



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

In pursuit of educational excellence for all

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the Year ended 31 August 2022

Registered Charity No. 529051

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Chair's statement

After two years of disruption caused by Covid-19, the 2021/22 academic and financial year was characterised by changed but much more familiar school and working environments. Caution and care with respect to health-related issues remained more salient, but classrooms, laboratories, offices and playgrounds all had a greater degree of normality with pupils and staff adjusting again to working more closely together. Normality for GCSE, A-level and BTECH students meant being assessed by formal examinations rather than the teacher-assessed grades of the previous two years; for our 18-year-olds, it was their first formal exam as their GCSE grades had been teacher assessed. Despite their lack of experience of formal exams, results across the Foundation's schools were very positive and pupils and staff are to be congratulated on their achievements.

Normality for the Foundation means we continue to change and develop, in our governance, management, the number of schools and increasing collaboration and integration.

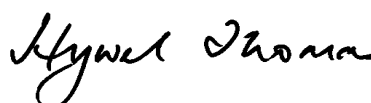
Work on streamlining our governance bore fruit in the summer of 2022 with approval from the DfE on a model allowing the Foundation Charity and the Academy Trust to work together more closely. We have slimmed the membership of the Boards and their 15 members meet as an advisory group to discuss the issues common to both entities, leading to a set of agreed recommendations; each Board then make their own determination on these recommendations. The Chairs of our school governing bodies also now meet termly, strengthening the dialogue between the Foundation and the schools.

Management structures have been strengthened with the appointment of a Director of Education, a critical role in 'making Birmingham the best place to be educated in the United Kingdom'; dividing the roles of Finance and Operations allows a clearer focus on each of those areas; and a Governance Department recognises its breadth and significance.

As 2021/22 year ended, we welcomed Lordswood Girls School joining the Foundation and Academy Trust on 1st September 2022, becoming our thirteenth school. With almost 800 girls on roll in the 11-16 school and a mixed sixth form of 222 students, King Edward VI Lordswood School for Girls strengthens our range of comprehensive schools and further adds to the scope for inter-school collaboration, which continues to develop under the leadership of our Foundation Heads and Julie Waddington, our Director of Education. It was a year with a significant farewell, as Linda Johnson retired as Head of King Edward VI Camp Hill School for Girls, her outstanding tenure as Head ending with the flourish of the school being graded 'Outstanding' after an Ofsted inspection, an achievement matched at King Edward VI Aston School and King Edward VI Handsworth Grammar School for Boys.

Alongside greater collaborative work, we are integrating our systems with key developments in digital integration and procurement. The reliance on IT systems during the pandemic highlighted their potential but also the limitations when schools are using different systems and platforms. After lengthy analysis and consultation, Microsoft is to become our common platform and three schools have agreed to pilot the change. What is also apparent is the need for greater investment in IT systems and its costs emphasise the value of finding efficiency savings where possible. We anticipate that our use of central procurement is likely to become more important in achieving such savings.

All our schools benefit from the annual income generated from the Foundation's endowment, contributing to school overheads and funding assisted places at King Edward's School and King Edward VI High School for Girls. Sustaining the endowment in the current climate in the stock markets and in an uncertain property market relies on advice from our professional advisers and on the scrutiny and challenge they receive from the members of our Investment Committee. As I attend those meetings, I am impressed by the knowledge, wisdom and time its members bring to their role and the challenge they provide our advisers. They are a microcosm of our broader number of governors and trustees, upon whom our Foundation, its pupils and its staff rely for making good decisions for its long-term benefit and welfare.



Prof. H Thomas
Chair

Mission, Principles and Objectives

Charitable Objects

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

Mission

The Foundation's overarching mission is to make Birmingham the best place to be educated in the UK.

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

Strategy

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

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

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

Objectives

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

Strategic Objective 1 (SO1): Learning with us

SO1.1 Academic Outcomes and Progress

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

SO1.2 Access and Impact

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

SO1.3 Pathways in Birmingham and Beyond

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

SO1.4 Well-being, Character and Learning Skills

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

SO1.5 Curriculum and Resources

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

SO1.6 Foundation Identity

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

Mission, Principles and Objectives *(continued)*

Strategic Objective 2 (SO2): Working with us

SO2.1 Collaborative Working and Learning

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

SO2.2 Innovation, Research and Performance

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

SO2.3 Modern Strategy for People

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

SO2.4 Equality, Diversity and Inclusion

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

SO2.5 Efficient Systems and Data Analytics

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

SO2.6 Work Environment, Resources and Sustainability

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

Strategic Objective 3 (SO3): Partnering with us

SO3.1 Growth and Reputation

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

SO3.2 Educational Partners

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

SO3.3 Civic and Corporate Partners

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

SO3.4 Fund-raising and Support

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

SO3.5 Excellence in Governance and Compliance

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

SO3.6 Heritage

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

Mission, Principles and Objectives *(continued)*

Activities undertaken to deliver Objectives and Public Benefit

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

The Governors recognise their responsibilities as charity trustees. In 2021/22, the principal activities carried out to further the charitable purposes of the Foundation for the public benefit and to meet the objectives set out above include:

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

Governors' report

Reference and Administrative Information

The Governors of the Schools of King Edward VI in Birmingham is a corporate body established by Royal Charter in 1552 and is regulated by the Birmingham (King Edward the Sixth) Schools Act 1900 together with subsequent Schemes of the Board of Education and Charity Commissioners. The Schools of King Edward VI in Birmingham is a registered charity, number 529051. It is VAT registered, number 487399769.

Registered Office and
Principal Address of Charity:

Foundation Office
Edgbaston Park Road
BIRMINGHAM
B15 2UD

The Foundation is comprised of:

Independent Schools

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

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

Academies

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

On 1st September 2022 King Edward VI Lordwood School for Girls joined King Edward VI Academy Trust Birmingham and the Foundation.

Governors' report

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

Membership of Committees						
	Joint Strategy Committee	Independent Schools' Governing Body	Finance & Investment Committee	Nominations Committee	Audit Committee	Remuneration Committee
Co-opted Governors						
Professor H Thomas BA, Med, PhD (Chair)	*	*	*	*		*
Mr G Chahal BSc, PGDipPharm			*			
Mr T Clarke MA - resigned Dec 21	*	*	*	*		*
Mrs G Ball OBE, FCCA - resigned Sept 22	*	*		*	*	*
Mr F Kinkhabwala					*	
Mr G Marsh MBE, TD, DL, FICE	*	*	*	*		*
Mr B J Matthews BSc, FCA	*		*			
Dr N Shastri-Hurst BMedSci, BMBS, MRCS - resigned Sept 22						
Mr Jonathan Crawford			*			
Mr P Burns BA - term expired Jan 22		*				
Mr D J Wheeldon BA, MSc, Ad Dip Ed Man, FRSA (Bailiff)	*			*		
Professor B Lenon CBE, MA		*				
Ms Lucy Williams - appointed Jan 22	*	*		*		*
Nominated Governors						
Ms E Conway BA, FCA (Deputy Chair) <i>(University of Birmingham)</i>	*			*	*	*
Councillor R Alden - resigned Sept 22 <i>(Birmingham City Council)</i>						
Mr I Metcalfe <i>(Chamber of Commerce & Industry)</i>		*	*			
Mrs C Hosty - resigned Sept 22 <i>(Independent Schools' Teachers)</i>		*				
Mr S Roberts BSc, FCA, FCIS (Deputy Bailiff) <i>(Grammar Schools' Parents)</i>	*	*	*	*	*	

Co-opted Governors are appointed by the Board and serve for a term of five years. Nominated Governors are appointed by the organisation indicated in italics and serve for a term of five years.

In addition to the above, the Independent Schools' Governing Body has appointed several Non-Board Governors who are not Trustees of the Foundation. They are – Professor S West FRHists, FRSA, FHEA; Dr G Brodie PhD, FCA, CTA, SFHEA; Mrs G Sehdev LLB MBA; Mrs A Smith LLB, ACA, Mr O Choudhury BA, ACA and Lucy Williams BA, MSc.

Governors' report

Officers and Advisers

Chief Executive Officer:	Mr Jodh Dhesi
Director of Operations:	Mr Thomas Rowland
Director of Finance	Mr Greg Langston from August 2022 The Schools of King Edward VI in Birmingham Foundation Office Edgbaston Park Road BIRMINGHAM B15 2UD
Banker:	Lloyds Bank plc PO Box 908 125 Colmore Row BIRMINGHAM B3 2SD
Legal Advisor:	Veale Wasbrough Vizards LLP 3 Brindley Place BIRMINGHAM B1 2JB
Auditors:	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
Property Advisor:	Avison Young 3 Brindley Place BIRMINGHAM B1 2JB
Investment Manager:	Barclays Wealth 1 Churchill Place London E14 5HP
Website:	www.schoolsofkingedwardvi.co.uk

Key Management Personnel

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

Governors’ report

Structure, Governance and Management

Organisation

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

Prof H Thomas was the Chair of the Board and Ms E Conway was the Deputy Chair of the Board until 31 August 2022. In the current year that remains unchanged.

Mr D Wheeldon held office as Bailiff and Mrs S Roberts Deputy Bailiff for the year to 31 August 2022. In the current year this remains unchanged.

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

The **Joint Strategy Committee** (JSC) considers matters of general policy concerning the Foundation and Academy Trust, including educational policy. This Committee is responsible for recommending to the Board the allocation and distribution of the Foundation’s resources. The Foundation also has a Foundation Education Group (FEG) comprised of the Heads of the Independent Schools and Academies under the Chairship of Dr K Ricks (Headmaster of the Foundation). The Group advises and submits recommendations to JSC on matters of educational policy.

The **Independent Schools’ Governing Body** (ISGB) deals with matters relating to the two Independent Schools, known as King Edward’s School (KES) and King Edward VI High School for Girls (KEHS). The ISGB has a number of sub-committees which report into it, including those relating to Buildings, Finance, Risk and Compliance.

The **Finance and Investment Committee** deals with matters relating to the finances of the Foundation including budgets, pensions and investments (including stocks and shares, investment property, lands, and hereditaments of the Foundation).

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

The **Audit Committee** deals with financial reporting, internal control, risk management and internal and external audit.

The **Remuneration Committee** reviews Foundation Senior Leadership Team performance and remuneration.

