

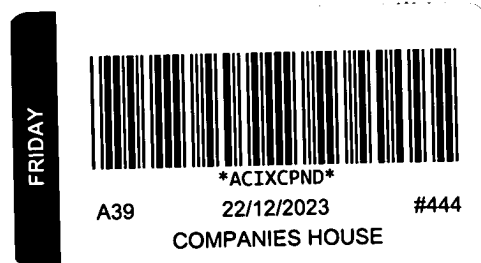


**WELLS CATHEDRAL SCHOOL, LIMITED**

(A charitable company limited by guarantee)

**GOVERNORS' ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2023**



Company Number: 00564883

Registered Charity Number: 310212

**WELLS CATHEDRAL SCHOOL, LIMITED (Limited by Guarantee)**  
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**REFERENCE AND ADMINISTRATIVE INFORMATION**

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<b>Governors</b>	Mr David Brown MA, OBE (Chair) Prebendary Emeritus Barbara Bates BA, MA, FRSA Mr Andrew Campbell-Orde FCCA Mr Martin Cooke BEd The Revd Canon Dr Megan Daffern MA Hons (Oxon), MA Hons (Cantab), DPhil Mr Andrew Gummer LLB The Revd Canon Nicholas Jepson-Biddle BA, MA, Precentor of Wells Mr Tim Lewis BA (Cantab), FCA Mr Harry Musselwhite BA, FKC Mrs Dorothy Nancekieve MA, BMus, PGCE, Hon Aram Mr Robert Powell Mr Kris Robbetts MA, MSc Professor Jeffrey Sharkey BM, MM, MPhil Mrs Elizabeth Shelton SRN
<b>Head Master</b>	Alastair Tighe MA (Cantab)
<b>Bursar &amp; Clerk to the Governors (&amp; Company Secretary)</b>	Robert McCartney BSc (Hons), FCA
<b>Registered &amp; Principal Office</b>	Wells Cathedral School College Road Wells Somerset BA5 2SX
<b>Independent Auditor</b>	Crowe U.K. LLP 4 <sup>th</sup> Floor St James House St James Square Cheltenham GL50 2PR
<b>Bankers</b>	National Westminster Bank PLC 7 High Street Wells Somerset BA5 2AD
<b>Solicitors</b>	Harris and Harris 14 Market Place Wells Somerset BA5 2RE  Veale Wasbrough Vizards LLP PO Box 3501 Bristol BS2 2FL

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**REPORT OF THE GOVERNORS**

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The Governors of Wells Cathedral School, Limited ("the School") present their annual report for the year ended 31 August 2023 under the Charities Act 2011, together with the audited Consolidated Financial Statements for the year and confirm that they comply with the requirements of the Companies Act 2006, the School's Memorandum and Articles of Association and Accounting and Reporting by Charities' Statement of Recommended Practice (FRS 102) ("the Charities SORP").

**Purpose and Charitable Objectives**

The School has been in existence since 909AD. Its original purpose, which it still fulfills to this day, is to educate the Wells Cathedral choristers. Over time, the School has grown and now provides a family-oriented co-educational boarding and day education for 2-18 year olds which provides an all-round education alongside world-class specialist music training, including to the Choristers of Wells Cathedral. Its vision is to inspire every individual pupil to nurture their talents in a vibrant, creative, spiritual and stimulating environment to become a responsible global citizen.

The School aims to achieve its objectives and realise its vision through the application of the core principles set out in its Mission Statement by:

- Encouraging pupils intellectually to set themselves high expectations and aspirational goals;
- Challenging pupils to discover new passions and develop existing ones through active engagement in a range of co-curricular and sporting endeavours;
- Delivering a world-class specialist music and chorister education for those with particular talents;
- Stimulating pupils to be individuals in a uniquely creative and spiritually aware environment;
- Empowering pupils to be independent, resilient, confident and kind.

In addition, the School aims to instill in all its pupils our four Core Values, known as our CARE Values, which are Creativity, Aspiration, Responsibility and Endeavour, all of which are aimed to nurture and develop kind, caring and careful citizens.

The School's objectives as set out in its Memorandum and Articles are as follows:

- To advance education in accordance with the doctrine of the Church of England by such means as shall be exclusively charitable and by other associated activities for the benefit of the community;
- The carrying on and development of the School;
- To provide in particular for the training and education of the choristers of the Cathedral Church of St Andrew in Wells, and the other pupils of the School through instruction in every branch of learning, in citizenship, in outdoor pursuits and in arts and crafts of all kinds, and on the basis of Christian principles and in accordance with the doctrine of the Church of England to provide such pupils with spiritual, moral, mental and physical training; and
- To do all such other things as are incidental or conducive to the attainment of the Association's objects or any of them.

The Governors have referred to the Charity Commission's general guidance on public benefit when reviewing the School's aims and objectives and in the planning of future activities. In particular, the Governors consider how planned activities for the year will contribute to the aims and objectives they have set.

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**REPORT OF THE GOVERNORS (cont'd)**

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**Charitable Benefit**

The School's primary charitable benefit is the provision of education to the pupils at the School. The School is a co-educational learning community and its pupils consist of both boys and girls at all stages. There are no geographical restrictions upon prospective pupils and 133 pupils (2022: 188), about 18% of total pupils, (2022: 27% of total pupils) from 29 (2022: 27) different overseas nations were pupils during the year. Although education is in accordance with the doctrines of the Church of England, there is no religious restriction upon those who may be admitted and pupils of all faiths are welcomed, with many different religions represented amongst the pupil body. All pupils are assessed academically on entrance to enable appropriate provision for them, and auditions are held for prospective musicians and choristers. Beyond the curriculum offered by the School, charitable benefit is also generated from the following activities:

- Community work carried out by pupils in and out of School;
- Outreach and partnership work conducted by the School, in relation to music, sports and academic activities;
- Provision of School estate and support facilities for community use at cost recovery or reduced rates;
- Links with Schools and music academies and enterprises overseas (Sierra Leone, China including Hong Kong, Malaysia and throughout Europe) to enable the pupils to extend their community work abroad and to understand the needs of pupils in different countries; and
- Charitable fundraising.

**Bursaries, Scholarships and Discounts**

The School does not have substantial reserves or endowments and relies upon its annual fee income and Foundation fundraising to support its activities. Although fees are payable by parents, an extensive bursary and scholarship support is provided to pupils. The School seeks to provide as many means tested bursaries and scholarships as can be sustained by its annual fee income. Bursaries are reviewed after each phase of education by the School. During the year, the School provided fee remissions of £3,927k (2022:£3,641k), which comprises bursaries of £1,259k (2022:£1,251k), scholarships of £517k (2022:£447k), a subsidy to pupils participating in the Music and Dance Scheme of £1,199k (2022:£1,038k), and £929k (2022:£883k) of discounts (supporting members of the armed forces, clergy, siblings, Old Wellensians, employees and children of ex-choristers of the School). The School also received £23k (2022: £22k) from The Wells Cathedral School Foundation ('the Foundation').

**Governance**

The School is registered with the Charity Commission and was incorporated in 1956 as a registered company, Limited by Guarantee.

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**REPORT OF THE GOVERNORS (cont'd)**

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**The Governing Body**

The School Governors who served during the year, and up to the date of signing the Financial Statements, are listed below. The Governors of the School are directors of the School for Companies Act 2006 purposes.

