeed and well-deserved.

St Edward's provided one of the largest contingents on parade on Remembrance Sunday in Cheltenham. One of our teams won the Gloucestershire skills shield against 19 other CCF contingents. Cadet Sgt Major Josh Griffin held the award of Lord Lieutenant's cadet. Milly Till was selected to attend the Army's Maple Leaf CCF exchange camp in Canada for 6 weeks during the summer following a fiercely competitive selection process.

The Duke of Edinburgh award scheme was immensely successful thanks to the commitment of the candidates and the support of Mr Keylock who was central to this success. He chased and cajoled participants into completing their awards, so much so that our completion rate is the best in Gloucestershire. This is a superb achievement.

The five elements of **positivity, engagement, relationships, meaning and accomplishment** which support well-being were very evident and reinforced on a daily basis in School throughout 2016 - 2017. The outcome of all this activity and the experiences the children and staff enjoyed, is what led to happy children and to a happy school.

St Edward's Preparatory School

The Preparatory School continues to grow from strength to strength. Its pupil roll continues to increase despite stiff local competition. Parental satisfaction is excellent at 98% as confirmed in a recent ISI inspection survey and the School continues to receive outstanding and fully compliant inspections. The Kindergarten and Early Years departments are highly sought after with waiting lists in some age groups. A number of year groups in the Prep School have waiting lists. The decision to move Pre-School into the Pre-Prep Department was hugely popular with parents and has allowed pupils to access specialist music, drama and modern languages lessons earlier than the norm. The Pre-Prep department continues to be successful and all children have attended the local literature and science festivals which the School has sponsored to show our support to the added extras in the curriculum which is under threat in the state school system. The high demand for places resulted in the decision to increase Year 6 from two forms to three form.

Investments

Major investments in the School included an impressive refurbishment of the Dining Hall which is now known as 'The Seedling'. This work represents a total transformation of the dining space for pupils.

The School is pioneering the advancement of 'farm and countryside education' and now has rare breed Golden Guernsey Goats, Burford Brown Chickens and pure bred Alpacas living on the School Farm. Children of all ages are enjoying interacting with the animals and learning about animal care and life-cycles. This initiative is closely linked to the School's position as a leader in offering a full and extended education with the obvious benefits to mental health, pupil and parent participation and healthy living. The School was delighted to be the only independent school to receive the Gloucestershire Healthy Living Award 2016/17 in appreciation of our efforts in the area of pupil well-being.

The Prep School continues to host educational courses for local schools in the fields of Mental Health and Individual learning. During the year, we received over sixty schools to our professional development courses.

Scholarships and Destinations of Leavers
The School's aim is that children in Year 6 are successful in their school of first choice, be that to our Senior School or the local Grammar Schools. We have an excellent success rate at Year 6 transfer to Grammar Schools along with many pupils choosing academic scholarships at our Senior School. In the last year we have received a surge of interest from parents whose pupils are not being pushed in their local state school. Our optimum smaller class sizes and ability streaming along with a wealth of opportunities allow our pupils to thrive and exceed expectations.

Music and Choir
The School has invested in whole class tuition on violin and clarinet and instruments for all children from Reception to Year 6. They have extensive opportunities to perform at informal concerts in School and annual external events at Tewkesbury Abbey, St Gregory's Church, The Joy of Christmas at Cheltenham Town Hall and Charlton Kings Parish Summer and Christmas Fayres. The choir contributes to PTA events such as carol singing at the Christmas Shopping Event, Breakfast with Santa and the PTA Summer Fayre. This year also saw the Year 6 choir attending their biggest performance to date, taking part in the Scratch Messiah at The Royal Albert Hall. Both Choirs were once again very successful in The Cheltenham Festival of Performing Arts with the Boys Choir achieving a Distinction.

Music Scholarships
We continue to offer Music Scholarships to current pupils going into years 5 and 6 who will represent the Music Department in the Prep School. These pupils are offered Music Theory Lessons, perform at Prep and Senior School events and are encouraged to progress in their instruments as well as offering support to their peers in the classroom and the music department.