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

Committee	Chair	Deputy Chair
Joint Strategy Committee	Prof H Thomas	Mrs S Roberts
Independent Schools’ Governing Body	Mr T Clarke until Dec 21 then Ms L Williams	Mrs G Ball
Finance & Investment Committee	Mr G Marsh	Mr B J Matthews
Nominations Committee	Prof H Thomas	Ms E Conway
Audit Committee	Mrs G Ball	Ms E Conway
Remuneration Committee	Ms E Conway	Mr G Marsh

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

Procedure for Recruitment, Induction and Training of Trustees

The Foundation Board comprises eleven Governors appointed by the Foundation (the maximum is 12) and five Governors nominated by the following external bodies: University of Birmingham (1), Aston University (1), University of Oxford (1), Birmingham City Council (1), Greater Birmingham Chambers of Commerce (1), Grammar Schools’ Parents (1), Grammar Schools’ Teachers (1), Independent Schools’ Parents (1), Independent Schools’ Teachers (1). (There are currently six vacancies to be filled making eleven external nominees in total). Regard is given to the skills mix of the Governors to ensure that the Foundation Board has all the necessary skills required to contribute to the objects of the Charity. The Nominations Committee oversees recruitment.

The term of office for any Governor is five years. Subject to remaining eligible to be a particular type of Governor, any Governor may be reappointed or re-elected. The Governors who were in office at the date of approval of the accounts and served throughout the period, except where shown, are listed on page 5. During the period under review the Foundation Board held 6 meetings.

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

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

Governors' report

Foundation Office

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

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

Arrangements for setting pay and remuneration of Key Management Personnel

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

Grants

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

Fundraising

The Foundation in its own right does not carry out fundraising activities. As stated in note 18 the cost of fundraising activities is charged to the School's Fund but the activities are carried out on behalf of King Edward's School Birmingham Trust (the KES Trust, RCN 1129776) and The King Edward VI High School for Girls Birmingham Trust (the KEHS Trust, RCN 1159413). The KES Trust and The KEHS Trust exist separately to the Foundation and to support the advancement of education at each school, and particularly to raise funds actively for Assisted Places to widen access to the Schools for all those with the talent to make the most of a King Edward's education.

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

Around 73% of the support to Pupils is funded by the Foundation, with the balance coming from the King Edward VI Birmingham Trusts.

A further 220 pupils received scholarships, 7 pupils received a sibling discount (for being the third child) and 29 pupils benefited from the staff concession scheme; the cost of which was £1,215,839 to the schools.

Therefore, the full benefit provided by the Governors' means-tested Assisted Places, hardship payments, scholarships, sibling discounts and staff concession for both schools, as shown in Note 3, for the year was £3,440,005 representing 16% of gross fees. Further information on fees assistance is provided by each school in their respective reports. In comparison with other independent schools (both locally and nationally), fees are relatively low.

Further details of the activities and educational achievements of the schools can be found on pages 16 to 20.

Assisted Places (AP) – means-tested bursaries

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

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

Independent Schools	2022	2021
Number of AP holders	232	269
Number of pupils in receipt of assistance	227	263
As a % of total pupils at the Schools	15%	18%
% of AP pupils receiving an AP covering 90% of the fees	71%	68%
Pupils receiving a 90% or over AP	161	180
Pupils receiving a 100% AP	116	127
Annual cost of AP/Benefit to Parent	£3.4m	£3.2m
Annual cost to the Schools (Note 3)	£2.2m	£2.4m
Grant to the Schools from the Foundation	£2.3m	£2.7m
Contribution from King Edward VI Birmingham Trust	£509,520	£565,886
Contribution from King Edward 's High School for Girls Trust	£309,981	£256,422

"Opening Doors" for bright, disadvantaged children

The Foundation has invested in a targeted online familiarisation programme which provides educational resources for disadvantaged primary school children who have registered to sit the entrance test for our grammar schools. This includes introductory videos which explain how the entrance test works, quizzes for students to practice and develop their knowledge ahead of sitting the entrance test and interviews with some of our grammar school pupils to give prospective applicants useful information about what life at our grammar schools is really like and to showcase the wide range of enrichment activities on offer.

Our six grammar schools have also continued to offer outreach and enrichment opportunities for primary schools across the city as we continue to develop our positive relationships with the primary school sector.

Governors' report

Financial Review

Financial Results

After two years of disruption caused by Covid-19, the 2021/22 academic and financial year was characterised by changed but much more familiar school and working environments. Caution and care with respect to health-related issues remained more salient, but classrooms, laboratories, offices and playgrounds all had a greater degree of normality with pupils and staff adjusting again to working more closely together.

Statement of Financial Activities (SoFA) Summary

	2022 £m	2021 £m	Variance £m
Total Income	24.6	22.0	2.7
Total Expenditure	(27.3)	(26.6)	(0.7)
Net Inc/Exp	(2.6)	(4.6)	2.0
Net (losses)/gains on Investments	(7.1)	13.9	(21.0)
Net gains on Investment Properties	3.3	6.9	(3.7)
Gains on defined benefit scheme	3.4	0.0	3.4
Net Movement in Funds	(3.0)	16.2	(19.3)

The Foundation had funds at 31 August 2022 of £176,241,361 (2021: £179,289,851) representing an 2% decrease of £3,048,490. The funds comprise £5,669,962 (2021: £3,595,920) of Unrestricted Funds, a Permanent and Expendable Endowment Fund of £10,389,574 (2021: £10,732,467), Restricted Funds of £2,207,847 (2021: £2,421,842) and the Fund – Capital of £157,973,979 (2021: £162,539,622).

The total net income (before transfers) and other recognised gains and losses of all funds of the Foundation amounted to a deficit of £3,048,490 (2021 £16,222,614).

Overall, total income across all Funds increased by £2,674,238 to £24,631,954. Total expenditure increased during the year by £716,712 to £27,270,728. Net loss on the listed investment portfolio was £7,107,903 in 2022; net gain of £13,937,314 in 2021. Net gain on the investment property portfolio was £3,251,184 in 2022 and £6,912,601 in 2021.

Independent Schools' Fund – School fee income (net of assisted places and scholarships) increased by £1,577,043 (9.2%) and is in line with our plans.

Income in the **Fund - Income** rose by 8% to £3,935,190 during the year with slight increase in rental income.

The Endowment Fund - Capital received the proceeds from the sale of freehold properties owned by the Foundation and realised a loss of £169,715. Following the valuation there was an unrealised net gain of £3,420,899 from the investment property portfolio. This was offset by losses in the listed investment portfolio which amounted to £6,686,402.

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

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

	2022 £	2021 £
Balance at 1 September	162,539,622	146,731,948
(Loss)/gain on investments	3,420,899	13,252,329
(Loss)/Gain on properties	(6,686,402)	2,269,159
Expenditure (investment costs and depreciation)	(920,890)	(897,720)
Transfers from Other Funds:		
- Transfer to Endowment Income Funds	-	(3,250,000)
- Amortisation of Sale of Interest in land	(209,536)	(209,536)
- (Loss)/gain on sale of Investment Properties	(169,715)	4,643,442
Balance at 31 August	157,973,979	162,539,622

Pensions

The teaching staff of the Independent Schools are eligible to join the Teachers' Pension Scheme (TPS) to which the Governors contributed 23.68% of salaries. This is an unfunded scheme open to the teaching profession. It is not managed by the Governors.

Non-teaching staff of the Independent Schools and the Foundation Office have previously been eligible to join a pension scheme operated by the Governors. This is known as the Schools of King Edward VI in Birmingham Retirement Benefits Scheme (the Defined Benefit Scheme). As detailed in Note 21 to the accounts, this Defined Benefit Scheme was closed to new members from April 2010, and a new defined contribution scheme became operational.

The last triennial actuarial valuation of the DB Scheme liability was as at 31 March 2021 and has been considered by Governors. Since 2012 Governors have made additional contributions as part of a pension recovery plan in 2018/19. During 2021/22 this amounted to £395,870 (2020/21: £378,240)

Governors received the FRS 102 pension report on the Governors' Defined Benefit Pension Scheme which showed a reduction in the pension liability from £6,384,000 to £2,773,000. This reduction is largely driven by a reduction in the value of scheme liabilities due to increases in corporate bond yields over the period, which is partially offset by an increase in long term inflation expectations.

Governors' report

Charity Governance Code

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

Principle 1. Advancing charitable purpose – The Board is clear about the Charity's aims and ensures that these are being delivered effectively and sustainably. This was enhanced in 2021 by the creation of a new Foundation Strategy. During the 2021/22 financial year, a series of key performance indicators were developed to drive and monitor progress against the strategic priorities and objectives set out in the Foundation Strategy. The Board receives regular progress reports in relation to these objectives.

Principle 2. Acting with integrity – The Board acts with integrity, adopting values and creating a culture which help achieve the organisation's charitable purposes. The Board is aware of the importance of the public's confidence and trust in charities, and trustees undertake their duties accordingly. The Board ensures that appropriate risk management processes are in place, ensures that appropriate safeguarding training and procedures are in place, is cognisant of the Foundation's Equality, Diversity and Inclusion policy and is working with the senior executive team to develop an action plan for delivering the Foundation's sustainability strategy.

Principle 3. Leading people – The Charity is led by an effective Board that provides strategic leadership in line with the Charity's aims and values. This will be further enhanced by a revised set of governance arrangements which the Charity has introduced in September 2022. The Foundation Strategy clearly sets out a range of strategic priorities and objectives that are in line with the Charity's aims and values and against which the Board can hold the senior executive team to account.

Principle 4. Exercising control – The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored. This is further enhanced by work from our third-party internal audit provider. The Board describes the Charity's approach to risk in its annual report and in line with regulatory requirements. The Board and all its committees have clear terms of reference which are reviewed and signed off on a periodic basis. The Foundation's Scheme of Financial Delegation clearly sets out the specific resourcing decisions which can be taken at committee level and reported to Board.

Principle 5. Working effectively – The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions. This has been further enhanced by a revised set of governance arrangements which the Charity introduced in September 2022. The Board has a Nominations Committee, regularly considers whether the appropriate mix of knowledge and skills are in place, ensures that Governor induction processes and training and development opportunities are in place and arranges an annual Governor Conference where issues relating to Board effectiveness can be discussed.

Principle 7. Being accountable and transparent – The Board leads the organisation in being transparent and accountable. The Charity is open in its work, unless there is good reason for it not to be. The Foundation has developed a high-level external relations strategy and will be working over the coming months to increase capacity and focus in this area, including the production of a detailed action plan. The Board maintains a register of interests for Governors and senior staff to ensure that any potential conflicts of interest are identified and appropriately managed.

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

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

Risk Management Policy and Systems

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

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

Separate risk registers are maintained for the Foundation and each of the two Independent Schools. Periodically, risk registers are presented to and discussed at Foundation Audit Committee meetings.

During 2021/22, the Foundation used an education sector-focused risk management system called GRC-ONE, which includes a range of pre-populated core risks and associated threats drawn from the legislative and compliance environment that educational providers operate in. These risks and threats have been amended, deleted or added to in order to create a bespoke risk register for the Foundation. The risks and threats each have a nominated owner from the relevant department within the Foundation, and each is assigned a residual (post-mitigation) risk score. The GRC-ONE system includes a wide range of reporting functionality to ensure that staff and Governors can be provided with an appropriate level of information and analysis. During the 2021/22 financial year the Foundation appointed a Risk and Compliance Manager to oversee the new Risk and Compliance team.