Mr David Brown MA, OBE

The Very Revd Dr John Davies DL, MA, MPhil, PhD, Dean of Wells (resigned 9<sup>th</sup> January 2023)

Prebendary Emeritus Barbara Bates BA, MA, FRSA \$0

Mr Andrew Campbell-Orde FCCA\*

Mr Martin Cooke BED 0\$

The Revd Canon Dr Megan Daffern MA Hons (Oxon), MA Hons (Cantab), DPhil, Canon Chancellor of Wells 00  
(appointed 25<sup>th</sup> September 2023)

Mr Andrew Gummer LLB \*#

The Revd Canon Nicholas Jepson-Biddle BA, MA, Precentor of Wells 0#\$ (resigned 31<sup>st</sup> August 2023)

Mr Tim Lewis BA (Cantab), FCA\*●

Mr Harry Musselwhite, BA, FKC \*

Mrs Dorothy Nancekieveil, MA, BMus, PGCE, Hon Aram 0 (appointed 9<sup>th</sup> September 2022)

Mr Robert Powell \$●0

Mr Kris Robbetts, MA, MSc ●

Professor Jeffrey Sharkey BM, MM, MPhil 0

Mrs Elizabeth Shelton, SRN \$

*\* Members of the Finance and Audit Committee*

*\$ Members of the Pastoral and Recreation Committee*

*0 Members of the Academic Committee*

*● Members of the Development Committee*

*0 Members of the Chorister Sub Committee*

*# Parent of a pupil at Wells Cathedral School*

The Governing Body comprises three members of the Chapter of Wells Cathedral, two of which are anticipated to be the Dean and the Precentor, and up to fifteen lay members who are appointed by the Chapter.

The lay Governors are appointed for three years and retire by rotation.

**Group Structure and Relationships**

The Wells Cathedral School Foundation ('the Foundation') was established in 2007 as a separate but connected charity, number 1118159, to act as the legal entity for the recording and control of all fundraising activity on behalf of the School. The Foundation's objects are to advance the education of pupils at the School by means of:

- The provision of financial assistance towards the maintenance and development of the School;
- Raising money for awards to pupils to pursue their education at the School, including pupils whose parents or guardians are in need of financial assistance;
- The provision of facilities and equipment to support the education of pupils in the School; and
- The organisation of events to promote the good name of the School and further its educational objectives, including orchestral and choral concerts in the UK and overseas.

The Foundation's income is from charitable gifts, plus the related gift aid, from individuals, grant giving trusts and foundations, as well as from savings interest and returns on investments. During the year the Foundation received £228k (2022: £158k) in income and made donations to the School of £55k (2022: £81k) towards bursaries and specific projects.

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**REPORT OF THE GOVERNORS (cont'd)**

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Whilst the Foundation produces its own separate audited Financial Statements, these Financial Statements are then incorporated with the Financial Statements of the School into the consolidated Financial Statements of the Group.

**Recruiting and Training of Governors**

The School's Lay Governors are appointed by the Chapter of Wells Cathedral on the basis of nominations agreed between the Chair and the Head Master with regard to the Governing Body's requirements concerning eligibility, personal competence, specialist skills and availability for meetings. A small sub-committee of Governors (the Succession Planning Committee) meets with the Head Master on a regular basis to consider vacancies, names and succession. Checks are made in accordance with Charity Commission direction on each candidate's ability and suitability to serve as a Governor/Charity Trustee. Consideration is taken of any existing or potential conflicts of interest and of their suitability to serve as a Trustee in accordance with the requirements of the Charity Commission and other relevant bodies. The necessary checks from the Disclosure and Barring Service are obtained and other checks consistent with the Independent Schools Inspectorate ('ISI') and Charity Commission direction are conducted. New Governors are inducted into the workings of the School, including Governing Body policy and procedures, by the Chair, the Head Master, the Bursar and the Assistant Clerk to the Governors. The training needs of the Governors are continually assessed and relevant updating sessions are provided, including, but not limited to, development activities provided through membership of the Association of Governing Bodies of Independent Schools (AGBIS).

**Charity Governance Code**

All Governors of the School:

- are committed to the School's cause and have joined its Governing Body because they want to help it to deliver its purposes most effectively for public benefit;
- recognise that meeting the School's stated public benefit is an ongoing requirement;
- are committed to good governance;
- contribute to the School's continued improvement; and,
- understand their roles and legal responsibilities and have read and understood:
  - o The Charity Commission's guidance The Essential Trustee (CC3); and,
  - o The School's Governing document.

The Governors are familiar with, and acknowledge, the updated version of the Charity Governance Code published in August 2020.

**Fundraising Disclosures**

The School had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Over the last year the Foundation has undertaken fundraising activities, as in previous years, using its database. These fundraising activities have been undertaken by staff employed by the Foundation and no external persons have been used. The Foundation voluntarily subscribes to the Fundraising Regulator which holds the Foundation to the Code of Fundraising Practice. Over the course of the financial year there have been no failures to comply with the Code, nor have any complaints been received.

**Safeguarding Policy**

In order to protect vulnerable people the Governing Body and Trustees of the Foundation comply with the School's safeguarding policy to report concerns of abuse. All members of staff, as well as Governors, receive regular safeguarding training, and safeguarding is an agenda item at all Governors' meetings. This allows Governors and staff members to raise and be aware of any concerns.

**REPORT OF THE GOVERNORS (cont'd)**

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**Indemnity Insurance**

As permitted by the Articles of Association, the Directors are the beneficiaries of a qualifying third party indemnity as defined by Section 234 of the Companies Act 2006. The School also purchased and maintained throughout the financial year Governors' and Officers' liability insurance in respect of itself, its Governors and the Trustees of the Foundation. The cost of insurance is included in the cost of public liability cover which amounted to £10k (2022: £9k) in the year for the Group.

**Statement of Going Concern**

The School closely monitors its cash flows and has maintained an overdraft facility of £750k to ensure that it remains a going concern. The School has successfully managed its operating costs in order to deliver a surplus. The School expects to maintain a positive cash position and does not anticipate the need to utilise its agreed overdraft facility in the next twelve months.

In consideration of the presumption of going concern as the basis for the preparation of the report and Financial Statements, the Governing Body has concluded that no material uncertainties have been identified that may cast significant doubt on the ability of the School to continue as a going concern. The Governors therefore have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis continues to be adopted in preparing the Financial Statements.

**Organisational Management**

The School's Governors are legally responsible for the overall management and control of the School. The full Governing Body meets at least four times a year. It is responsible for determining the aims, strategy and overall conduct of the School and is accountable for the discharge of its responsibilities to pupils, parents and staff. The work of implementing the policies is carried out by a series of committees:

**Finance and Audit Committee:** This committee meets four times a year, usually two weeks before a full meeting of the Governing Body, and is chaired by Andrew Campbell-Orde. Its main roles are to:

- consider, monitor, challenge and recommend the annual budgets and fee increases to the board;
- monitor and direct in-year expenditure;
- authorise capital expenditure;
- scrutinise the statutory Financial Statements and recommend them to the Governing Body;
- appoint and appraise the performance of the external auditor;
- scrutinise, monitor, challenge and endorse proposals for staffing and staff remuneration; and
- monitor and advise on the School's human resources function.

**Academic Committee:** This committee meets three times a year, and is chaired by Martin Cooke. Its objectives are to:

- scrutinise, challenge, support and monitor the School's educational aims; and
- help the School develop new and appropriate ones.

**Pastoral and Recreation Committee:** This committee meets three times a year, and is chaired by Prebendary Emeritus Barbara Bates. Its objectives are to:

- monitor and advise in all matters relating to pupil welfare and wellbeing, including matters concerning safeguarding;
- monitor and advise on matters relating to staff welfare;
- review the School's provision of extra-curricular activities, including trips; and
- review and monitor the School's boarding provision.



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**REPORT OF THE GOVERNORS (cont'd)**

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**Development Committee:** This committee meets three times a year, and is chaired by Robert Powell. This committee:

- challenges, advises and supports the Head Master in all matters concerning plant, grounds and non-core trading in order to meet the educational needs of the School; and
- monitors and supports the work of the Foundation.

**Chorister Sub-Committee:** This sub-committee meets three times a year and includes the Cathedral Director of Music, the Assistant Organist and the School's Chorister Tutor. It was chaired by the Precentor of Wells Cathedral, the Reverend Canon Nicholas Jepson-Biddle. It oversees, monitors and plans all matters to do with the Choristers' life and programme.