LAMDA
Private drama tuition continues to deliver fantastic results with very positive results from the Cheltenham Festival of Performing Arts, including six individual medals won. A 100% pass rate was achieved in the LAMDA awards with some excellent individual results.

FUNDRAISING

Over the course of the year, the Trust ran 22 different fundraising events across the two schools which raised a total of £11,484 local and national charities. The Trust values the fundraising and awareness work it does for other charities and plans to continue its strong programme of support going forward.

PUBLIC BENEFIT

St Edward's School remains committed to the aim of providing public benefit in accordance with its founding principles. The Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and confirm that they have complied with their duty in Section 17 of the Charities Act 2011.

The Trust fulfils its obligations under this Act through the availability of bursaries, the affordability of school fees and the availability of its facilities to community groups and State funded schools.

Bursaries and Scholarships

The value of means tested bursaries totalled £357k and the value of scholarships totalled £577k representing a combined 12.5% of gross fees. A further £479k from gross fees was awarded through staff and sibling discounts. 14 children benefited from the School Assisted Place Scheme (SAPS) which is a 100% bursary-scholarship remission between Year 7 to Year 13. The Trust remains committed to providing suitable access to the Schools to a wide range of socio-economic groups.

The Trust reviewed its Fee Remissions policy through the course of the year. Subsequently, a new policy was introduced from January 2017 which outlined a more robust method of awarding fee remission. Whilst the Trust wishes to continue its programme of supporting families with the cost of independent education, this has been very carefully balanced against its own affordability to support these awards. As such, a focus has been placed on continually reviewing bursary awards and ensuring that all bursary awards are means tested. Consequently, the Trust forecasts that these awards will fall over the course of the next financial year which is a key component to improving its financial position.

Fee affordability

The School is positioned as the most affordable through-school in the locality. Trustees resolved to freeze school fees for the 2016/17 year to both assist with fee affordability and reset its financial strategy with the incoming Bursar who was appointed in April 2016. Trustees considered the ongoing financial needs of the charity through several Board and sub-committee strategy meetings. Subsequently, Trustees resolved to change the fee structure from September 2017 to include the provision of a hot lunch and extracurricular after school activities with a hot tea in the Preparatory School.

The fee structure is an area that Trustees continue to review to ensure that it remains an attractive and affordable option for local families whilst continuing to support the Bursary schemes and capital development programmes.

Facilities and community links

The School made its facilities available to local community groups including sport (cricket, swimming, rugby, football, tennis and hockey), drama and music groups. The Trust values its links with the local community and plans to continue to build on these strong relationships. Below is an outline of some of the links the School has with local community groups and state-funded schools:

- Free or subsidised use of the school's swimming pool to: Balcarras School and St Gregory's Primary School.
- Further to this, these schools benefited from the School's PE outreach programme where the School's PE staff run 6 free sports sessions per term.
- The district cross country championships, rounders, football, athletics and quadkids tournaments are held at the Preparatory School with the involvement of state schools for no charge
- Local sports groups including East Glos Hockey and GoCrea8 Hockey use the Senior School's astroturf pitches
- Pupils from many local state primary schools take part in the many free experience days that the Senior School holds which offers them the opportunity to expand their knowledge and experiences of particular subject areas. Successful music, sports, STEM and drama days were held through the year.
- Use of the School's cricket pitches and equipment by Charlton King's Cricket Club
- Use of the School's rugby pitches and equipment by Old Patesians RFC

- Both school sites are made available through the holiday periods for holiday camps which benefits the many local working families
- Year 12 students take part in a community service program
- The School's CCF resources are shared with All Saints Academy and Pate's School, both state funded schools
- The Highbury Club, a local community group for partially sighted and disabled, use the School facilities once a term free of charge and are entertained by the School's pupils

FINANCIAL REVIEW

Results for the year

The Trustees regularly review the finances, budgets and spend against budget together with a half termly financial analysis as part of the effective management of the Trust.