Governors' report

Starting with an overhaul of the Foundation's policy management the new team has started a review of our risk methodology with a view of running a pilot in the 2022/23 academic year. Simultaneously the team has further augmented its use of the GRC-ONE system to take advantage of the full range of functionality on offer. This will include increased focus on pre-mitigation risk scores, target risk scores, action, controls and associated timescales.

The Foundation's core risks and associated plans and strategies for managing those risks are as follows:

Core Risk	Description	Plans and strategies for managing the risk
The Foundation's operations are poorly managed or ineffective	Poor management can cause organisations to perform poorly or ultimately fail. Poor leadership results in high turnover of employees and low morale and the cost of recruitment and training becomes prohibitive, which can impact a business's ability to continue operations.	The Foundation has recognised the need to enhance capacity and capability in how its operations are managed. Following the appointment of the new CEO in 2021 a restructure of the Foundation has resulted in greater organisational oversight. New roles and teams have been created to improve the day to day running of the Foundation. Several new systems have been introduced (including risk management, HR and finance) to ensure that the Foundation's operations are as effective as possible, and this roll-out of new systems will continue in future years. All major personnel and systems changes are approved and overseen by Governors to ensure that robust business cases and effective implementation plans are in place to fully realise the stated benefits.
There are insufficient funds to deliver the Foundation's services to the appropriate level	Poor management of finances may lead to the budget being overextended in comparison with revenues or contributions received. Without sufficient business reserves it may not be able to absorb consistent losses, and the organisation can fail.	Several actions have been taken to strengthen the management of the Foundation's finances and build on the established finance policies and procedures already in place. The Foundation Finance function has been restructured and strengthened, with a dedicated full time Director of Finance post being created to ensure a strategic approach. Additional financial and management accounting capacity and capability has also been added in recent years. A project to replace the Foundation's Sage 200 finance system with the PS Financials cloud-based system has now been completed. This provides greater functionality and the ability to generate a multitude of financial reports to assist with financial planning, management and budgetary control. The Finance and Investment and Audit Committees oversee the management of the Foundation's finances, reporting regularly to the Foundation Board to ensure that performance and progress are monitored, and risks identified and managed.
The Foundation fails in its compliance responsibilities	Failure to comply with these compliance requirements can have serious consequences for both organisations and individuals. Sanctions can include letters for improvement, fines, prosecution, imprisonment and disqualification from continuing to transact business or practice.	The Foundation has enhanced its capacity and capabilities to ensure that compliance responsibilities are being met. A Risk and Compliance Manager has been appointed, with this individual also acting as the Foundation's Data Protection Officer. Compliance policies have been reviewed and augmented and are available for FO staff to access. The Foundation Board and its Committees consider and review compliance procedures, issues and risks on a regular basis. In 2022/23 academic year the Risk and Compliance team will be running a risk management pilot with the goal of improving risk oversight through control attestation and risk event monitoring.
The Foundation suffers from a significant or prolonged governance failure	Poor governance can affect the ability of the organisation to achieve its objectives, manage its finances and operations, meet its compliance responsibilities and protect its reputation.	Governors' conferences provide Foundation Governors with a forum to discuss key issues, including reviewing the effectiveness of current governance arrangements. In 2018/19 a Joint Strategy Committee was introduced covering both the Foundation and the Academy Trust. The Foundation is an ongoing member of the National Governance Association, which provides access to best practice, training and thought leadership.
The Foundation fails to adequately protect its reputation	Risk to reputation is caused by a misalignment of values; the organisation failing in some way to meet stakeholder expectations, delivering significantly below expectation. As reputation is a relational concept this failure can manifest itself in a number of different ways.	The GRC-One risk management system provides an important platform for identifying and managing reputational risks. Actions taken to manage and mitigate reputational risks include: <ul style="list-style-type: none"> • The Foundation has recently introduced greater clarity in relation to its overarching mission, principles and objectives. • Robust governance arrangements are in place and are reviewed on an ongoing basis and amended and enhanced when necessary. • Recent investment in personnel and systems has increased capacity and capability, contributing to the overall effectiveness of the Foundation's operations and providing greater alignment between strategic direction and the operational actions required to deliver this strategy. <p>The Foundation also has a Marketing and Communications team who oversee reputational considerations.</p>

Governors' report

Reserves Policy

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

Governors endeavour as a minimum to maintain, in real terms, a constant income in perpetuity and to spend this income upon the charitable objects in the year of receipt or subsequently. This entails holding appropriate reserves. Where the income standards above can be exceeded, Governors balance the desirability and value of immediate expenditure with the alternative of increasing the Endowment Fund and future long-term sustainable income. Where the income standards above cannot be met, Governors will seek to reduce expenditure. They seldom envisage spending the capital endowment fund and will do so only in exceptional circumstances (and in line with the total return approach to managing investments).

In short, the Governor's policy is to generate sufficient income to provide support for the Schools and the Foundation whilst maintaining the real value of the capital endowment fund for the long term. Governors recognise that over the short to medium term, as the Foundation delivers its strategic objectives on widening accessibility and continues to focus on reducing the DB Pension Scheme deficit, additional financial resources will be required.

The Foundation has set a target for annual expenditure to be no more than 3.5% of the value of the endowment with the current level of expenditure hitting this target. The Board has agreed to exceed this over the next few years in order to support the delivery of the Foundation Strategy and the five-year financial forecast shows a positive direction of travel, with the 3.5% target being achieved by the end of the five-year forecasting period.

The Governors calculate that the free reserves available to the Foundation, comprising the Unrestricted Funds and the Endowment Fund – Capital, amount to £163,643,941 (2021: £166,135,542), although in practice the Endowment Fund - Capital is managed as if it is a Permanently Endowed Fund with all spending from the Fund carefully considered. The amount of funding that could be realised by disposing of tangible fixed assets is £28,125,872 (2021: £27,005,374).

It is possible that in the short term, as withdrawals are made from capital, the value of the property and listed investment portfolio will not keep pace with inflation.

Within the total of free reserves is a Designated Fund of £1,032,526 (2021: £915,165). This represents funds that have been set aside in previous accounting periods. Within this balance, only the funds set aside within the Widening Access Fund (£259,083) will be committed over the next year. The timing of when commitments will be required in relation to other elements of the Designated Fund is to be determined.

The amount of funds that are held by the Foundation which are restricted and not available for the general purposes of the charity are those funds held within the Permanent and Expendable Endowment Fund and the Restricted Fund of £12,597,420 (2021: £13,154,309).

Governors' report

Going Concern

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

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

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

Investment Powers and Policy

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

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

The investments have continued to be managed in line with the Governors' policy and instructions. Portfolio performance is measured regularly against a custom benchmark, comprising an appropriate market index selected for each asset class as agreed between the Investment Managers and the Governors. The overall total return performance achieved on the main portfolio for the year to 31 August 2022 was -6.19% (2021: +16.6%) net of fees, against a composite benchmark of -2.10%.

Ethical Investment Policy

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

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

Auditors

Crowe U.K. LLP are the external auditors for the 2021/22 financial year.

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

Future Plans

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

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

Governors' Report

Schools Information: Independent Schools

King Edward's School, Birmingham

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

King Edward's School is a boys' day school having around 880 pupils aged from 11 to 18 in 2021/22. The majority of our pupils join at age 11 and continue through until they are 18 but some join us at 13 and into the Sixth Form.

The school has a longstanding tradition of ensuring that a King Edward's education is open to all boys of ability, whatever their family or financial situation and therefore offer means tested assisted places based on family income and assets.

We are committed to an academically ambitious curriculum, alongside an imaginative and wide-ranging co-curricular programme, in which every pupil can find his particular enthusiasm and areas of expertise. Above all, we foster a culture of open-mindedness and kindness, an environment where every pupil is known and appreciated, as we support their development from 11-year-old boys to young men, ready to contribute to the world beyond school. Pupils enjoy considerable academic success and, as an IB World School, they are prepared for a global future.

The individual pupil is paramount and there is a great respect for, and celebration of, variety and difference. Our teaching staff are passionate about their subjects and support each pupil to succeed to the best of his abilities, helping him grow and develop in the best way for him.

The School's aims

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

Academic

We develop the things that matter most: liveliness of mind, critical thinking, and humanity. These qualities manifest themselves in our pupils' curiosity, their open-mindedness, their focus on interconnectivity, transfer of knowledge and understanding, not just knowledge itself, and their boldness in the pursuit of discovery. We provide them with the means, freedom and opportunities to feed these instincts.

Co-curriculum

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

Pastoral

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

2. Review of activities

a. Academic results

King Edward's School is one of the leading independent schools in the UK and pupils achieve excellent exam results each year.

International Baccalaureate (IB) Diploma results 2022

The 110 boys who achieved the IB Diploma in 2022 received excellent results, highlights of which include:

- 6 boys gained the maximum 45 points – a score achieved by less than 0.5% of students worldwide
- 25 boys gained 44 or 43 points
- 60% of the cohort scored 40 points or above
- Average points score per pupil of 39.6 points (*10 points above the usual IB global average for an examined year*).

Governors' Report

	Average score	40+ points
2022	39.6	60%
2021	40.3	62%
2020	39.1	49%
2019	37.9	41%

Comparing our 2022 Higher Level IB results to equivalent A-level grades provides the following:

Higher Level IB grade	Equivalent A-level grade	% of grades achieved
7	A*	50%
7/6	A*/A	85%
7/6/5	A*/A/B	96%

GCSE results 2022

The 143 boys who took their GCSEs in 2022 produced another set of outstanding results, highlights of which include:

- 51 boys with at least 10 9s/8s
- 72 boys with nine or more 9s/8s

	9/8 (A*)	9/8/7 (A*/A)
2022	73.5%	89.4%
2021	73.8%	89.3%
2020	71.7%	88.7%
2019	67.6%	85.4%

b. Assisted Places

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

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

c. Co-curricular activities

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

Sport

We take pride in the breadth of sport we offer; from competitive inter-school competitions to friendlier House events, we aim to make sport accessible for every pupil. Major sports offered include rugby, hockey and cricket, though there are many other options available. The School offers 21 different sports with a vast range of opportunities for boys to take part. A healthy balance is struck between breadth of participation and top-level performance – in both teams and individual sports. We were delighted that our Andrew Brode Sports Centre and Eastern Road sport facilities were the official training venues for rhythmic gymnastics, hammer and discus during the Birmingham 2022 Commonwealth Games, and that our athletics track – which is shared with the University of Birmingham and KEHS – was the official training venue for athletics and para athletics.