The running of the School is delegated to the Head Master, supported by his Senior Management Team. The Head Master reports directly to the Governors, as does the Bursar through the Head Master but with direct access to the Governors for matters relating to the roles of Company Secretary and Clerk to the Governors. The Head Master attends all meetings and committees of the Governors, and members of the Senior Management Team attend meetings according to their responsibilities and at the direction of the Head Master and Clerk to the Governors.

**Senior Management Team**

During the year the Senior Management Team were:

Head Master	Mr Alastair Tighe MA (Cantab)
Bursar & Clerk to Governors	Mr Robert McCartney BSc (Hons), FCA
Head of Prep School	Mr Jody Wells BEd Hons
Head of Pre-Prep Development	Mrs Rebecca Perdrix BSc (Hons), MA Ed
Director of Music	Mr Alexander Laing MA (Cantab,) DPS
Deputy Head (Pastoral) and Designated Safeguarding Lead	Mr Martin Ashton BA (Hons), PGCE
Deputy Head (Academic)	Mrs Natalie Perry BSc (Hons), MSc, PGCE
Director of Marketing and Admissions	Mr John Fosbrook BA (Hons), MA

When setting the remuneration and pay structure of the Senior Management Team, a comprehensive benchmarking exercise is undertaken, using Baines Cutler salary benchmark. Governors agree the Head Master's salary and the Head Master agrees the Senior Management Team's salary in consultation with the Governors.

**Volunteers**

The School continues to be grateful to the Parents and Friends' Association for the funds it makes available for desirable and useful extras throughout the School and its contribution in arranging social occasions. Also to the Friends of Music of Wells Cathedral School for their constant support for music in the School and for the funding they make available for instruments, musical commissions, etc. It is also grateful to the Board of Wells Cathedral School Hong Kong Music Society, which raises funds in Hong Kong to support Hong Kong scholars at Wells, and to the Trustees of the Wells Cathedral School Foundation.

## **REPORT OF THE GOVERNORS (cont'd)**

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### **Employees**

Staff in their respective areas (teaching or support) attend regular term meetings/forums to discuss current whole School issues, where they are encouraged to have a voice and participate. They are regularly updated on the current developments of the School including the School's estate projects and its financial position.

The School demonstrates best practice by following a comprehensive recruitment/retention process to ensure equal opportunities for all. Once appointments are made, regular professional development reviews are undertaken to allow all staff to develop their careers further, through training and reflective practice. This includes career development and promotion of disabled people and the continuing employment and training of employees who have become disabled whilst employed by the School. The School has demonstrated how it values all staff by making reasonable adjustments to individuals' work commitments, to enable them to carry out their duties to the best of their ability. If they experience long term health problems and wish to return to work, assistance is provided to aid their recovery. Coaching and counselling services are available for staff.

### **STRATEGIC REPORT**

The Strategic Vision for the School sets out our Key Strategic Focuses as being:

- to develop all-round character and talent of pupils
  - creating a safe, beautiful and stimulating environment
  - cultivating passions
  - generationing community-spiritedness and global awareness
- to provide an all-round education
  - excelling academically
  - excelling musically
  - excelling co-curricularly
- to be responsible stewards for the future
  - providing effective budgeting
  - providing strategic estate management
  - fostering the Wellensian community

The information provided throughout this report gives an overview of how the School is meeting its Key Strategic Focuses. School publications provide further insight and are available from the School and our website.

### **Review of Developments, Activities and Achievements**

The School was named as a finalist in the 'Co-Educational School of the Year' category of the Independent School of the Year 2022 Awards. The School was winner of the Muddy Stilettos 'Best Schools Award 2023' for our Senior School Inventive Sports Programme and Finalists in the same competition for 'Special Sixth Form'. It was also shortlisted as Co-Ed School of the Year and Prep School of the Year in the Independent School of the Year 2023 Awards.

In addition, the School was inspected by the Independent Schools Inspectorate in May 2023 and received the highest possible rating of 'excellent' for both pupil achievement and pupil personal development. The full report can be found on the School's [website](#).

The School roll (excluding Nursery) was 724 during 2022-23; the Senior School was, in effect, full with some limited room for growth in the Prep School.

**REPORT OF THE GOVERNORS (cont'd)**

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GCSE and A level grades were awarded with the grading returning to 2019 standards. Even with this change in grading to reduce grade inflation the School performed extremely well. At GCSE level, 16% of all grades awarded were Grade 9; 51% of all grades fell within the Grade 9 to 7 range (equivalent to A\* to A under the old system) and 91% were in the range Grade 9 to 4 (A\* to C equivalent). At A level, 42.2% of grades awarded were A\*-A, with 87.9% falling in the A\* to C range. Over 89% of pupils achieved their first choices of university or conservatoire (and almost 100% achieved either their first or insurance choice); this includes two pupils who took up Oxbridge places as well as about 75% taking up places at other Russell Group universities, Music Conservatoires or other prestigious international establishments.

Musically, the School continued to excel, with the vast majority of pupils leaving to go onto Music Conservatoires in August 2023 doing so on scholarships. Significant numbers of pupils were selected to perform with national music ensembles, including the National Youth Orchestra, and secured considerable success in local, national and international competitions. The School continues to strengthen and develop its links with partner institutions at home and abroad. The School is a founder member of Young Music Talents Europe, a collaborative network of specialist music schools across Europe, which is committed to sharing expertise and good practice in the coaching of elite instrumentalists and vocalists. The Director and Deputy Director of Music attended meetings throughout the year with representatives of these schools.

Nearly 40 pupils represented their county, region or country in their chosen sport, and all pupils have been engaged in an active sporting provision, with many of them representing the School in competitive fixtures.

Drama continues to have a strong presence in the School, with highlights including the Senior School productions of *Chicago* at the Strode Theatre, Street, and of *Annie* in Cedars Hall, the Prep School's production of *Oliver* in Cedars Hall, as well as the Pre-Prep's numerous productions across the year.

The Combined Cadet Force ('CCF') continues to have an active presence in the School, and numerous pupils completed either the Bronze, Silver or Gold, Duke of Edinburgh Award Scheme qualifications.

The School's provision of pastoral care continues to be a priority for the School, with the aim of giving all pupils the encouragement and support necessary to ensure they are enabled to not only 'be what you are' (*esto quod es*) in the words of the School motto, but become the best they can be. This aim is threaded through our discourse whenever possible, and we have been successful in gaining national accreditation for our wellbeing provision. Pupils should have a sense of belonging and be contented, balanced and confident individuals who have the necessary tools to be able to live safe, healthy and fulfilling lives. They should have a high level of spiritual awareness, emotional intelligence and self-control and also be active and responsible citizens who make a positive contribution to the School and wider world. They should be possessed of a good moral compass and a strong sense of honesty and integrity, and be equipped to work in partnership and in teams. The School's Mental Health Counsellors and Mental Health Practitioner continue to work effectively and 36 Teaching and Support staff have been trained up as Mental Health First Aiders.

Cedars Hall, our state of the art performance venue, continues to be an integral asset both for the School and in the cultural life of the City of Wells and the South West of England. The School has hosted the public for world-class classical, jazz, pop and commercial music performances, art exhibitions, drama productions, lectures and other important festivals including The Wells Festival of Literature and The Wells Comedy Festival. It is also in continued demand as a top-calibre recording venue admired by, among others, the BBC.

The School continues to maintain its historic and beautiful estate and is undertaking condition surveys of its buildings with a view to generating a strategic masterplan for the utilisation and maintenance of the site and possible new buildings.

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**REPORT OF THE GOVERNORS (cont'd)**

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Old Wellensian activities remain buoyant. Sadly, a train strike prevented the London RAF reunion dinner from taking place in January 2023, but the Summer Reunion held at the School was well attended. Regular bulletins and other communications have been issued as well. The Foundation has continued to work with the Old Wellensian Association on communications, and the Head of Foundation continued as Secretary and Vice-Chair of the Association.

**Public Benefit**

The beneficiaries of the School also include children and young people who are not pupils of the School but who have the opportunity to benefit from educational and entertainment activities undertaken at, or by, the School.