The School remains a popular choice for local families in what is a highly competitive local market. Through a sustained marketing effort and whole-school focus on recruitment and retention of pupils, the number of pupils on roll grew in-year by 11 (3.3%) in the Senior School and 74 (28.1%) in the Preparatory School, overall 14.3%. This led to the opening of two new classes in Reception and Year 6 from September 2017 to accommodate the growing numbers. This increase shows great promise for the Trust and it is anticipated that from September 2018 pupil numbers across the Trust will increase further.

The Statement of Financial Activities discloses a deficit of £347k after depreciation *(2016: deficit £295k)*. The cashflow statement shows a cash outflow of £185k with net cash (after finance) of £137k coming from the purchase of fixed assets *(£22k in 2016)*. These fixed assets are part of a wider re-investment strategy into the Trust to see an improvement in the facilities, IT provision and marketing strategy. The purchases included two new minibuses, which are being used to run bus services to collect/drop off pupils, grounds and maintenance machinery to improve the upkeep of the facilities and renewal of classroom and office IT equipment.

The balance sheet shows an increase in debtors and creditors. The increase in debtors is largely due to high value prepayments being made through the year relating to 2017/18. The increase in creditors due within one year is due to a timing difference in the receipt and settlement of trade creditors' invoices and an accrual of £61k for backdated rent payable on the Preparatory School site which will be paid during the 2017/18 financial year.

From September 2017, a change has been made to the Trust's fee structure and income streams from other sources to ensure that the Trust's income position is strong and provides adequate cover for the Trust's operating costs as well as funding capital projects.

The Trust has had to adjust to a reduced School role over the past 8 years meaning that its net income position has varied from year to year. It has been within the past 2 years however that more significant restructure plans have been executed. In this time, the Trust has worked to safeguard its operating surplus but has planned for deficits whilst the restructure takes place. The Trust has a strong balance sheet with a healthy cash position. This has enabled the Board to offset these deficits whilst it goes through a period of change.

Moving forward, the Trustees are confident that the foundations laid through this change period will enable the School to continue to flourish which will include re-investment plans, as reflected in these financial statements.

Reserves level and policy

The Trustees have considered the reserves held by the School at 31 August 2017. The Trust's unrestricted funds stood at £4,025k *(2016: £4,372k)* and free reserves (i.e the value of unrestricted reserves after deducting fixed assets) represented a deficit of £32k *(2016: surplus £290k).* The reserve fund has been depleted in recent years due to investment in the Trust's capital and a downturn of income against expenditure. Whilst many independent schools operate with negative free reserves, it is the intention of the Trustees to rebuild the reserves in the long term in order to cover the risks and uncertainties of operating as an independent day school. At the 31 August 2017, the School's endowed and restricted funds comprised £11k *(2016: £11k).*

The policy is therefore to aim, over the long term, to build up reserves by retaining 3-5% 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. Trustees accept that this is a long-term target as the Trust goes through a period of structural change and investment, which will likely include financing.

The Trustees will review the reserves position annually.

FUTURE PLANS

The School's Development Plan was agreed by the Trustees in Autumn 2014 and is subject to an annual review by the Trustees.

The Trustees recognise the following as key priorities for the future:

- Continuing to recruit and retain pupils to the Trust (2016/17 saw an increase of 14.3% in pupil numbers)
- Continuing to invest in the capital infrastructure of the Trust including the provision of facilities, equipment and IT (namely the Swimming Pool, Library and Sports Hall in the short-medium term)
- Continue to recruit and retain high quality staff to deliver high-quality standards

Going concern

The Trustees have considered the current assets of the Trust and consider it to be a going concern in that it can meet all of its liabilities as they fall due over the next 12 months.

RISK MANAGEMENT

The Trustees have given consideration to the major risks to which the School is exposed. The Trustee Body has ultimate responsibility for managing any risks faced by the School. Detailed consideration of risk is delegated to committees, which report formally to the Trustee Body each autumn. The structure of the committees comprises at least two members of the Trustee Body, assisted by Senior Management.