Performing arts

Following a couple of Covid-impacted years, 2021/22 saw music and drama able to deliver a full programme of concerts, recitals, performances and large-scale productions in conjunction with KEHS, including our first Birmingham Symphony Hall concert since the pandemic.

Governors' Report

Clubs and societies

Clubs and societies are an integral part of school life. With around 50 to choose from, including Coding, Lifeguarding and Debating, there is an opportunity for everyone. Along with music and drama clubs, many other societies are run jointly with KEHS including Christian Union, Law Society, Physics Society and MedSoc.

Friday afternoon activities

Friday afternoons are entirely set aside for such activities as the Combined Cadet Force, the Leadership programme and a wide range of Service and Partnership activities such as music and sports coaching and visits to primary schools, care homes, hospitals, animal sanctuaries and organisations supporting refugees. The KES Food Bank and Home Bank continued to go from strength to strength in 2021/22.

Trips

The variety of trips on offer at the school are a really important part of our co-curricular life and contribute enormously to the school's appeal and reputation. As a part of school life that was most severely impacted by the pandemic, it was pleasing to deliver a full programme of trips during 2021/22, both in the UK and Europe.

3. Partnerships and Participation

We decided to rename the KES Outreach Programme, which engages with primary school children in and around Birmingham, to reflect its collaborative approach – it is now known as Partnerships and Participation. The programme aims to support primary teachers in raising aspirations, by offering free activities and access to our facilities to complement and extend what children are doing in school. In a typical year, more than 13,000 children from more than 200 schools across Birmingham and the wider region take part in the programme. The year 2021/22 culminated in the annual Summer School, delivered in conjunction with KEHS for the first time, which saw 100 primary school pupils – those exceeding academic expectations, with a particular focus on Pupil Premium pupils – taking part in three days of enrichment activities.

4. Future Plans

In order to continue to provide an exceptional education that is rich and varied where boys excel academically and develop the qualities to succeed, the School has ambitious plans for the future.

Plans for 2022/23 include:

- Ongoing developments to the curriculum to ensure that KES remains at the forefront of academic excellence, including the introduction of School for Thought – a bespoke “thinking” course, initially to be introduced for Year 7 and 9, which will form part of the “KE Core”
- Continued development of the Partnerships and Participation programme
- Reinvigoration of the Assisted Places fundraising
- Continued improvements to the fabric of the buildings and longer-term planning for the development of the facilities on the site, including commissioning a Masterplan, which will produce a blueprint for the whole 50-acre campus, shared by KES, KEHS and the Foundation Office
- Collaborating closely with KEHS on all of the above and, together, developing common threads with the Foundation Strategy, so that we build on our unique position locally and nationally.

Governors' Report

King Edward VI High School for Girls, Birmingham

1. Aims and ethos

King Edward VI High School for Girls has roots dating back over 600 years to the Guild of the Holy Cross, but it was not until much later, in 1864, that the new liberal-controlled town council recommended the creation of an upper school for girls, a boys' high school and a boys' middle school.

Founded in 1883 on the New Street site, where King Edward's School was already based, King Edward VI High School for Girls encouraged students to go from elementary school through grammar school and high school to university. In 1931, it was decided that the two schools needed a new site and only the Calthorpe Estate could offer sufficient space within reach of the city centre. The Foundation Stone was laid in the autumn of 1938. Today, King Edward VI High School for Girls is a wonderful blend of tradition and innovation with its beautiful library, and the Sir Paul and Lady Ruddock Performing Arts Centre, which is shared with KES and celebrated its 10th anniversary in 2022. The emphasis on liberal learning, established by the first Headmistress, continues today, in a broad and balanced academic curriculum, which promotes intellectual freedom and discovery, coupled with a wider range of co-curricular and extra-curricular activities, and outstanding facilities for sport, music, drama and art.

School aims

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

We aim:

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

To realise these aims:

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

2. Review of activities

The Sunday Times rated KEHS the top West Midlands independent secondary school for academic results for the second year running.

At A Level: 65.7% of grades at A* and 90.5% at A*/A.

GCSE Results: 94.9% grades at 9-7 or A*/A equivalent, with 22 girls securing grade 9 in all subjects.

a. Academic results

A Level	Year	A*	A*-B
	2022	65.7	96.4
	2021	51.5	96.9
	2020	48.4	98.7
	2019	36	95.5

GCSE	Year	9/8 (A*)	9/8/7 (A*/A)
	2022	84.0	94.9
	2021	87.3	96.4
	2020	85.7	94.5
	2019	82.5	93.2

During 2021/22, we introduced GCSE PE and bespoke courses – Leadership and Mandarin in Year 8 and Politics, Philosophy and Economics in Year 10. Our proactive pastoral support was strengthened through the introduction of a SENDCO role and wellbeing walks which saw new Year 7's catching up with their 'buddies' from Year 8 to discuss how they were settling in. The House system was also reintroduced, and refurbished spaces for Sixth Formers to study and socialise were opened.

Governors' Report

b. Assisted Places

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

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

c. Co-curricular activities

At KEHS, we believe co-curricular and extra-curricular activities are vital in developing rounded, balanced students who enrich the life of the school as well as fulfilling their academic potential. We offer over 70 clubs and societies per week for girls to sample exciting experiences from Martial Arts, Ultimate Frisbee and Football Club to Philosophy Society, Schools' Challenge quizzing, Criminology Club, Gardening Club and Spoken Word. Increasing numbers of students help to run existing clubs or even start their own, to share their interests, develop their leadership skills and become role models within the school community. Along with Drama and Music clubs, many other societies are run jointly with KES including Christian Union, Law Society, Physics Society and MedSoc. We invite numerous speakers, theatre groups, writers, artists, musicians and other guests into school each year to inspire students and broaden their experience. During 2021/22 speakers continued to play a significant part in the co-curricular life of the School.

The wide variety of trips on offer at the school is a really important part of our extra-curricular life and contributes enormously to our appeal and reputation. These trips were reduced during 2020/21 due to Covid but were operating fully during 2021/22 with many students enjoying European language trips during the year. The school's Outdoor Education provision continues to expand with year group residentials as well as significant numbers completing Bronze, Silver and Gold Duke of Edinburgh's Awards.

In Sport, we continue to offer world-class coaching and outstanding facilities across multiple sports, with all abilities catered for including students on national development pathways. Our international standard athletics track – which is shared with the University of Birmingham and KES - was the official training venue for athletics and para-athletics at the Birmingham 2022 Commonwealth Games.

In Music and Drama, we were able to deliver a full programme of concerts, recitals, and large-scale productions in conjunction with KES, including our first Birmingham Symphony Hall concert since the pandemic.

Charitable and service activities included the embedding of the King Edward's Home Bank, collecting hygiene products for local support services, in to the life of the school.

3. Partnerships and Participation

We decided to rename the KEHS Outreach Programme which engages with primary school children in and around Birmingham, to reflect its collaborative approach, so it is now known as Partnerships and Participation.

One of our school aims is to make a difference to our community and beyond, and the programme is an important way in which we seek to do this. The programme aims to support primary teachers in raising aspirations, by offering free activities and access to our facilities to complement and extend what children are doing in school. The year culminated in the first joint KES/KEHS Summer School, which saw 100 primary school pupils – those exceeding academic expectations, with a particular focus on Pupil Premium pupils – taking part in three days of enrichment activities.

Our nationally-recognised TuneUp programme is also part of our partnership activities. TuneUp aims to enable as many young people as possible to participate in uplifting arts activities. It went global during November 2020 when more than 110,000 pupils around the world took part in an online event to mark TuneUp Tuesday. During 2022, TuneUp ran a creative project (Culture in Common) which was part of the Birmingham 2022 Festival and linked professional artists with six Birmingham state schools. The project also saw the creation of the TuneUp Ambassador programme to facilitate Sixth Form Arts Ambassadors to lead arts workshops.

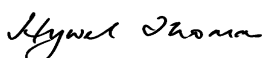
During 2021/22, we also hosted enrichment events for students from other schools in the King Edward VI Foundation, including Enterprise Day, and Philothon and a full-day workshop focussing on surgical careers.

4. Future Plans

The years 2021 - 2023 will see us focusing on strengthening the distinctive hallmarks of a KEHS education by:

- Developing our curriculum and resources to the benefit of our students and staff, focusing on academic excellence, co-curricular distinction, and developing character and leadership
- Exploring how we can shape our approach to learning to ensure that students thrive and are prepared for the opportunities and challenges of their future lives
- Developing our site and facilities and maximising the opportunities of our fabulous spaces
- Progressing a drive for people in the community, from current students, alumnae and parents to local influencers, to advance the school
- Collaborating closely with King Edward's School (KES) on all of the above and, together, developing common threads with the Foundation Strategy, so that we build on our unique position locally and nationally.

In 2023, we will commission a masterplan, which will produce a blueprint for the whole 50-acre campus, shared by KEHS, KES and the Foundation Office. We also look forward to the opening of our new Design Centre with enhanced facilities for Art, DT and Computing and enabling the introduction of GCSEs in DT and Computing.



Prof H Thomas
Chair



Mr D Wheeldon
Bailiff

Independent auditor's report to the Governors of the Schools of King Edward VI in Birmingham

Opinion

We have audited the financial statements of The Schools of King Edward VI in Birmingham for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the cashflow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 48, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 24 April 2023

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Statement of Governors' Responsibilities

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

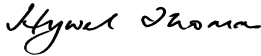
Charity law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Charity Law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

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

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

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

Approved by the Board of Governors on 29th March 2023, and signed on its behalf by:



Prof H Thomas
Chair



Mr D Wheeldon
Bailliff

Statement of Financial Activities For the Year ended 31 August 2022

	Note	Unrestricted Funds			Fund Capital	Permanent & Expendable Endowment Fund	Restricted Fund	Total 2022	Total 2021
		Schools Fund	Designated Fund	Fund Income					
		£	£	£	£	£	£	£	
INCOME AND ENDOWMENTS FROM:									
Donations and legacies		-	-	30,180	-	-	1,150	31,330	795
Charitable activities									
Fees receivable	3	18,699,114	-	-	-	-	-	18,699,114	17,122,071
Ancillary trading income									
Catering income		864,234	-	-	-	-	-	864,234	551,741
Extra-curricular activities		615,241	-	-	-	-	-	615,241	284,445
Registration fees		30,234	-	-	-	-	-	30,234	32,138
Other ancillary income		201,210	-	-	-	-	-	201,210	60,739
Non-ancillary trading income									
Lettings		249,149	-	-	-	-	-	249,149	56,023
Investments									
Rental income		-	-	1,846,499	-	105	-	1,846,604	1,865,016
Investment income		-	-	1,089,211	-	25,206	10,480	1,124,897	1,108,499
Bank and other interest		33	-	6,838	-	485	121	7,477	1,258
Other income		-	-	962,463	-	-	-	962,463	874,991
Total		20,659,215	-	3,935,191	-	25,796	11,751	24,631,953	21,957,716
Expenditure on:									
Raising funds									
Investment management		-	-	216,686	131,106	-	-	347,792	367,788
Estate management		-	-	353,433	-	-	-	353,433	207,711
		-	-	570,119	131,106	-	-	701,225	575,499
Charitable activities									
Education		22,086,255	2,639	2,894,020	789,784	108,621	64,314	25,945,633	24,012,887
Grant-making		21,451	-	602,416	-	-	-	623,867	1,965,630
		22,107,706	2,639	3,496,436	789,784	108,621	64,314	26,569,500	25,978,517
Total	4	22,107,706	2,639	4,066,555	920,890	108,621	64,314	27,270,725	26,554,016
Net income /(expenditure) before gains and losses		(1,448,491)	(2,639)	(131,364)	(920,890)	(82,825)	(52,563)	(2,638,772)	(4,596,300)
Net (losses)/gains on investments		-	-	-	(6,686,401)	(260,068)	(161,433)	(7,107,902)	13,937,313
Net gains on investment properties		-	-	-	3,251,184	-	-	3,251,184	6,912,601
Net (Expenditure)/Income		(1,448,491)	(2,639)	(131,364)	(4,356,107)	(342,893)	(213,996)	(6,495,490)	16,253,614
Transfers between funds	1	2,075,630	120,000	(1,986,094)	(209,536)	-	-	-	-
Actuarial gains/(loses) on defined benefit pension	2	-	-	3,447,000	-	-	-	3,447,000	(31,000)
Net Movement in Funds		627,139	117,361	1,329,542	(4,565,643)	(342,893)	(213,996)	(3,048,490)	16,222,614
Reconciliation of funds									
Opening balance		2,667,473	915,165	13,282	162,539,622	10,732,467	2,421,842	179,289,851	163,067,237
Closing balance		3,294,612	1,032,526	1,342,824	157,973,979	10,389,574	2,207,846	176,241,361	179,289,851

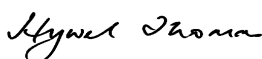
All activities arise from continuing operations.

Balance Sheet

At 31 August 2022

	Note	£	31 August 2022 £	31 August 2021 £
Fixed Assets				
Intangible assets	6		345,697	167,609
Tangible assets	6		28,125,872	27,005,374
Investment property	7		49,518,730	47,717,137
Investments	8		93,594,609	101,052,910
			<u>171,584,908</u>	<u>175,943,030</u>
Current Assets				
Debtors	9	1,159,333		850,884
Short term deposits		850,707		850,120
Cash at bank and in hand		10,788,641		14,449,232
		<u>12,798,681</u>		<u>16,150,236</u>
Liabilities				
Creditors: amount falling due within one year	10	(4,299,077)		(5,341,759)
Net Current Assets				
			<u>8,499,604</u>	<u>10,808,477</u>
Total Net Assets less current liabilities				
			180,084,512	186,751,507
Creditors: Amounts falling due after more than one year	10		(1,070,151)	(1,077,656)
Total Net Assets before pension deficit				
			179,014,361	185,673,851
Pension scheme funding deficit	22		(2,773,000)	(6,384,000)
Net Assets				
			<u>176,241,361</u>	<u>179,289,851</u>
Represented by:				
Unrestricted funds				
Designated fund	12		1,032,526	915,165
Schools' fund	13		3,294,612	2,667,473
Fund – Income		4,115,824		6,397,282
Less FRS 102 Pension Deficit	22	(2,773,000)		(6,384,000)
	14		<u>1,342,824</u>	<u>13,282</u>
			5,669,962	3,595,920
Permanent and Expendable Endowment fund	15		10,389,574	10,732,467
Fund – Capital	14		157,973,979	162,539,622
Restricted fund	16		<u>2,207,846</u>	<u>2,421,842</u>
Total Funds				
	11		<u>176,241,361</u>	<u>179,289,851</u>

The financial statements on pages 25 to 50 were approved by the Board on 29th March 2023, and authorised for issue on its behalf by:



Prof H Thomas
Chair



Mr D Wheeldon
Bailliff

Statement of Cash Flows

For the Year ended 31 August 2022

	31 August 2022 £	31 August 2021 £
Cashflow from operating activities		
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period	(3,048,490)	16,253,614
Adjustment for:		
Net (gains)/losses on investments	5,633,381	(20,849,914)
Depreciation of tangible fixed assets	891,045	815,089
Retirement Benefits Scheme costs less contributions paid	(3,611,000)	(152,000)
Interest received	(7,477)	(1,258)
Rent received from investment property	(1,846,604)	(1,865,016)
Decrease/(increase) in debtors	(308,450)	753,117
Increase/ (decrease) in creditors	(1,050,186)	(2,782,503)
Net cash (outflow) from operating activities	(3,347,783)	(7,828,871)
Cash flows from investing activities		
Interest received	7,477	1,258
Rent received from investment properties	1,846,604	1,865,016
Proceeds from the sale of investment properties	6,280,285	18,299,336
Payments to acquire tangible fixed assets	(2,189,632)	(130,862)
Sale of investments in shares	21,857,025	31,989,094
Purchase of investments in shares	(23,163,823)	(27,384,997)
Purchase of investment properties	(4,830,694)	(7,250,000)
Movement in cash awaiting investment in shares	(119,465)	(1,722,466)
Net Cash (expended)/provided by investing activities	(312,223)	15,666,379
Change in cash and cash equivalents in the reporting period	(3,660,005)	7,837,508
Cash and cash equivalents at the start of the period	15,299,352	7,461,844
Cash and cash equivalents at the end of the period	11,639,347	15,299,352
Analysis of cash and cash equivalents		
Cash at bank and in hand	10,788,641	14,449,232
Short term deposits	850,707	850,120
Total cash and cash equivalents	11,639,348	15,299,352

Notes to the Accounts

1 - Statement of Accounting Policies

Accounting policies

The Schools of King Edward VI in Birmingham (the "Foundation") is a charitable trust. The address of its registered office and principal place of business is given on page 4 and the nature of its operations are set out in the trustees' report.

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, are set out below.

Basis of accounting

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015 (Charities SORP FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Foundation meets the definition of a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the Foundation.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the accounting policy.

Monetary amounts shown in these financial statements are rounded to the nearest £1.

Income recognition

Fees and Similar Income

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

Rents and Letting income

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

Lease Incentives

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

Sales of interest in land

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

Investment Income

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

Donations and legacies

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

Expenditure recognition

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

Raising funds

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

Grant making

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

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

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

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

Operating lease costs are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Intangible fixed assets

Intangible fixed assets are depreciated on a straight-line basis over their useful economic life, and charged to the Endowment – Capital Fund

Software – this relates to the new finance system (PS Financials Cloud software) and the new payroll system (iTrent) which we expect to have in use for at least five years.

Tangible fixed assets

Land, buildings, equipment and donated assets are capitalised as tangible fixed assets at historic cost, and accounted for in the Endowment Fund - Capital. Assets with a cost below £20,000 are not capitalised.

No depreciation is provided on freehold land, but other assets are depreciated on a straight line basis over their useful economic life, and charged to the Endowment – Capital Fund or Permanent & Expendable Endowment Fund.

Buildings - new 50 years

Buildings - refurbished 10 years

Plant & Equipment - 10 years

Vehicles - 5 years

Leasehold property - Length of lease

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

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

Notes to the Accounts

1 - Statement of Accounting Policies (continued)

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date stated at closing mid-market value. Any realised and unrealised gains and losses on revaluation or disposals are combined in the statement of financial activities.

The Foundation does not acquire put options, derivatives or other complex financial instruments.

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

No depreciation is charged on investment properties.

Impairments

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards. Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairments. All impairment losses are recognised in the Statement of Financial Activities.

Debtors

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

Cash and bank balances

Cash and bank balances includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition.

Trade creditors and other liabilities

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

Financial Instruments

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

Pension schemes

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

Teachers' Pension Scheme (TPS)

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

Governors' Defined Benefit scheme

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

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

Funds

Schools' Fund - An unrestricted fund which comprises the surpluses arising from the activities of the two Independent Schools - King Edward's School, and King Edward VI High School for Girls.

Designated Fund - The Governors exercise their discretion to make provision for future expenditure on specific projects of a non-recurring nature from which the Designated Fund is constituted.

Endowment Fund - This fund is used at the discretion of the Governors in furtherance of the objectives of the Foundation.

The fund comprises two elements. Capital, being the accumulation of capital gains derived from its investments, and Income, being the surplus arising from the income generated by its investments, after deduction of management costs and grant distributions to the schools.

On an annual basis, and in line with levels of realised and unrealised capital growth in the Endowment Fund Capital the Governors will approve a transfer if necessary to maintain a surplus balance on the Endowment fund Income. The fund is not restricted as a permanent endowment.

Government Grants

Government grants are credited to the consolidated statement of financial activities as the related expenditure is incurred at School level.

Notes to the Accounts

1 - Statement of Accounting Policies (*continued*)

Expendable Endowment Fund - The fund has been established by the receipt of donated funds and has been used by Governors to part-finance the construction of a Performing Arts Centre for the benefit of King Edward VI High School for Girls and King Edward's School and for a new classroom block in King Edward's School.

Restricted Fund - This fund is a consolidation of several individual funds, all of which have restrictions placed on them regarding the expending of capital and/or income.

The policy on the fund's reserves can be found in the Governors' Report.

Operating Leases

Lessor - Rental income from operating leases is credited to the Statement of Financial Activities on a straight-line basis over the term of the relevant lease. Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

Lessee - Rental paid under operating leases are charged to the Statement of Financial Activities on a straight - line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

Critical Accounting Estimates and Areas of Judgement

The Foundation makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year.

All significant estimates and assumptions are included in the relevant accounting policy.

The present value of the Governors' Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest review performed at 31 August 2022 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Foundation has included an estimated value of the cost of services (as disclosed in note 4) donated to the King Edward VI Academies. The value of services received by the Academies should be the value of the price that the Academy estimates it would pay in the open market. As it is not practical to measure the value of the services using an open market (fair value basis), SORP 2015 permits donated services received to be measured on the basis of the cost of the gift to the Academy from the Foundation. The cost has therefore been calculated based on an individual estimate of time spent by Foundation staff providing services to the school allocated across the salary costs (including provision for pension and national insurance) but excluding any provision for overheads. Support costs at the Foundation have therefore been allocated between educational support and grant making.

The investment property portfolio is externally valued once every five years, with an interim valuation each year. Property valuations are derived from the rental income received on the land or property owned together with the length of the lease. Further information is disclosed in note 7. Other property transactions, such as lease incentives are treated in accordance with the relevant accounting policy.