As mentioned above, Cedars Hall is one of the School's primary vehicles for engagement with the wider community. The hall hosted music community events throughout the year, parent and toddler sessions, as well as matinee drama performances for local primary schools and other prep school children. The Sports Department ran numerous sporting community projects for local school children, including for hockey and we hosted a number of 'Be a Mathematician' days across the year as well as a Primary School Maths Festival.

The School hosted its ever-popular Music Summer Courses open to young people nationally and internationally in all the key music disciplines.

Pupils continue to volunteer for local charities, schools and other organisations, and the School held a number of charity-focused events including non-uniform days, the annual Save the Children walk, Christmas Cards for local care home residents, and our annual pupil-led Event on the Lawn which raised funds for our partner schools in Sierra Leone.

The Swimming Pool has been made available to the local population throughout the year, including to Ukrainian refugee families. Other sporting facilities have also regularly been made available to local sporting groups, including cricket and tennis groups, for little or no charge.

A good number of staff continue to act as examiners for GCSE, A level, ABRSM and Trinity examinations taken by maintained School candidates. One member of staff is a governor of a local maintained school.

The Choristers have continued to play an integral part in the worship at Wells Cathedral and, as such, are a significant benefit to the members of the wider community. The School supports the Cathedral in providing mentoring in teaching, and in supporting safeguarding training for the Vicars Choral, and its choral and organ scholars. It also supports children from other Schools to "Be a chorister for a Day" providing staffing, pupils and physical resources. The School has also supported an Outreach Singing Programme for local Primary Schools delivered in conjunction with the Cathedral.

**Promotion of the success of the organisation to benefit its members**

The Governors confirm that in accordance with Section 172 (1) of the Companies Act 2006 they act in a way they consider most likely to achieve the purposes of the Company. In making this assessment, the Governors consider the relevant actions of the Governing Body as described throughout the report. Taking the areas required for disclosure in turn:

**a) The likely consequences of any decision in the long term**

The assessment of the long term sustainability of the School's operations is considered in the going concern section of the Governors' report. This assessment is based upon review of management information and financial forecasts (including projections of the level of reserves) by the Governing Body.

**REPORT OF THE GOVERNORS (cont'd)**

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Strategic decisions are subject to discussion and validation by the Governing body prior to implementation. The Governing body also regularly reviews risks that may threaten the achievement of the School vision and strategy to ensure their effective mitigation.

**b) The interests of the Charity's employees**

The School recognises that the professional skill and commitment of its staff are essential to its success. The Governors ensure regular opportunities to its staff for discussion with Governors and management on a formal and informal basis.

Twice weekly briefings and notices help to keep staff informed and provide opportunities for involvement in the diverse activities of the School. Staff well-being and engagement is a key area of focus at all times.

**c) The need to foster the Charity's business relationships with suppliers, customers and others**

Parents are kept engaged and up to date through the parent portal, social media posts and the weekly bulletin 'This Week in Wells'. Parent surveys are regularly undertaken. The Governors (several of whom are, or were, parents of children at the School) actively engage with the parent body and the various voluntary organisations set up by parents to support the activities of the School.

The School makes an important contribution to the local economy with many suppliers based in the local area. The School ensures that it acts with integrity in its business relationships including prompt payment of supplier invoices.

**d) The impact of the Charity's operations on the community and the environment**

The School is developing metrics to enable monitoring and reporting of the environmental impact of its activities. These measures are outlined in more detail in the Sustainability section of the Governors' Report.

The School continues to engage extensively with the wider community through a wide range of activities described in the Strategic Report.

**e) The desirability of the Charity maintaining a reputation for high standards of business conduct**

The School has established policies and procedures to govern the conduct of its business. These policies are regularly reviewed by management and are subject to review and validation by relevant committees of the Governing Body on a regular basis.

The School is committed to complying with all applicable laws and regulations.

**f) The need to act fairly between members of the Charity**

The School's Code of Conduct applies to all members of School staff including Governors.

The School has procedures in place to ensure Governors interests are declared and conflicts of interest avoided.

**REPORT OF THE GOVERNORS (cont'd)**

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**Risk Management**

The Governing Body is responsible for the management of the risks faced by the School. While the Governing Body reviews risks in each of its formal meetings, the Senior Management Team is responsible for managing control procedures. A formal review of the School's risk management process and registers is undertaken at least annually.

The top risks identified by the School are as follows:

<b>Risk Identified</b>	<b>Action taken to mitigate risk</b>
Maintaining the pupil roll	Regular monitoring of pupil numbers to assess the consequences of changes, and an active programme of recruitment and retention.
Statutory changes	Maintaining an awareness of political policy proposals and scenario assessment of likely impact on the School should the policy be enacted.
Affordability	Careful consideration of market conditions, review and control of cost drivers to ensure fees are set at a level that the market will bear whilst ensuring necessary operating costs continue to be covered.
Estate maintenance	Establishing a programme of planned proactive maintenance and enhancement to ensure that School facilities remain attractive to existing and prospective parents.
Staff costs	Continuous monitoring of planned and actual headcount and associated cost to ensure that staff costs are strictly controlled against Budget.

The key controls used by the School to manage identified risks include:

- A register of key risks, identifying and assessing the risks as well as a responsible manager and risk mitigation strategy for each risk;
- Clear terms of reference for all Committees;
- Formal agendas for all Committee and Governing Body activity;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear authorisation and approval levels; and
- Vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established by the School, the Governors are satisfied that the major risks have been identified and have been mitigated as far as possible within the School's ability. It is recognised that the risk management process can only provide reasonable but not absolute assurance that major risks have been adequately managed.

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**REPORT OF THE GOVERNORS (cont'd)**

**Sustainability**

Under the requirements of the companies and limited liability partnerships to comply with the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 ('the 2013 Regulations') and the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ('the 2018 Regulations'), this report outlines the School's plan to address environmental impacts.

A key part of the School's sustainability strategy will be the ability to understand, measure and report on its environmental performance and impact in order to devise a number of Key Performance Indicators that will assist to reduce and off set carbon emissions now and in the future. This is not only to ensure compliance with certain regulations, but also to ensure that the school benefits from lower energy and resource costs, gains a better understanding of climate change but also to assist it to demonstrate leadership as well as marketable 'green credentials'.

Whilst the School is in the early stages of this process, including measurable reporting, the School is making small steps to carry out work that ensures sustainability and environment are considered. This year these have included:

1. A continued programme of changing lights to LED, with sensors where appropriate.
2. Working with its supplier to increase recycling collections.
3. A programme of condition surveys to identify roof & fabric concerns on its various buildings.
4. Solar panels – improved planned maintenance to ensure efficiency levels.
5. Rolling programme of replacing petrol hand held machines (leaf blowers etc.) with battery operated ones.
6. A replacement programme for the ageing grounds machines, seeking more efficient machines.

The planned engagement with an external firm to assist the School in calculating its current carbon footprint did not proceed. This activity has been deferred but the School remains committed to seeking to set out the scope of appropriate calculations i.e. what should or should not be included. This will enable the resulting strategy to reduce the School's carbon footprint to be broken down into component parts so the School can reduce in parts to achieve an aggregated net zero target. This in turn will enable the School to report fully on its environmental impact setting measured against meaningful Key Performance Indicators and determining financial benefits.

	2022/23	2021/22
UK energy use kWh	Gas: 3,442,412 Electricity: 1,178,482	Gas: 3,259,732 Electricity: 1,101,866
Associated Greenhouse gas emissions Tonnes co2 equivalent	Gas consumption: 619.63 Electricity consumption: 223.91	Gas consumption: 586.75 Electricity consumption: 209.35
Intensity ratio Emissions per pupil Total number of pupils 724 (2021/22:709)	0.86	0.83

Associated Greenhouse gases have been calculated using the UK Government conversion factors for company reporting.

**REPORT OF THE GOVERNORS (cont'd)**

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**Operational Performance**

The School set itself the following objectives for the academic year 2022/23. Progress is indicated in *italics*.