The risk management process and the resulting Report identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks. The generic controls used by the School to minimise risk include:

- detailed terms of reference together with formal agendas for Committee and Board activity;
- comprehensive budgeting and management accounting;
- established organisational structures and lines of reporting;
- formal written policies including clear authorisation and approval levels;
- vetting procedures as required by law for the protection of the vulnerable.

Principal risks and uncertainties

The Trustees consider the ongoing uncertainty in the economic climate due to Brexit to be a cause for concern. Parents are understandably cautious about undertaking long term financial commitments such as independent education for their children. The expansion of the local grammar schools will also provide increasing competition in an already crowded educational marketplace. The School has seen a rise in pupil numbers over the year but is not yet at capacity. The Trustees consider the ongoing recruitment and retention of pupils to be a principal risk. The strategies to mitigate this risk include:

- marketing the availability of places and excellent academic results to the local market
- reinvesting in facilities and equipment
- recruiting and retaining high quality staff
- continuing to offer an outstanding all-round education

Whilst a one year fee freeze was agreed in September 2016, the Trustee Board decided to restructure fees in September 2017 as detailed above. The School also increased pay scales in line with the Government Teachers' Recommended pay rise.

Health and Safety is always a significant area for risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions). The level and breadth of activity at the Schools is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment. Examples of preventive maintenance undertaken this year include renovation of the Astroturf, resurfacing of tennis courts and replacement of stairs and ramp access to the Design Technology department at the Senior School.

A Health and Safety audit was conducted by Gloucestershire County Council during the year which found the Schools to have robust policies and practices. Further, a compliance inspection was conducted by the Independent Schools Inspectorate in February 2017 in the Preparatory School. The inspection had no recommendations, meaning that the School was fully compliant with statutory regulations.

All St Edward's staff, including teachers, support staff, volunteers, contractors and trustees undergo rigorous pre-employment checks. A comprehensive review of the Single Central Register (electronic and paper records of these checks) was conducted during the year. The Register continues to be updated as new regulatory requirements are introduced.

A high-level assessment has been made to assess the Trust's readiness for GDPR (General Data Protection Regulation). Areas for improvement have been identified and work will be completed prior to March 2018.

Independent Inquiry into Child Sexual Abuse – the School is following the work of this important long-term inquiry. We have conducted a thorough review of our school records, including contacting former senior members of staff and we are not aware of any allegations of abuse against any current or former members of staff. Safeguarding of children is of paramount importance and all staff and trustees receive regular training and updates on safeguarding matters. The School's suite of safeguarding policies is reviewed annually and regular visits to check compliance are conducted by Trustees.

There was a theft of lead from the roof of the Preparatory School in July 2017. Due to the swift and courageous action of the Headmaster and his family, those responsible were immediately apprehended by the Police. The roof was repaired and a review of school premises security was undertaken, with new measures put in place to deter further incursions.

The Trustee Body is satisfied that for all major risks identified, appropriate controls have been put in place and maintained to mitigate those risks adequately. It is recognised that systems can provide only reasonable but not absolute assurance that major risks have been managed.

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.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Trustees of St Edwards School Cheltenham Trust on 4 December 2017 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

Dr Susan Honeywill
Chair of the Trustees
18/01/18

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 AUGUST 2017

We have audited the financial statements of St Edward's School Cheltenham Trust for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

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

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion based on the work undertaken in the course of our audit the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.
We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

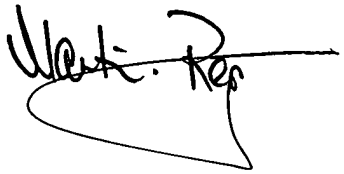
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for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

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 5, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Martin Regan
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
Carrick House
Lypiatt Road
Cheltenham
GL50 2QJ
Date: 6 March 2018