Going Concern

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

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

Notes to the Accounts

2 - Comparative information - Statement of Financial Activities

	Schools Fund	Designated Fund	Fund Income	Fund Capital	Expendable Endowment Fund	Fund	
	£	£	£	£	£	£	£
INCOME AND							
ENDOWMENTS FROM:							
Donations and legacies	-	-	-	-	-	795	795
Charitable activities							
Fees receivable	3 17,122,071	-	-	-	-	-	17,122,071
Ancillary trading income							
Catering income	551,741	-	-	-	-	-	551,741
Extra-curricular activities							
	284,445	-	-	-	-	-	284,445
Registration fees	32,138	-	-	-	-	-	32,138
Other ancillary income	60,739	-	-	-	-	-	60,739
Non-ancillary trading income							
Lettings	56,023	-	-	-	-	-	56,023
Investments							
Rental income	-	-	1,864,911	-	105	-	1,865,016
Investment income	-	-	1,040,939	-	40,880	26,680	1,108,499
Bank and other interest	10	-	961	-	202	85	1,258
Other income	149,020	-	725,971	-	-	-	874,991
Total	18,256,187	-	3,632,782	-	41,187	27,560	21,957,716
Expenditure on:							
Raising funds							
Investment management	-	-	183,894	183,894	-	-	367,788
Estate management	-	-	207,711	-	-	-	207,711
	-	-	391,605	183,894	-	-	575,499
Charitable activities							
Education	20,776,241	-	2,409,756	713,826	101,912	11,152	24,012,887
Grant-making	67,152	-	1,898,478	-	-	-	1,965,630
	20,843,393	-	4,308,234	713,826	101,912	11,152	25,978,517
Total	4 20,843,393	-	4,699,839	897,720	101,912	11,152	26,554,016
Net income /(expenditure) before gains and losses	(2,587,206)	-	(1,067,057)	(897,720)	(60,725)	16,408	(4,596,300)
Net gains on investments	-	-	-	13,252,329	431,426	253,558	13,937,313
Net gains on investment properties	-	-	-	6,912,601	-	-	6,912,601
Net (Expenditure)/Income	(2,587,206)	-	(1,067,057)	19,267,210	370,701	269,966	16,253,614
Transfers between funds	1 2,598,747	55,000	805,789	(3,459,536)	-	-	-
Actuarial gains on defined benefit pension	2 -	-	(31,000)	-	-	-	(31,000)
Net Movement in Funds	11,541	55,000	(292,268)	15,807,674	370,701	269,966	16,222,614
Reconciliation of funds							
Fund balances at 1 September 2020	2,655,932	860,165	305,550	146,731,948	10,361,766	2,151,876	163,067,237
Fund balances at 31 August 2021	2,667,473	915,165	13,282	162,539,622	10,732,467	2,421,842	179,289,851

Notes to the Accounts

3 - Fees Receivable

	2022 £	2021 £
Fees receivable comprise:		
Gross school fees (net of bad debts)	22,139,120	20,703,129
Less:		
Governors' Assisted Places Scheme	(2,224,166)	(2,424,585)
Scholarships, Remission & Staff Concessions	(1,215,839)	(1,156,473)
	<u>18,699,115</u>	<u>17,122,071</u>

Scholarships, bursaries and other awards were made to 483 pupils (2021: 507). Within this means tested bursaries totalling £2,224,166 were paid to 227 pupils (2021: £2,424,585 to 263 pupils).

4 – Analysis of total expenditure

(a) Total expenditure

	Staff cost	Depreciation	Other	Total 2022	Total 2021
Costs of generating funds					
Investment management	-	-	347,792	347,792	367,788
Estates management	-	-	353,433	353,433	207,711
Total costs of generating funds	-	-	701,225	701,225	575,499
Charitable expenditure					
Education and grant making					
Teaching	11,447,197	-	4,322,625	15,769,822	13,972,803
Welfare	598,841	-	99,163	698,004	617,451
Premises	1,088,769	891,045	2,283,161	4,262,975	4,805,593
Support costs and governance	4,012,351	-	211,775	4,224,126	3,604,887
Donated services to Academies	934,916	-	-	934,916	998,478
Grants, awards and prizes	-	-	72,593	72,593	13,675
	<u>18,082,074</u>	<u>891,045</u>	<u>6,989,317</u>	<u>25,962,436</u>	<u>24,012,887</u>
Grant making					
Capital grants to Academies	-	-	-	-	67,152
Other	-	-	607,064	607,064	1,898,478
	<u>-</u>	<u>-</u>	<u>607,064</u>	<u>607,064</u>	<u>1,965,630</u>
Total charitable expenditure	<u>18,082,074</u>	<u>891,045</u>	<u>7,596,381</u>	<u>26,569,500</u>	<u>25,978,517</u>
Total expended	<u>18,082,074</u>	<u>891,045</u>	<u>8,297,606</u>	<u>27,270,725</u>	<u>26,554,016</u>

(b) Governance included in support costs

	2022 £	2021 £
Remuneration paid to auditor for auditor services	41,600	42,200
Remuneration paid to auditor for other services	16,380	13,272
Reimbursement of expenses to Governors	438	-
	<u>58,418</u>	<u>55,472</u>

Travel expenses were paid to 2 (2021:0) Governors during the year.

Notes to the Accounts

5 – Staff costs

	Year 2022 £	Year 2021 £
Staff costs for the year are:		
Wages and salaries	14,154,039	13,486,058
Social security costs	1,511,186	1,383,908
Pension contributions – defined benefits	2,091,249	1,971,887
defined contribution	324,571	272,105
Pension payments to former staff	1,029	1,224
	18,082,074	17,115,182

The emoluments (excluding employer pension contributions) of full-time employees earning over £60,000 fell within the following bands:	2022 No.	2021 No.
£60,001 - £70,000	11	6
£70,001 - £80,000	4	6
£80,001 - £90,000	3	1
£90,001 - £100,000	2	1
£110,001 - £120,000	-	1
£130,001 - £140,000	-	1
£160,001 - £170,000	-	1
£170,001 - £180,000	1	-
£210,001 - £220,000	1	-
£230,001 - £240,000	-	1
£250,001 - £260,000	1	-

The total employee benefit including pension contributions payable to key management personnel of the Foundation was £998,051 (2021: £878,977).

Average head count (number of staff employed by the Foundation) was as follows:

	Year 2022	Year 2021
Teaching	184	187
Education support	52	51
Maintenance, cleaning, catering and grounds	82	81
Administration	103	81
	421	400

During the year there was one settlement agreement payment made in the sum of £20,709 (2021: £109,117 - five) which is not included in staff costs. There were no payments outstanding at the year-end.

Notes to the Accounts

6 – Intangible and Tangible fixed assets

	Intangible Assets	Freehold Sites £	Buildings £	Course of Construction £	Plant and Equipment £	Total £
Cost at 1 September 2021	279,348	578,543	38,566,095	323,893	494,712	40,242,591
Additions	321,234	-	-	1,868,398	-	2,189,632
At 31 August 2022	600,582	578,543	38,566,095	2,192,291	494,712	42,432,223
Depreciation at 1 September 2021	111,739	-	12,544,328	-	413,541	13,069,608
Charge for the year	143,145	-	727,162	-	20,738	891,045
At 31 August 2022	254,884	-	13,271,490	-	434,279	13,960,653
Net book values						
At 31 August 2021	167,009	578,543	26,021,767	323,893	81,171	27,172,983
Net book values						
At 31 August 2022	345,697	578,543	25,294,605	2,192,291	60,433	28,471,570

7 - Investment property

Governors have agreed that a Royal Institution of Chartered Surveyors (RICS) Red Book valuation will be carried out at least every five years, with Annual Asset Valuations in interim years, prepared in accordance with the RICS Valuation – Global Standards Effective from 31 January 2020 and the UK National Standards, and complying with Financial Reporting Standard 102 (UK Generally Accepted Accounting Practice) and the Charities SORP (Statements of Recommended Practice). An Annual Asset Valuation was carried out at 31 August 2022 by Joseph Lang LaSalle Ltd, with the investment portfolio valued at £48,518,730, based on open market value. The valuation was carried out in accordance with the guidelines set out by the RICS.

	31 August 2022 £	31 August 2021 £
Market value at 1 September	47,717,137	51,853,872
Additions at cost	4,830,694	7,250,000
Unrealised Gain	3,590,614	2,269,159
Realised Gain	(169,715)	4,643,442
Disposals of property during the year	(6,450,000)	(18,299,336)
Market value at 31 August	<u>49,518,730</u>	<u>47,717,137</u>

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

Notes to the Accounts

8 - Listed investments

Barclays Wealth is responsible for the day-to-day management of the listed investment portfolio.

Market Value	Shares	Cash	2022 £	2021 £
Market value at 1 September	99,256,488	1,796,422	101,052,910	89,997,228
Net income/(outgoings)	1,796,422	(370,159)	1,426,263	(381,632)
Additions at cost	23,163,823	(23,163,823)	-	-
Disposals	(21,857,025)	21,857,025	-	(2,500,000)
Realised Gains	2,655,950		2,655,950	7,637,739
Unrealised gains/(losses) on revaluation at 31 August 2022	(11,540,513)		(11,540,513)	6,299,575
Market value at 31 August	93,475,145	119,465	93,594,609	101,052,910

Analysis of capital and income By type of investment

	Capital	
	Market Value as at 31 August 2022 £	Market Value as at 31 August 2021 £
United Kingdom Fixed Interest	18,292,560	14,551,531
United Kingdom Equities	2,376,918	3,282,342
Sub total	20,669,478	17,833,873
Overseas Equities	51,684,388	57,301,124
Overseas Bonds	5,869,291	9,820,518
Global Fund	1,058,969	1,449,279
Commodities	5,165,698	4,551,790
Hedge Funds	5,092,030	8,299,904
Alternatives	3,935,291	
Sub total	93,475,145	99,256,488
Cash at bank awaiting Investment	119,465	1,796,422
Total investments at market value	93,594,610	101,052,910
	Cost at 31 August 2022	Cost at 31 August 2021
Total investments (excl. cash) at cost	72,647,147	64,051,168

Notes to the Accounts

9 – Debtors

	31 August 2022 £	31 August 2021 £
Fees net of provision	265,284	334,437
Rents	130,144	148,839
Grant recoverable from the Academy Trust	420,000	-
Prepayments and accrued income	343,905	367,608
	1,159,333	850,884

10 - Creditors: amounts falling due within one year

	31 August 2022 £	31 August 2021 £
Trade creditors	817,731	927,422
Other creditors	326,539	306,851
Accruals and deferred income	1,807,627	1,831,460
Pupil Education Deposits	653,313	584,913
Pensions	295,337	262,272
Taxation and Social Security	398,530	1,428,841
	4,299,077	5,341,759

	31 August 2022 £	31 August 2021 £
Amounts falling due within more than one year:		
Deferred Income	1,070,151	1,077,656

	31 August 2022 £	31 August 2021 £
Deferred Income		
Deferred Income at 1 September	895,384	1,805,153
Resources deferred in the year	830,135	895,384
Amounts released from previous years	(895,384)	(1,805,153)
Deferred Income at 31 August	830,135	895,384

Amounts deferred at 31 August 2022 relate to fees received in advance of £326,947 (2021: £528,976), rents/service charge received in advance of £121,864 (2021: £124,968), trip/catering income received in advance from parents of £381,324 (2021: £241,441) and upfront lease receipts of £1,077,656 (2021: £1,085,161) which are being released over the life of the lease of 150 years.