1. To raise the level of fundraising for bursaries both at home and abroad, and to create the basis for the next stage of advancement at the School.  
*Work continues on this, and the Foundation is reviewing its legacy plans for donors among other things. A new Head of Fundraising, and Director of Foundation was appointed at the end of 2022/23 Academic Year, to commence in early 2023/24.*
2. To maintain the level and rate of recruitment of pupils at all stages in the School in order to continue to create a balanced model for the School.  
*Recruitment has been strong and as we enter the next academic year we are looking forward to a full school eventually, slightly larger than the full school of 2022/23. We continue to work to bring our recruitment cycle forward, and we are seeing increasing numbers of prospective families earlier than before, and committing to the School more than a year in advance. Moreover, sections of the School are full, including some year groups.*
3. To continue to support families and parents better so that being a member of the Wells community is easier.  
*Progress continues, including improved communications and a greater sense of collaboration between the various supporting bodies of the School, not least via the creation of the Wells Community online platform.*
4. To develop leadership and accountability at all levels throughout the School.  
*For pupil leadership, our revised Prefect and Captain structure has been embedded and a School Council for pupils in the Senior School has been introduced.*
5. To grasp the challenge of the School's diversity and market it accordingly.  
*Ongoing progress, with continued focus on international pupils, HM Forces pupils, London families, day pupils and musicians. We are also keen to focus on UK boarding pupils of all ages, including those of Prep School age, and have a strategy to further diversify the nationality mix of the school.*
6. To maintain the commitment to continuous improvement in the delivery of the School's elite music programme and to widen its offering to embrace more fully commercial genres. To increase engagement with the wider community via the Cedars Hall arts complex.  
*Progress continues. The outreach of Cedars Hall is ever-growing. We have launched a Wells International Music offering to enable those from abroad or elsewhere in the UK to access the superb 1:1 music teaching Wells provides online. The appointment of a dedicated Enterprises Development Manager has helped us make further progress in this area.*
7. To further enhance pastoral care and the wellbeing of the whole community.  
*The tutor programme was reviewed in 2021 and now runs across the whole of the Senior School daily during the working week in Tutor Groups. Each daily session covers a different and relevant area for focus and incorporates 'Wellbeing Wednesday'. Our current Head of PSHE (Personal, Social, Health & Economic) is highly trained and delivers a compulsory PSHE programme to all pupils from Year 7 to Upper Sixth. Running parallel to this we invite a series of external speakers to speak to pupils of all ages at stages during the Academic Year. A proportion of these speakers engage with parents at remote or physical events in the evenings to help reinforce knowledge and messages to our pupils. Pupils and parents have access to additional support by way of The Wellbeing Hub, offering support and guidance for dealing with social, emotional and educational needs.*



**REPORT OF THE GOVERNORS (cont'd)**

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*We have an increasing number of staff trained as Mental Health First Aiders via a local charity, 'Heads Up', who also led whole school INSET training in January 2022 and September 2023. The School has recently been granted The Wellbeing Award for Schools. This is a national standard recognising positive mental health and emotional wellbeing initiatives, and has been accredited by Optimus Education in association with the National Children's Bureau.*

8. To plan the funding and delivery of capital projects to extend and enhance educational, sport and boarding facilities.

*An ongoing Estates Plan is being followed with a prioritisation list under constant review.*

The School has monitored performance against key indicators throughout the year. At Wells there are many unseen exam factors, not least that many of the most able pupils at this stage in their development do fewer GCSEs or A levels than at other Schools; this may be because of their musical programme or because so many individual pathways are crafted. The main criterion for entry into the School at any level is that the pupil will be able to flourish and to help other people to do so as well. However there is also a need to make sure that any individual who joins the Wells family can succeed in ways that they want academically. This means providing honest and kind advice to Sixth Form pupils in relation to their preferred route of study.

Large numbers of pupils go to Oxford, Cambridge and other Russell Group universities as well as many excellent universities across the world, or on to eminent music conservatoires around the world, often with significant scholarships. The School focuses most on how they will use all their education to be flexibly minded people of integrity, balance and determination. Our emphasis on independent learning has meant that a significant number of pupils take the Extended Project Qualification, as well as the GCSE level Higher Project Qualification.

Instrumental music exam results have again been excellent throughout the year, with several pupils achieving diploma level qualifications in a range of instruments and voice.

The School continues to strengthen and develop its links with partner institutions at home and abroad. The School is a founder member of Young Music Talents Europe, a collaborative network of specialist music schools across Europe, which is committed to sharing expertise and good practice in the coaching of elite instrumentalists and vocalists. The Director and Deputy Director of Music attended meetings throughout the year with representatives of these schools.

In addition to onsite pre-auditions and auditions, we have been able to reach out by conducting on-line auditions and interviews for all those interested in studying at the School and, for musicians, delivering consultation and regular music lessons for pupils who have expressed an interest in coming to Wells. Furthermore, we have launched Wells Music International, an initiative which will offer a combination of on-line 1:1 music coaching, the opportunity to perform in group performance classes, study music theory and history and benefit from mentoring which will be offered globally during our own term-times alongside on-site residential courses for those on this programme during the Easter and Summer breaks.

The School maintains its link in Sierra Leone with the Ballanta Academy.

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**REPORT OF THE GOVERNORS (cont'd)**

**FINANCIAL REVIEW**

The financial performance for the year has been influenced by a challenging operating environment. Nonetheless the School has seen increased enrolment. The average pupil numbers have increased from last year by 2 pupils (2022: increased pupils by 35) across the Prep and Senior Schools. The demand for bursary and other fee remissions has risen by £263k (2022: £274k). The School is determined to maintain the quality of its provision whilst ensuring that it operates at a financially sustainable level.

**Consolidated Operating Results**

Senior school pupil numbers decreased by 2.72% (2022: Increased by 1.84%); bursaries and discounts increased by 7.22% (2022: increased by 8.14%); and donations received by the Foundation increased by 44% (2022: decreased by 62%). The scholarships awarded increased to £517k (2022: £447k), an increase of 15.66%. The level of gross fee income, the School's charitable income, has increased to £21,657k (2022: £20,087k). The School has continued to invest in staffing and infrastructure in order to maintain the quality of its provision.

The consolidated net result for the year was a surplus of £370k (2022: surplus of £600k) which is composed of the net surplus of the School of £251k (2022: surplus of £700k) and a net surplus from the Foundation of £118k (2022: deficit of £100k). The consolidated results for the year are set out in the Statement of Financial Activities (SOFA) on page 26. Under accounting rules for charities this statement combines transactions of a capital and revenue nature. The operating results for the two constituent charities are outlined below.

**Consolidated Activities**

During the year the School produced an operating surplus of £869k (2022: surplus of £1,324k) before depreciation and non-recurring premises projects. After depreciation and non-recurring premises projects its operating result was a surplus of £277k (2022: surplus of £721k).

The consolidated activities are summarised below:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Income from charitable activities		
(charitable activities per SOFA plus the School bursaries and discounts)	21,657	20,087
Operating costs of School		
School bursaries and discounts	(3,927)	(3,641)
Expenditure on charitable activities (excluding depreciation)	(16,861)	(15,122)
<b>Operating surplus of the School</b>	<b>869</b>	<b>1,324</b>
Less:		
Depreciation	(592)	(601)
Premises - non recurring projects	-	(2)
<b>Net operating surplus</b>	<b>277</b>	<b>721</b>
Income from generated funds	600	470
Realised (loss)/gain on investments	(2)	(129)
Cost of generating funds	(484)	(445)
Cost of charitable activities not part of operating costs	(21)	(17)
<b>Net income in SOFA</b>	<b>370</b>	<b>600</b>

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**REPORT OF THE GOVERNORS (cont'd)**

**Analysis of the business using Key Performance Indicators (KPI's)**

<b>KPI</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Net fee income growth %	6%	2%	1%
Bursaries, scholarships and discounts as % of gross fees	19%	19%	22%
Donations and legacies as a % of gross fees	1%	1%	1%
Teaching staff costs as a % of gross fees	35%	35%	39%
Welfare costs as a % of gross fees	5%	5%	5%
Premises costs at a % of gross fees	21%	19%	21%
Net Operating surplus/(deficit) of the School as % of gross fees	1%	4%	(2)%

The gross fee for these KPIs is £20,107k (2022: £18,926k) (note 3).