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted funds 2017 £'000	Restricted funds 2017 £'000	Endowment funds 2017 £'000	Total funds 2017 £'000	*Total funds 2016 £'000*
INCOME FROM:						
Charitable activities						
School fees	2	**6,070**	-	-	**6,070**	*6,153*
Ancillary trading income	3	**394**	-	-	**394**	*402*
Investments		**-**	-	-	**-**	*2*
Other trading activities	3	**58**	-	-	**58**	*77*
Total		**6,522**	-	-	**6,522**	*6,634*
EXPENDITURE ON:						
Charitable activities						
Education and grant making	5	**6,869**	-	-	**6,869**	*6,929*
Total		**6,869**	-	-	**6,869**	*6,929*
Net expenditure		**(347)**	-	-	**(347)**	*(295)*
NET MOVEMENT IN FUNDS		**(347)**	-	-	**(347)**	*(295)*
RECONCILIATION OF FUNDS:						
Fund balances at 1 September 2016		*4,372*	*1*	*10*	*4,383*	*4,678*
Fund balances at 31 August 2017	11	**4,025**	**1**	**10**	**4,036**	*4,383*

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 22 to 32 form part of these financial statements.

COMPANY REGISTRATION NUMBER: 01961978
BALANCE SHEET
AS AT 31 AUGUST 2017

	Notes	2017 £'000	£'000	2016 £'000
FIXED ASSETS				
Tangible assets	6		**4,057**	*4,082*
CURRENT ASSETS				
Debtors	7	**321**		*177*
Cash at bank and in hand	8	**832**		*1,017*
		1,153		*1,194*
CREDITORS – amounts falling due within one year	9	**(1,121)**		*(893)*
NET CURRENT ASSETS			**32**	*301*
TOTAL ASSETS LESS CURRENT LIABILITIES			**4,089**	*4,383*
CREDITORS – amounts falling due after more than one year	10		**(53)**	
TOTAL NET ASSETS	11		**4,036**	*4,383*
FUNDS				
Endowed funds	12		**10**	*10*
Restricted funds	13		**1**	*1*
Unrestricted funds	14		**4,025**	*4,372*
TOTAL FUNDS	11		**4,036**	*4,383*

Approved and authorised for issue by the Trustees on 18/01/18 and signed on its behalf by:

Dr Susan Honeywill
Chair of the Trustees

The notes on pages 22 to 32 form part of these financial statements.

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2017

	2017		2016
	£'000	£'000	£'000
Cash flows from operating activities:			
Net expenditure for the year	(347)		(295)
Adjustments for:			
Interest received	-		(2)
Depreciation charges	212		234
(Increase)/decrease in debtors	(144)		141
Increase/(decrease) in creditors	231		(1)
Net cash (used in)/provided by operating activities		(48)	77
Cash flows from investing activities			
Interest received	-		2
Purchase of fixed assets	(187)		(22)
Net cash used in investing activities		(187)	(20)
Cash flows from financing activities			
Movement on hire purchase leases	50		-
Net cash generated from financing activities		50	-
Change in cash and cash equivalents in the year		(185)	57
Cash and cash equivalents at the beginning of the year		1,017	960
Cash and cash equivalents at the end of the year		832	1,017

The notes on pages 22 to 32 form part of this cash flow statement.

1. STATEMENT OF ACCOUNTING POLICIES

a) Charity information

St Edward's School Cheltenham Trust is a registered charity with the Charities Commission England and Wales (charity number: 293360) and was incorporated as a company limited by guarantee (company number: 01961978). The address of its registered office is Cirencester Road, Charlton Kings, Cheltenham, GL53 8EY.

b) Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

St Edward's School Cheltenham Trust meets the definition of a public benefit entity under FRS 102.

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.

All other income is included in the Statement of Financial Activities when the School has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

d) 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.

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

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

e) 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:

1. ACCOUNTING POLICIES (continued)

e) Tangible Fixed Assets (continued)

Freehold buildings	2% straight line or the expected remaining life of the building
Furniture, fixtures and fittings	10% - 20% straight line
Motor vehicles	20% 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.

f) **Debtors**
Short term debtors are initially measured at transaction price, less any impairment.

g) **Cash**
Cash is represented by cash in hand and deposits with financial institutions.

h) **Creditors**
Short term creditors are initially measured at the transaction price.

i) **Financial instruments**
The School only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

j) **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.

k) **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.

l) **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.

m) **Recognition of Liabilities**
Liabilities are recognised once there is a legal or constructive obligation that commits the School to the obligation.

n) **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.