Notes to the Accounts

11 - Analysis of net assets between funds

	Schools	Designated	Endowment Income/Capital	Permanent and Expendable Endowment	Restricted	Total 31 August 2022
	£	£	£	£	£	£
Intangible fixed assets	-	-	345,697	-	-	345,697
Tangible fixed assets	-	-	21,130,857	6,995,015	-	28,125,872
Investment property	-	-	49,128,730	390,000	-	49,518,730
Investments	-	-	93,160,661	-	433,948	93,594,609
Net current assets	3,294,612	1,032,526	(605,991)	3,004,559	1,773,898	8,499,604
Long term creditors	-	-	(1,070,151)	-	-	(1,070,151)
Pension Scheme funding deficit	-	-	(2,773,000)	-	-	(2,773,000)
	<u>3,294,612</u>	<u>1,032,526</u>	<u>159,316,803</u>	<u>10,389,574</u>	<u>2,207,846</u>	<u>176,241,361</u>

	Schools	Designated	Endowment Income/Capital	Permanent and Expendable Endowment	Restricted	Total 31 August 2021
	£	£	£	£	£	£
Intangible fixed assets	-	-	167,609	-	-	167,609
Tangible fixed assets	-	-	19,909,098	7,096,276	-	27,005,374
Investment property	-	-	47,541,237	175,900	-	47,717,137
Investments	-	-	100,618,224	-	434,686	101,052,910
Net current assets	2,667,473	915,165	1,778,392	3,460,291	1,987,156	10,808,477
Long term creditors	-	-	(1,077,656)	-	-	(1,077,656)
Pension Scheme funding	-	-	(6,384,000)	-	-	(6,384,000)
	<u>2,667,473</u>	<u>915,165</u>	<u>162,552,904</u>	<u>10,732,467</u>	<u>2,421,842</u>	<u>179,289,851</u>

12 - Designated fund

	2022 £	2021 £
Balance at 1 September	915,165	860,165
Transfer of Funds designated for specific purposes:		
Schools – Minor works (note 17)	120,000	55,000
Funds paid or payable during the year:		
All-weather pitches expenditure	(2,640)	-
Balance at 31 August	<u>1,032,525</u>	<u>915,165</u>

The balance in the Designated Fund at 31 August 2022 includes £696,417 (2021: £579,057) designated for School minor works; £259,083 (2021: £259,083) designated to support the Schools in Widening Accessibility and £77,025 (2021: £77,025) as an equipment and furniture replacement fund for the Performing Arts Centre.

Notes to the Accounts

13 - Schools' fund

	King Edward's School		King Edward VI High School for Girls		Total	Total
	Year 2022 £	Year 2021 £	Year 2022 £	Year 2021 £	Year 2022 £	Year 2021 £
Balance at 1 September	1,401,460	1,071,878	1,266,013	1,584,054	2,667,473	2,655,932
Income	11,930,861	11,042,991	8,728,355	7,213,195	20,659,216	18,256,186
Expenditure	(13,036,358)	(12,120,966)	(9,071,349)	(8,722,426)	(22,107,707)	(20,843,392)
Net resources	(1,105,497)	(1,077,975)	(342,994)	(1,509,231)	(1,448,491)	(2,587,206)
Transfers between funds (note 17):						
Grants from the Foundation	1,338,000	1,519,434	993,945	1,226,190	2,331,945	2,745,624
Interest to the Foundation	(86,315)	(91,877)			(86,315)	(91,877)
To Endowment Fund – as per note 14	(25,006)		(24,994)		(50,000)	
To designated fund – as per note 12	(20,000)	(20,000)	(100,000)	(35,000)	(120,000)	(55,000)
Total transfers	1,206,679	1,407,557	868,951	1,191,190	2,075,630	2,598,747
Net movement	101,182	329,582	525,957	(318,041)	627,139	11,541
Balance at 31 August	1,502,642	1,401,460	1,791,970	1,266,013	3,294,612	2,667,473

Notes to the Accounts

14 - Endowment fund

	Income £	Capital £	Total £
Balance at 1 September 2021	13,282	162,539,622	162,552,904
Income	3,935,191	-	3,935,191
Expenditure	(4,066,554)	(920,890)	(4,987,444)
	(131,363)	(920,890)	(1,052,253)
Transfers:			
between other funds	(2,195,630)	-	(2,195,630)
within fund	209,536	(209,536)	-
	(1,986,094)	(209,536)	(2,195,630)
Investment gains/(losses)	-	(3,435,217)	(3,435,217)
Actuarial gain(loss) on defined benefit pension	3,447,000	-	3,447,000
Net movement in fund	1,329,543	(4,565,643)	(3,236,101)
Balance at 31 August 2022	1,342,824	157,973,979	159,316,803

	Income £	Capital £	Total £
Balance at 1 September 2020	305,550	146,731,948	147,037,498
Income	3,632,782	-	3,632,782
Expenditure	(4,699,839)	(897,720)	(5,597,559)
	(1,067,057)	(897,720)	(1,964,777)
Transfers:			
between other funds	(2,653,747)	-	(2,653,747)
within fund	3,459,536	(3,459,536)	-
	805,789	(3,459,536)	(2,653,747)
Investment gains	-	20,164,930	20,164,930
Actuarial (loss) on defined benefit pension	(31,000)	-	(31,000)
Net movement in fund	(292,268)	15,807,674	15,515,406
Balance at 31 August 2021	13,282	162,539,622	162,552,904

The transfer during the year relates to termly grants paid over to the two independent schools.

Notes to the Accounts

15 - Permanent and Expendable Endowment fund

	Performing Arts Centre £	Other Donations £	Total £
Balance at 1 September 2021	4,238,264	6,494,203	10,732,467
Funds received during the year			
Investment Income	-	25,796	25,796
Expenditure during the year			
Prizes		(7,361)	(7,361)
Depreciation	(101,261)	-	(101,261)
Investment gains/(losses)	-	(260,068)	(260,068)
Balance at 31 August 2022	4,137,003	6,252,570	10,389,574

	Performing Arts Centre £	Other Donations £	Total £
Balance at 1 September 2020	4,339,525	6,022,241	10,361,766
Funds received during the year			
Investment Income	-	41,188	41,188
Expenditure during the year			
Prizes		(652)	(652)
Depreciation	(101,261)	-	(101,261)
Investment gains	-	431,426	431,426
Balance at 31 August 2021	4,238,264	6,494,203	10,732,467

The Performing Arts Centre Expendable Endowment Fund is a separately identifiable fund set up as part of the terms of the donation to the Independent Schools.

Notes to the Accounts

16 - Restricted fund

	Funds brought forward at 1 September 2021	Income	Expenditure	Realised and Unrealised Gains/(Losses)	Funds carried forward at 31 August 2022
	£	£	£	£	£
Benjamin Cowie	589,511	2,524	-	(54,017)	538,018
The Webster Bequest	545,936	2,279	-	(48,729)	499,486
Special Funds	1,286,395	6,947	(64,315)	(58,686)	1,170,341
31 August 2022	2,421,842	11,751	(64,315)	(161,431)	2,207,846

Special funds are the following:

Brode Fund	519,777	2,342	-	(23,712)	498,407
The Margaret Davis Fund	189,476	854	-	(8,644)	181,686
Lee Childs fund	8,201	37	(2,616)	(374)	5,248
Other small funds	568,941	3,714	(61,699)	(25,956)	485,000
	1,286,395	6,947	(64,315)	(58,686)	1,170,341

	Funds brought forward at 1 September 2020	Income	Expenditure	Realised and Unrealised Gains	Funds carried forward at 31 August 2021
	£	£	£	£	£
Benjamin Cowie	530,903	6,352	-	52,256	589,511
The Webster Bequest	493,060	5,732	-	47,144	545,936
Special Funds	1,127,913	15,476	(11,152)	154,158	1,286,395
31 August 2020	2,151,876	27,560	(11,152)	253,558	2,421,842

Special funds are the following:

Brode Fund	500,000	1,804	-	17,973	519,777
The Margaret Davis Fund	180,574	812	-	8,090	189,476
Lee Childs fund	13,272	57	(5,699)	571	8,201
Other small funds	434,067	12,803	(5,453)	127,524	568,941
	1,127,913	15,476	(11,152)	154,158	1,286,395

Benjamin Cowie

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

The Webster Bequest

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

Special Funds

This comprises of over 300 individual funds, providing prizes, grants and scholarships to pupils at the schools of the Foundation. They include the following;

The Albion Trust

The fund is to encourage students from inner city Birmingham to apply to King Edward VI Aston School for their compulsory or sixth form education.

The Margaret Davis Funds

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

Brode Fund

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

Lee Child's Fund

This was a donation to be used to purchase books.

Notes to the Accounts

17 – Transfers to/(from funds)

	Schools Fund	Designated Fund	Endowment Fund Income	Endowment Fund Capital	Permanent & Expendable	Restricted Fund
	£	£	£	£	£	£
Revenue grant to the Schools from Endowment income fund	2,331,945	-	(2,331,945)	-	-	-
Interest paid to Foundation	(86,315)		86,315			
Funds set aside for specific projects	(120,000)	120,000	-	-	-	-
Contributions to the Foundation for services	(50,000)		50,000	-	-	-
Amortisation of the capital receipts arising from sales of interests in land	-	-	209,536	(209,536)	-	-
Annual transfer as per accounting policy	-	-	-	-	-	-
Year to 31 August 2022	2,075,630	120,000	(1,986,094)	(209,536)	-	-

	Schools Fund	Designated Fund	Endowment Fund Income	Endowment Fund Capital	Permanent & Expendable	Restricted Fund
	£	£	£	£	£	£
Revenue grant to the Schools from Endowment income fund	2,745,624	-	(2,745,624)	-	-	-
Interest paid to Foundation	(91,877)		91,877			
Funds set aside for specific projects	(55,000)	55,000	-	-	-	-
Transfer of funds	-	-	-	-	-	-
Amortisation of the capital receipts arising from sales of interests in land	-	-	209,536	(209,536)	-	-
Annual transfer as per accounting policy	-	-	3,250,000	(3,250,000)	-	-
Year to 31 August 2021	2,598,747	55,000	805,789	(3,459,536)	-	-

Notes to the Accounts

18 - Related Party Transactions

The Foundation considers itself related to the King Edward VI Academy Trust Birmingham (Co. no.10654935). The Trust consists of eleven academies of which five were initially established as Voluntary Aided Grammar Schools by the Foundation. The Trust is considered a related party by virtue of the fact that the Foundation provides executive leadership, finance, accounting, payroll and personnel, operations and governance services to the academies and the Foundation owns the land and buildings at the academies. There is a licence to occupy the land and buildings between the Foundation and some of the schools of the Academy Trust rent free. There is a service level agreement for the services provided by the Foundation, whereby a contribution of £832,824 (2021: £595,000) was received during the year.