The net fee received is £16,180k (2022: £15,285k) (note 3).

The Net Operating surplus of the School is £277k (2022: surplus of £721k).

**Operating result of Wells Cathedral School Foundation**

During the year the Foundation received £156k (2022: £88k) in financial contributions in the form of income from donations and legacies. The Foundation continued to make donations to the School, which in the year under review totalled £53k (2022: £81k). Its operating costs of £44k (2022: £46k), including staff costs and other direct costs associated with the Foundation, were borne by the School. The net movement in funds of the Foundation was a surplus of £118k (2022: deficit of £100k).

**Investment Policy, Powers and Performances**

In accordance with the Trust Deed, Governors of the School and Trustees of the Foundation may authorise the funds of the Foundation to be invested in any stocks, shares or insurance policies. The Trustees' aim is to generate long-term total return from endowment funds invested, combining both capital growth and income.

The Foundation's endowment funds have been entrusted to Evelyn Partners to invest in a portfolio of equities, funds, bonds and cash. The investment is classed as a non-current asset as it will be held for longer than 12 months. The investment objectives and risk parameters are reviewed every year by the Foundation's Investment Committee.

The Foundation adopts the "Total Return" approach to investments which are considered to be permanent endowments under which, once the value of the permanent endowments reaches a sufficient amount, the total return will be available to be used to award bursaries to pupils of the School, consistent with the Foundation's objectives.

**Political and Charitable Contributions**

The Foundation made no political or charitable contributions during the year under review (2022: £nil) other than donations to the School of £53k (2022: £81k), as disclosed in the Foundation's Statement of Financial Activities. The Foundation's grant making policy is to make donations only to the School.

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**REPORT OF THE GOVERNORS (cont'd)**

**Reserves Policy**

The total funds held by the Group at the year-end were £20,206k (2022: £19,836k). The Governors have designated an asset fund so that a framework exists for them to assess appropriate levels of free reserves, as recommended in the Charity Commission guidance paper, "Charities Reserves". Free reserves are defined in the guidance paper as excluding not only funds that are for restricted purposes but also those designated by the Governors for a particular purpose, and any funds only realisable by disposing of fixed assets held for charity use. One thrust of the guidelines is to highlight those charities that are carrying excessive free reserves. The free reserves in the Consolidated Balance Sheet, as defined by the guidelines, are a deficit of £4,450k (2022: deficit of £4,664k) at the end of the financial year. The Governors take comfort from the fact that the School holds significant designated reserves of £19,432k (2022: £19,491k). The Governors believe that, over time, a prudent level of free reserves, consistent with the business risks of the School, equivalent to six months operating costs should be accumulated. The proposed level of such a reserve has yet to be determined, but is considerably higher than the current level of free reserves. It is unlikely that the target will be achieved for many years because of the previous and ongoing policy of the Governors to improve the facilities of the School through the investment of surpluses in School assets.

**Restricted Funds**

The balance of the restricted funds at the end of the year was £4,222k (2022: £4,022k). These funds are held for capital projects, bursary funds and projects funded by the Department for Education. The balance includes the restricted fund net movement of £97k (2022: deficit £35k) from the Foundation.

**Endowment Funds**

The endowment funds represent donations received to provide bursaries. Total endowment funds were £1,002k (2022: £987k) at the end of the year. Endowment funds are defined as donations made to the School in perpetuity, the income from which is to be used for the benefit of future pupils.

**Bursaries, Scholarships and Fee Discounts**

The following fee discounts were provided to parents of pupils at the School during the academic year:

	Number of pupils		Value £'000		% of Gross Fee Income	
	2023	2022	2023	2022	2023	2022
School bursaries	194	260	1,259	1,251	6.27%	6.61%
Bursaries from the Foundation	2	3	23	22	0.12%	0.12%
Music and Dance Scheme	80	80	1,199	1,038	5.97%	5.48%
Scholarships	172	175	517	447	2.57%	2.36%
Value of fee reductions provided to children of:						
Members of the Clergy of the Church of England			12	14	0.06%	0.07%
Members of the Armed Forces			19	15	0.09%	0.08%
Former pupils of the School			35	32	0.17%	0.17%
Parents with more than one child at the School			197	150	0.98%	0.78%
Employees of the School			576	597	2.87%	3.15%
Special circumstances			32	-	0.16%	0.00%
Ex-choristers of the School			58	75	0.29%	0.40%
<b>Total</b>			<b>3,927</b>	<b>3,641</b>	<b>19.55%</b>	<b>19.23%</b>

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**REPORT OF THE GOVERNORS (cont'd)**

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The bursaries from the School and Foundation are awarded on the basis of parental need and are all means tested. The total of £3,927k includes £23k of restricted Foundation bursaries.

The level of support included 2 free places (2022:1) worth £57k (2022: £32k).

The Music and Dance Scheme (MDS) discounts are subsidies provided to parents of pupils whose places are funded by the MDS, as such funding is capped by the Department for Education (DfE). Support by the DfE to these pupils is also means tested.

Scholarships are awarded to recognise a pupil's academic or sporting achievement, and are not means tested, although additional means tested support in the form of a bursary might also be considered where appropriate.

***Statement of Governors' Responsibilities***

The Governors are responsible for preparing the Governors' report and the Financial Statements in accordance with the going concern basis under the historic cost convention, with the exception of listed investments which are held at fair value, in accordance with applicable accounting standards in the United Kingdom including the Financial Reporting Standard 102, 'the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' (FRS 102) Statement of Recommended Practice (FRS 102) 'Accounting and Reporting by Charities' ('the Charities SORP'), the Charities Act 2011 and the Companies Act 2006.

Company law requires the Governors to prepare Financial Statements for each financial year. Under company 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 Group and of the incoming resources and application of resources, including the income and expenditure, of the Group for the year. In preparing these Financial Statements, the Governors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles set out in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the School will continue in business.

The Governors are responsible for ensuring that adequate accounting records are kept by the School that are sufficient to show and explain the Group's transactions, disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the Financial Statements comply with the Companies Act 2006 and the provisions of the School's constitution. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the provision and detection of fraud and other irregularities.

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**REPORT OF THE GOVERNORS (cont'd)**

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**Statement on Disclosure of Information to the Auditor**

So far as each Governor is aware, there is no relevant audit information of which the School's auditor is unaware. The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the School's website.

**Independent Auditor**

Crowe U.K. LLP have indicated their willingness to accept reappointment as the School's auditors and a resolution for their reappointment will be proposed at the Annual General Meeting.

Approved by the Governing Body on 11 December 2023 and signed on their behalf:



**Mr David Brown**  
Chair of the Governing Body

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELLS CATHEDRAL SCHOOL, LIMITED**

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**Opinion**

We have audited the financial statements of Wells Cathedral School, Limited for the year ended 31 August 2023 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the charitable company's affairs as at 31 August 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**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 Group 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 Governors 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 charitable company'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 Governors with respect to going concern are described in the relevant sections of this report.

**Other information**

The Governors 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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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.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion based on the work undertaken in the course of our audit

- the information given in the Governors' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Governors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In light of the knowledge and understanding of the Group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' report.

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' report.

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

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

**Responsibilities of Governors**

As explained more fully in the Governors' responsibilities statement on page 19, the Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELLS CATHEDRAL SCHOOL, LIMITED**

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**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

We obtained an understanding of the legal and regulatory frameworks within which the charity and Group 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, 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 charity's and the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the Group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of Governors 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 with the completeness and accuracy of, bursaries, scholarships and allowances, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, the Bursar and the Finance & Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, designing audit procedures over fee concessions above, reviewing regulatory correspondence with the Charity Commission; Independent Schools Inspectorate; and, reading minutes of meetings of those charged with governance.