1. ACCOUNTING POLICIES (continued)

o) 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 FRS 102 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.

p) 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.

q) Deposits

The Governors have reviewed the contract terms under which pupil fee deposits are held by the School. Although under normal circumstances these will be repaid in future years when the pupils complete their education at the school, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of deposits held at 31 August 2017 has been included within current liabilities. The prior year pupil fee deposits balance has been similarly represented.

r) Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The items in the financial statements where these estimates and judgements have been made include the following:

Useful economic lives of tangible assets

The annual depreciation charges for the tangible assets are sensitive to changes in the estimate useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 6 for the carrying amount of the tangible assets and note 1e for the useful lives for each class of asset.

Impairment of debtors

The School makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 7 for the net carrying amount of the debtors and associated impairment provision.

2. FEES RECEIVABLE

Income represents gross School fees invoiced less discounts and allowances.

	2017	*2016*
	£'000	*£'000*
Gross School fees	**7,473**	*7,494*
Less: total scholarships, bursaries, grants and allowances:	**(1,403)**	*(1,341)*
	6,070	*6,153*

3. OTHER INCOME

	2017 £'000	*2016 £'000*
Ancillary trading income		
Sale of meals	**88**	*102*
School trips	**179**	*200*
Application fees	**19**	*11*
Special needs fees	**40**	*32*
Examination fees	**42**	*43*
Fee deposits	**17**	*8*
Bus income	**8**	*5*
Other fees as extras	**1**	*1*
	394	*402*
Non ancillary trading income		
Direct Debit surcharge	**-**	*6*
Hire of buildings and grounds	**58**	*71*
	58	*77*

4. STAFF COSTS

	2017 £'000	*2016 £'000*
Wages and salaries	**3,730**	*3,854*
Social security costs	**354**	*323*
Teachers' pension contributions	**399**	*414*
Non-teachers' pension contributions	**39**	*46*
	4,522	*4,637*

The average monthly headcount of employees during the year was made up as follows:

	No.	*No.*
Scholastic	**89**	*89*
Administration	**67**	*67*
	156	*156*

The number of employees paid in excess of £60,000 during the year were as follows:

	No.	*No.*
£60,001 - £70,000	**1**	*-*
£70,001 - £80,000	**-**	*1*
£80,001 - £90,000	**1**	*-*
£110,001 - £120,000	**1**	*-*
£140,001 - £150,000	**-**	*1*

The figures above represent salary paid to employees and benefit in kind liabilities due to the providing of accommodation by the Trust. An adjustment due to benefit in kind liability for one member of staff was made during the prior year. Contributions to the Teachers' Pension Scheme were made for the benefit of three *(2016: two)* higher paid employees. Payments made in the year for these members of staff into the Teachers' Pension Scheme totalled £31k *(2016: £24k)*.

4. STAFF COSTS (continued)

The remuneration of the Senior Management Team for the School was:

	2017	*2016*
	£'000	*£'000*
Senior Management Team Remuneration	591	*624*

See page 4 of the Trustees' Annual Report for further details on this.

The Trustees received no remuneration in either year. Expenses totalling £1k *(2016: £2k)* were reimbursed for expenditure such as travel, subsistence, stationery and subscriptions for all of the Trustees *(2016 - all)*.