Transactions with the Trust during the year include:

	2022 £	2021 £
Income		
Costs incurred by Foundation and reimbursed by the Trust	20,728	34,360
Contributions to the Foundation for services	999,389	786,214
Expenditure		
Grants paid/payable	59,350	984,700
Grant recoverable	(420,000)	
Fees paid for KES Teachers training at KEC	7,200	13,200
Costs incurred by the Trust and reimbursed by the Foundation	42,275	35,578
Payments from restricted funds	5,545	345
Other income received and passed over to Trust	-	-

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

	2022 £	2021 £
Debtor at year end	8,721	17,923
Creditor at year end	(46,813)	(7,572)
Grant recoverable at year end	(420,000)	-

The Chief Master and Deputy Chief Master are trustees of The King Edward's School Birmingham Trust (Charity no: 1129776). The Trust provides King Edward's School with funding for Assisted Places. £509,520 (2021: £565,886) was paid to cover Assisted Places supported by the Trust.

The Principal and a Governor are also trustees of The King Edward VI High School for Girls Birmingham Trust (Charity no: 1159413). The Trust was set up during 2014/15 to provide King Edward VI High School for Girls with funding for Assisted Places. £309,981 (2021: £256,422) was paid to cover Assisted Places supported by the Trust.

Ms E Conway is Chief Financial Officer of the University of Birmingham. During the year £2,754 (2021: £1,108) was paid to the organisation and £16,000 (2021: £16,000) lease rentals were invoiced to the organisation. There were no amounts outstanding at the end of the year (2021: £0).

Development Funding and Finance services are also provided by King Edward's School to the two Trusts. No charge is made for the services provided. The cost of the Development Team for the year at King Edward's School was £101,065 (2021: £111,659) and £91,956 (2021: £81,621) at King Edward VI High School for Girls.

None of the Governors received any remuneration during the year.

There are no other related party transactions.

Notes to the Accounts

19 – Operating leases

The total future minimum lease payments under non-cancellable operating leases are set out below:

	31 August 2022 £	31 August 2021 £
Within one year	89,979	60,972
Between two and five years	103,824	146,908
Over five years	-	-
	193,803	207,880

The cost during the year included in charitable expenditure was £85,917 (2021: £62,772).

The total future minimum lease income from investment property rent under non-cancellable operating leases are set out below:

	31 August 2022 £	31 August 2021 £
Within one year	1,826,060	1,647,138
Between two and five years	6,366,926	6,058,794
Over five years	146,892,813	152,548,205
	155,085,799	160,254,137

The amount of rental income recognised in the year is £1,846,604 (2021: £1,865,016).

20 – Capital commitments

	31 August 2022 £	31 August 2021 £
At the year-end capital commitments were:		
Contracted but not provided for	650,816	-

21 – Events occurring after the reporting period

None

Notes to the Accounts

22 – Pension and similar obligations

Employees belong to two principal defined benefit pension schemes: The Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and The Schools of King Edward the Sixth Retirement Benefit Scheme ("the Scheme") for non-teaching staff. Both are multi-employer benefit schemes. A further defined contribution pension scheme is in operation for non-teaching staff since April 2010.

In addition to the aforementioned Schemes, the Governors provide discretionary unfunded pensions out of general income. These amounted to £1,030 in the year ended 31 August 2022 (2021: £1,223).

Defined contribution scheme

New staff, or those staff who had been eligible but had not joined the defined benefits scheme are eligible to participate in a defined contribution scheme, administered by Scottish Widows. By 31 August 2022, 157 members of staff had joined (2021: 134). The employer contributions for the defined benefit contribution scheme totalled £324,571 (2021: £272,105) based on rates of up to 8%. At year end £50,106 (2021: £42,804) was payable to the scheme and included within creditors.

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,935,710 (2021: £1,819,183) and at the year-end £242,709 (2021 - £216,215) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched in June 2021 on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Notes to the Accounts

22 – Pension and similar obligations (*continued*)

The Schools of King Edward VI in Birmingham Retirement Benefit Scheme

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

The review of the Scheme as at 31 August 2022 showed a large improvement in the funding shortfall. The main reasons for the reduction in the deficit over the period can be summarised as follows:

- significant increases in corporate bond yields over the period have resulted in a lower value being placed on the Scheme's liabilities; and
- the payment of deficit reduction contributions by the Foundation has increased the value of the Scheme's assets.

However, the above factors have been partially offset by:

- an increase in long-term inflation expectations which has increased the value placed on the Scheme's liabilities; and
- lower than expected investment returns have decreased the value of the Scheme's assets.

Contributions to be paid by the Foundation

Period	Foundation Contributions towards the shortfall
1 January 2021 to 31 December 2021	£31,830 per month
1 January 2022 to 31 March 2022	£32,780 per month
1 April 2022 to 31 March 2023	£34,042 per month
1 April 2023 to 31 March 2024	£35,063 per month
1 April 2024 to 31 March 2025	£36,115 per month
1 April 2025 to 31 March 2026	£37,198 per month
1 April 2026 to 31 March 2027	£38,314 per month
1 April 2027 to 31 January 2028	£39,464 per month

From 1 April 2022, as a result of the 2021 valuation, the employer contributions rate was set at 27.3% with Scheme expenses being paid by the Foundation and not the Scheme Fund.

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

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

The Foundation expects to contribute £610,000 to the Scheme during the year to 31 August 2023.

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

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

Notes to the Accounts

22 – Pension and similar obligations (continued)

Principal actuarial assumptions	At 31 Aug 2022	At 31 Aug 2021
Discount rate	4.25% pa	1.70% pa
Inflation (RPI)	3.70% pa	3.40% pa
Inflation (CPI)	3.30% pa	3.00% pa
Salary increases	3.00% pa	3.00% pa
Pension increase (RPI capped at 5% pa)	3.70% pa	3.40% pa
Pension increase (CPI capped at 5% pa)	3.30% pa	3.00% pa
Mortality	S3NA tables with CMI 2019 projections using a long-term improvement rate of 1.25% pa.	S3NA tables with CMI 2019 projections using a long-term improvement rate of 1.25% pa.
Commutation	80% of members are assumed to take 25% of their pension as tax free cash	80% of members are assumed to take 25% of their pension as tax free cash
Early retirement	40% of active members who joined pre 2007 are assumed to retire at age 60, remainder at age 65	40% of active members who joined pre 2007 are assumed to retire at age 60, remainder at age 65
Proportion of members with a spouse or dependant	80%	80%
Life expectancy at age 65 of male aged 45	88.7	88.6
Life expectancy at age 65 of male aged 65	87.3	87.3
Life expectancy at age 65 of female aged 45	91.2	91.1
Life expectancy at age 65 of female aged 65	89.8	89.7

The current asset split is as follows:

Asset category	31 August 2022 £	31 August 2021 £
Equities and other growth assets	11,828,000	15,232,000
Cash	<u>169,000</u>	<u>227,000</u>
Total	<u>11,997,000</u>	<u>15,459,000</u>

The actual return on the Scheme's assets net of expenses over the period to the Review Date was (£3,382,000) (2021: £1,886,000) i.e. – 28% of the asset value (2021: +12% of the asset value). The assets do not include any investments linked to the Foundation.

Notes to the Accounts

22 – Pension and similar obligations (continued)

Reconciliation of Assets and Defined Benefit Obligation

	Value at 31 August 2022 £	Value at 31 August 2021 £
The change in the assets over the period was:		
The movement in assets over the period was:		
Fair value of assets at the beginning of the period	15,459,000	13,423,000
Interest on assets	262,000	216,000
Foundation contributions	551,000	531,000
Contributions by Scheme participants	43,000	53,000
Benefits paid (including expenses)	(674,000)	(434,000)
Return on plan assets	(3,644,000)	1,670,000
	<hr/>	<hr/>
Fair value on assets at the end of the period	11,997,000	15,459,000
The change in the Defined Benefit Obligation over the period was:		
Defined Benefit Obligation at the beginning of the period	21,843,000	19,928,000
Current service cost	283,000	279,000
Contributions by Scheme participants	43,000	53,000
Interest cost on liabilities	366,000	316,000
Benefits paid	(674,000)	(434,000)
Actuarial loss on defined benefit obligation	(7,091,000)	1,701,000
	<hr/>	<hr/>
Defined Benefit Obligation at the end of the period	14,770,000	21,843,000

Amounts recognised in the Balance Sheet at 31 August 2021

Asset category	Value at 31 August 2022 £	Value at 31 August 2021 £
Fair Value of assets	11,997,000	15,459,000
Present value of Scheme Liabilities	(14,770,000)	(21,843,000)
	<hr/>	<hr/>
Deficit	(2,773,000)	(6,384,000)

Notes to the Accounts

22 – Pension and similar obligations (*continued*)

Amounts recognised in the Statement of financial activities over the year

	Value at 31 August 2022 £	Value at 31 August 2021 £
Current service cost	283,000	279,000
Net interest cost	104,000	100,000
Total	387,000	379,000

Remeasurements over the period

	Value at 31 August 2022 £	Value at 31 August 2021 £
Loss/(gain) on assets in excess of interest	3,644,000	(1,670,000)
Experience losses/(gains) on liabilities	3,000	131,000
Losses/(gains) from changes to demographic assumptions	-	294,000
(Gains)/losses from changes to financial assumptions	(7,094,000)	1,276,000
Total Remeasurements	(3,447,000)	31,000

Notes to the Accounts

23 – Financial Instruments

	Value at 31 August 2022 £	Value at 31 August 2021 £
Financial assets		
Equity instruments measured at fair value through the income and expenditure	93,475,144	99,256,488

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

	Value at 31 August 2022 £	Value at 31 August 2021 £
Total investment income for financial assets measure at fair value through income and expenditure	1,132,374	1,109,757
Net (loses)/gains on financial assets measured at fair value through income and expenditure	(7,107,903)	13,937,313
Impairment losses on financial assets measured at amortised cost	17,695	66,750