**WELLS CATHEDRAL SCHOOL, LIMITED (Limited by Guarantee)  
GOVERNORS' ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED 31 AUGUST 2023**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELLS CATHEDRAL SCHOOL, LIMITED**

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 available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Tara Westcott**  
Senior Statutory Auditor

For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor  
4th Floor, St James House  
St James Square  
Cheltenham  
Gloucestershire  
GL50 3PR

**Date: 20 December 2023**

WELLS CATHEDRAL SCHOOL, LIMITED (Limited by Guarantee)  
GOVERNORS' ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED 31 AUGUST 2023

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating an Income and Expenditure Account)**

	<i>Note</i>	<b>Endowment funds £'000</b>	<b>Restricted funds £'000</b>	<b>Unrestricted funds £'000</b>	<b>Total 2023 £'000</b>	<b>Total 2022 £'000</b>
<b>INCOME FROM:</b>						
Charitable activities:						
Fees receivable	3	-	-	16,180	16,180	15,285
Other educational income	4	-	-	1,315	1,315	815
Other ancillary trading income	4	-	-	258	258	346
Donations & legacies	5	-	182	4	186	136
Other trading activities	5	-	2	363	365	309
Income from investments	6	21	3	25	49	25
<b>Total Income</b>		<b>21</b>	<b>187</b>	<b>18,145</b>	<b>18,353</b>	<b>16,916</b>
<b>EXPENDITURE ON:</b>						
Raising funds	7	(7)	-	(477)	(484)	(445)
Charitable activities	7	-	(19)	(17,474)	(17,493)	(15,742)
Other expenditure	7	-	(2)	(2)	(4)	-
<b>Total Expenditure</b>		<b>(7)</b>	<b>(21)</b>	<b>(17,953)</b>	<b>(17,981)</b>	<b>(16,187)</b>
<b>Loss on Investments</b>	<b>13</b>	<b>(2)</b>	<b>-</b>	<b>-</b>	<b>(2)</b>	<b>(129)</b>
<b>Net Income</b>	<b>10</b>	<b>12</b>	<b>186</b>	<b>192</b>	<b>370</b>	<b>600</b>
<b>Transfers between funds</b>	<b>18, 19, 20</b>	<b>3</b>	<b>14</b>	<b>(37)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>15</b>	<b>200</b>	<b>155</b>	<b>370</b>	<b>600</b>
<b>Fund balances brought forward at 1 September 2022</b>	<b>18, 19, 20</b>	<b>987</b>	<b>4,022</b>	<b>14,827</b>	<b>19,836</b>	<b>19,236</b>
<b>Fund balances carried forward at 31 August 2023</b>	<b>18, 19, 20</b>	<b>1,002</b>	<b>4,222</b>	<b>14,982</b>	<b>20,206</b>	<b>19,836</b>

The Statement of Financial Activities includes all gains and losses in the year.

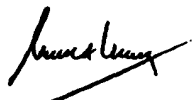
The notes on pages 29 to 56 form part of these financial statements.

WELLS CATHEDRAL SCHOOL, LIMITED (Limited by Guarantee)  
GOVERNORS' ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED 31 AUGUST 2023

**CONSOLIDATED BALANCE SHEET  
AS AT 31 AUGUST 2023**

	Note	£'000	2023 £'000	2022 £'000
<b>Fixed assets</b>				
Tangible assets	12		22,544	22,813
Investments	13		1,161	1,146
<b>Current assets</b>				
Stocks	14	7		6
Debtors	15	1,671		1,713
Cash at bank and in hand		3,010		2,535
<b>Total current assets</b>		4,688		4,254
Creditors: Amounts falling due within one year	16	(4,519)		(5,674)
<b>Net current assets/(liabilities)</b>			169	(1,420)
<b>Total assets less current liabilities</b>			23,874	22,539
Creditors: Amounts falling due After more than one year	17		(3,668)	(2,703)
<b>Total Net assets</b>			20,206	19,836
<b>The funds of the Group</b>				
Endowment funds	18		1,002	987
Restricted funds	19		4,222	4,022
Unrestricted funds	20		14,982	14,827
<b>Total funds</b>			20,206	19,836

These financial statements were approved by the Governing Body on 11 December 2023, and were signed on its behalf by:



Mr Tim Lewis  
Governor



Mr David Brown  
Chair of Governors

Company Registration No.: 00564883

The notes on pages 29 to 56 form part of these accounts.

WELLS CATHEDRAL SCHOOL, LIMITED (Limited by Guarantee)  
GOVERNORS' ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED 31 AUGUST 2023

**SCHOOL BALANCE SHEET  
AS AT 31 AUGUST 2023**

	Note	£'000	2023 £'000	2022 £'000
<b>Fixed assets</b>				
Tangible assets	12		22,544	22,813
<b>Current assets</b>				
Stocks	14	7		6
Debtors	15	1,678		1,706
Cash at bank and in hand		2,524		2,180
<b>Total current assets</b>		<b>4,209</b>	<b>3,892</b>	
<b>Creditors: Amounts falling due within one year</b>	16	<b>(4,512)</b>	<b>(5,682)</b>	
<b>Net current liabilities</b>			<b>(303)</b>	<b>(1,790)</b>
<b>Total assets less current liabilities</b>			<b>22,241</b>	<b>21,023</b>
<b>Creditors: Amounts falling due After more than one year</b>	17		<b>(3,668)</b>	<b>(2,703)</b>
<b>Total Net assets</b>			<b>18,573</b>	<b>18,320</b>
<b>The funds of the Group</b>				
Restricted funds	19		3,669	3,566
Unrestricted funds	20		14,904	14,754
<b>Total funds</b>			<b>18,573</b>	<b>18,320</b>

The net movement in funds for the School in the year is a surplus of £251k (2022: Surplus of £700k).

These financial statements were approved by the Governing Body on 11 December 2023, and were signed on its behalf by:



Mr Tim Lewis  
Governor



Mr David Brown  
Chair of Governors

Company Registration No.: 00564883

The notes on pages 29 to 56 form part of these accounts.

WELLS CATHEDRAL SCHOOL, LIMITED (Limited by Guarantee)  
GOVERNORS' ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED 31 AUGUST 2023

**CONSOLIDATED STATEMENT OF CASH FLOWS**

	<i>Note</i>	<b>£'000</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
<b>Net cash provided by operating activities</b>	<b>24</b>		<b>1,118</b>	<b>1,180</b>
<b>Cash flows from investing activities</b>				
Income received from investments	6	49	25	
Proceeds from sale of investments	13	367	307	
Purchase of tangible fixed assets	12	(381)	(458)	
Proceeds from sale of tangible fixed assets	12	-	9	
Purchase of investments	13	(438)	(335)	
<b>Net cash used in investing activities</b>			<b>(403)</b>	<b>(452)</b>
<b>Cash flows from financing activities</b>				
Repayments of borrowings	26	(109)	(230)	
Payment of interest	11	(160)	(58)	
<b>Net cash used in financing activities</b>			<b>(269)</b>	<b>(288)</b>
<b>Change in cash and cash equivalents in the reporting year</b>	<b>25, 26</b>		<b>446</b>	<b>440</b>
<b>Cash and cash equivalents at the beginning of the reporting year</b>	<b>25</b>		<b>2,592</b>	<b>2,152</b>
<b>Cash and cash equivalents at the end of the reporting year</b>			<b>3,038</b>	<b>2,592</b>
<b>Cash and cash equivalents</b>				
Cash at bank and in hand	25		3,010	2,535
Cash held by investment manager	13		28	57
			<b>3,038</b>	<b>2,592</b>

The notes on pages 29 to 56 form part of these accounts.

## NOTES TO THE ACCOUNTS

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### 1. Company status

The school is a charitable company, registered in England and Wales (Company Number: 00564883) limited by guarantee, and not having any share capital. The members undertake to contribute to the assets of the company in the event of it being wound up, either whilst members or within one year of their membership ceasing. The maximum contribution required from each member would be £1. The school is also a charity registered in England and Wales (Charity Number: 310212).

The school is a public benefit entity and its functional and presentational currency is the pound sterling.