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs	Other	Depreciation	Total	*2016*
	£'000	£'000	£'000	£'000	*£'000*
Charitable activities:					
Education	3,921	530	22	4,473	*4,640*
Welfare	19	359	-	378	*394*
Premises	229	840	190	1,259	*1,071*
Support costs	353	406	-	759	*824*
Total	4,522	2,135	212	6,869	*6,929*

Charitable activities expenditure includes		2017	*2016*
		£'000	*£'000*
Depreciation		212	*234*
Operating leases	- plant and machinery	18	*22*
	- land and buildings	175	*95*

Governance costs (included within support costs) comprise	2017	*2016*
	£'000	*£'000*
Auditor's remuneration – audit services	10	*10*
Auditor's remuneration – non-audit services	3	*3*
Staff costs	-	*15*
Other costs	2	*2*
	15	*30*

6. TANGIBLE FIXED ASSETS

	Balance at 1/09/2016 £'000	Additions £'000	Disposals £'000	Balance at 31/08/2017 £'000
Cost:				
Freehold land and buildings	*7,158*	48	-	7,206
Furniture, fixtures and fittings	*65*	-	-	65
Motor vehicles	*151*	105	-	256
Plant and equipment	*741*	34	-	775
	8,115	187	-	8,302

	Balance at 1/09/2016 £'000	Provision for year £'000	Disposals £'000	Balance at 31/08/2017 £'000
Depreciation:				
Freehold land and buildings	*3,195*	143	-	3,338
Furniture, fixtures and fittings	*65*	-	-	65
Motor vehicles	*106*	31	-	137
Plant and equipment	*667*	38	-	705
	4,033	212	-	4,245
Net book value	*4,082*			4,057

7. DEBTORS

	2017 £'000	*2016 £'000*
Net School fee debtors	147	*64*
Prepayments and accrued income	140	*66*
Other debtors	34	*47*
	321	*177*

Trade debtors are stated after impairment provisions totalling £279k *(2016: £279k).*

8. CASH AT BANK AND IN HAND

	2017 £'000	*2016 £'000*
Current account	**803**	*969*
Fees account	**10**	*31*
Second-hand uniform accounts	**13**	*11*
Alumni account	**5**	*5*
Petty cash	**1**	*1*
	832	*1,017*

9. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £'000	*2016 £'000*
Trade creditors	**139**	*42*
Fees received in advance	**583**	*583*
Other creditors	**60**	*40*
Pension creditor	**1**	*6*
Advance fee deposits	**207**	*162*
Hire purchase lease	**13**	-
Accruals	**118**	*60*
	1,121	*893*

Fees received in advance represent payment for School fees relating to terms within the 2017/18 financial year.

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

	2017 £'000	*2016 £'000*
Fees received in advance	**16**	-
Hire purchase lease	**37**	-
	53	-

Fees received in advance represent payment for School fees relating to terms within the 2018/19 financial year.

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**
Restricted Funds	-	**1**	-	**1**
Unrestricted Funds	**4,057**	**21**	**(53)**	**4,025**
	4,057	**32**	**(53)**	**4,036**

a) COMPARATIVE NET ASSETS BETWEEN FUNDS 2016

	Fixed Assets £'000	Net Current Assets £'000	Long term Liabilities £'000	Total £'000
Endowed Funds	-	*10*	-	*10*
Restricted Funds	-	*1*	-	*1*
Unrestricted Funds	*4,082*	*423*	*(133)*	*4,372*
	4,082	*434*	*(133)*	*4,383*

12. PERMANENT ENDOWED FUNDS

	Balance 1/09/2016 £'000	Incoming Resources £'000	Resources Expended £'000	Balance 31/08/2017 £'000
Edward Maguire Fund	*10*	-	-	**10**

a) COMPARATIVE PERMANENT ENDOWED FUNDS 2016

	Balance 1/09/2015 £'000	Incoming Resources £'000	Resources Expended £'000	Balance 31/08/2016 £'000
Edward Maguire Fund	*10*	-	-	*10*

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. RESTRICTED FUNDS

	Balance 1/09/2016 £'000	Incoming Resources £'000	Resources Expended £'000	Balance 31/08/2017 £'000
PTA donation	*1*	-	-	**1**

a) COMPARATIVE RESTRICTED FUNDS 2016

	Balance 1/09/2015 £'000	Incoming Resources £'000	Resources Expended £'000	Balance 31/08/2016 £'000
PTA donation	*1*	-	-	*1*

The restricted fund is a donation from the PTA towards the upgrade of the infant school playground.

14. UNRESTRICTED FUNDS

	Balance 1/09/2016 £'000	**Incoming Resources £'000**	**Resources Expended £'000**	**Balance 31/08/2017 £'000**
Designated	*273*	**33**	**(10)**	**296**
General reserve	*4,099*	**6,489**	**(6,859)**	**3,729**
	4,372	**6,522**	**(6,869)**	**4,025**

a) COMPARATIVE UNRESTRICTED FUNDS 2016

	Balance 1/09/2015 £'000	**Incoming Resources £'000**	**Resources Expended £'000**	**Balance 31/08/2016 £'000**
Designated	*252*	*33*	*(12)*	*273*
General reserve	*4,415*	*6,601*	*(6,917)*	*4,099*
	4,667	*6,634*	*(6,929)*	*4,372*

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 will be recognised upon the completion of any work to the swimming pool and fitness area which fully satisfy the above conditions of the designated fund.

15. FINANCIAL COMMITMENTS

At 31 August the School had future minimum lease payments under non-cancellable operating leases as follows:

	Plant and Equipment		**Land and Buildings**	
	2017 £'000	*2016 £'000*	**2017 £'000**	*2016 £'000*
Within one year	**11**	*18*	**135**	*95*
In two to five years	**15**	*16*	**405**	*285*
In over five years	**-**	*-*	**4,050**	*2,850*
	26	*34*	**4,590**	*3,230*

16. CAPITAL COMMITMENTS

At 31 August the School had capital commitments as follows:

	2017 £'000	*2016 £'000*
Contracted for but not provided in these financial statements	**-**	*-*

17. PENSIONS

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £546k (*2016: £414k*) and at the year-end £nil (*2016: £nil*) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pension Scheme Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The latest actuarial valuation of the TPS was prepared as at 31 March 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

This employer rate will be payable until the outcome of the next actuarial valuation, which is due to be prepared as at 31 March 2016 and completed in 2018, with any resulting changes to the employer rate expected to take effect from 1 April 2019. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

Other schemes established by the School are based on the defined contributions payable to the funds and amounted to £253k (*2016: £46k*). Contributions totalling £1k (*2016: £6k*) were payable to the funds at the year end and included in creditors.

18. FINANCIAL INSTRUMENTS

	2017	*2016*
	£	*£*
Financial assets		
Financial assets that are debt instruments measured at amortised cost	1,079	*1,128*
Financial liabilities		
Financial liabilities measured at amortised cost	(574)	*(304)*

Financial assets measured at amortised cost comprise of cash, trade debtors, accrued income and other debtors.

Financial liabilities measured at amortised cost comprise of deposits, trade creditors, other creditors, finance leases and accruals.

19. RELATED PARTY TRANSACTIONS

There have been no related party transactions during the current or prior period that require disclosure.

20. COMPARATIVE SOFA 2016

	Unrestricted funds 2016 £'000	*Restricted funds 2016 £'000*	*Endowment funds 2016 £'000*	*Total funds 2016 £'000*	*Total funds 2015 £'000*
INCOME FROM:					
Charitable activities					
School fees	*6,153*	-	-	*6,153*	*6,624*
Ancillary trading income	*402*	-	-	*402*	*455*
Investments	*2*	-	-	*2*	*3*
Other trading activities	*77*	-	-	*77*	*54*
Donations	-	-	-	-	*1*
Total	*6,634*	-	-	*6,634*	*7,137*
EXPENDITURE ON:					
Charitable activities					
Education and grant making	*6,929*	-	-	*6,929*	*7,171*
Total	*6,929*	-	-	*6,929*	*7,171*
Net expenditure	*(295)*	-	-	*(295)*	*(34)*
NET MOVEMENT IN FUNDS	*(295)*	-	-	*(295)*	*(34)*
RECONCILIATION OF FUNDS:					
Fund balances at 1 September 2015	*4,667*	*1*	*10*	*4,678*	*4,712*
Fund balances at 31 August 2016	*4,372*	*1*	*10*	*4,383*	*4,678*