The school's registered and principal address is The Bursary, College Road, Wells, Somerset, BA5 2SX.

### 2. Accounting policies

The financial statements have been prepared on the going concern basis under the historic cost convention with the exception of listed investments which are held at fair value, in accordance with applicable accounting standards in the United Kingdom including the Financial Reporting Standard 102 'the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' (FRS 102), Statement of Recommended Practice (FRS102) 2015 'Accounting and Reporting by Charities' ('the Charities SORP'), the Charities Act 2011 and the Companies Act 2006.

The principal accounting policies adopted in the preparation of the financial statements are as follows:

#### i) Going concern

The accounts have been prepared on the going concern basis as the Governing Body consider this to be appropriate.

The Governing Body has prepared cash flow forecasts for a period of more than twelve months from the date of approval of these financial statements. These indicate that, taking account of reasonable possible downsides, the Group will have sufficient funds to meet its liabilities as they become due.

In preparing the forecasts, the Governing Body has considered further severe, but plausible, downside scenarios. None of the scenarios indicates that the Group would have insufficient funds to meet its liabilities as they fall due or fail to comply with its banking covenants. As a result, the Governing Body considers that it remains appropriate to adopt the going concern basis in the preparation of the financial statements.

The Governing Body has reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as the continuing employment of staff.

**NOTES TO THE ACCOUNTS (cont'd)**

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**2. Accounting policies (cont'd)**

**ii) Basis of consolidation**

These consolidated financial statements include the financial statements of Wells Cathedral School, Limited ('the School') and The Wells Cathedral School Foundation ('the Foundation').

The Foundation is not a direct subsidiary of the School but has been consolidated into the School's financial statements. Under accounting standard FRS102, the Foundation is classified as a quasi-subsiary as the School indirectly controls and directs the Foundation's activities from which the School benefits. The Charities SORP states that where the objects of the Charity (the Foundation) are substantially or exclusively confined to the benefit of another charity (i.e. the School), and where the School influences the Foundation in its operational plans, i.e. the nature and timing of support, then the criteria for consolidation of the financial statements are deemed to have been met.

These financial statements consolidate the results of the School and the Foundation on a line by line basis. The results of the Foundation are disclosed in note 30 of these financial statements.

In accordance with the provisions of s408 of the Companies Act 2006 and paragraph 397 of the Charities SORP, the School is exempt from the requirement to present its own income and expenditure account and statement of financial activities.

**iii) Income**

Income in furtherance of the School's activities represents the amounts (excluding value added tax), derived from the provision of educational services and boarding facilities to the pupils during the year, and is accounted for on a receivable basis.

School fees received in the current year in respect of the next or subsequent academic year are not recognised as income in the current year and are transferred to fees received in advance and included in creditors in the balance sheet.

Deposits received from pupils' parents are held in creditors and are classified as falling due within one year. Deposits are repaid when the pupil leaves the School.

Other income (excluding fee income) in furtherance of the Group's activities is represented by:

- Donations, which comprise primarily donations and charitable gifts from individuals, grant giving trusts and foundations, are accounted for on an accruals basis. Such income is recognised when there is a legally binding commitment to the Foundation for the transfer of funds. Donations of assets are brought into the balance sheet and statement of financial activities at market value, at the date of acquisition. Gift aid on donations is subsequently applied for where applicable;
- Legacies, which are accounted for at the earliest of receipt of estate accounts or cash received. As assessment is performed post year end of up to two months. Any legacies received are considered, their value reliably measured and then accounted for appropriately;
- Income from investments, which represents the interest and dividends earned during the year from bonds, deposits, and the endowment funds and any realised gains on their disposal. Income is accounted for on an accruals basis;
- Other educational income, which comprises educational income other than fees;



**NOTES TO THE ACCOUNTS (cont'd)**

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**2. Accounting policies (cont'd)**

**iii) Income (cont'd)**

- Ancillary trading income, which comprises income associated with the provision of education by the School such as provision of the School bus service and external concerts; and,
- Other trading activities, which comprise income generated from lettings, hire of the School's facilities and external functions.

**iv) Accrued Income**

When, as a result of performing a service or otherwise meeting the requirements of any arrangements with a third party, income falls due but has not been invoiced at the year end, an accrual is made for this income.

**v) Grants**

Grants received in respect of revenue expenditure are credited to income when there is evidence that entitlement to the grant receipt is probable and the amount can be measured reliably.

Grants in respect of fixed assets are recognised in the statement of financial activities when they are receivable, i.e. when the School is entitled to the income. Grant income is included in deferred income in the balance sheet where pre-conditions exist that require the expenditure to be incurred in a future year or where there is uncertainty as to whether the School will be able to fulfil the pre-conditions attached to the grant or part thereof.

**vi) Scholarships, Bursaries and Discounts**

Scholarships, bursaries and discounts are awarded to certain pupils who attend the School and are accounted for as a reduction in fees. Each award made is matched against fee income for that pupil at the time the fee invoice is raised. Each award is reviewed annually.

**vii) Expenditure**

All expenditure is included in the statement of financial activities on an accruals basis. Costs directly attributable to a specific expense heading are allocated to that heading. Expenditure is recognised when a liability is incurred, and in the following categories:

- Expenditure on raising funds, which consists of costs incurred in attracting voluntary income;
- Charitable activities, which comprise expenditure incurred in teaching, boarding and music programmes, and including both the direct costs and support costs relating to these activities;
- All expenditure, including support costs, is classified under activity heading that aggregates all costs related to the category. Irrecoverable VAT is charged against the category of expenditure for which it is incurred;
- Termination/redundancy payments are accounted for as soon as the School is aware of the obligation to make payments.

## NOTES TO THE ACCOUNTS (cont'd)

### 2. Accounting policies (cont'd)

#### viii) Pension costs

The teaching staff are members of the Teachers' Pension Scheme ('TPS'), which is a defined benefit scheme. Under the definitions set out in FRS102, the teachers' pension scheme is a multi-employer pension scheme.

Accordingly, the School has taken advantage of the exemptions available to multi-employer pension schemes and contributions to the scheme are charged to the statement of financial activities when they are payable.

Some other employees are members of a money purchase pension scheme operated by an insurance company on behalf of the School. The amounts charged against income represent the contributions payable to the schemes in respect of the accounting year.

#### ix) Tangible Fixed Assets and Depreciation

All tangible fixed assets are accounted for at cost less accumulated depreciation. Cost includes the original purchase price of the asset plus the costs attributed to bringing the asset to its working condition for its intended use. Depreciation is provided by the School to write off the cost less the estimated residual value of tangible fixed assets by instalments over their estimated useful economic lives on a straight line basis as follows:

Freehold buildings	-	1%-10% per annum
Long leasehold land and buildings	-	1%-2% per annum
Fixtures and fittings	-	5%-12.5% per annum
Musical instruments and machinery	-	10% per annum
Information and communications technology equipment (including computer and data communications equipment)	-	10%-25% per annum
Motor vehicles	-	12.5% per annum

The useful economic lives and residual value of fixed assets are reviewed annually.

No depreciation is provided on freehold land.

The capitalisation threshold is £1,000. Items under this level are expensed to the statement of financial activities.

Assets in the course of construction are not depreciated until they are completed and brought into use.

#### x) Investments

In accordance with the Trust Deed, the Trustees of the Foundation may authorise its funds to be invested in any stocks, shares, or insurance policies. The Trustees' aim is to generate long-term total return from endowment funds invested, combining both capital growth and income, and to invest other funds received in bank deposits and bonds at attractive rates of interest. The basis for determining fair value is the quoted market price in an active market.

Any gains and losses on sale or revaluation of investments are recorded within the statement of financial activities.

**NOTES TO THE ACCOUNTS (cont'd)**

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**2. Accounting policies (cont'd)**

**x) Investments (cont'd)**

The Foundation has adopted the "Total Return" approach to investments which are considered to be permanent endowments under which, once the value of the permanent endowments reaches a sufficient amount, the total returns earned on the investments will be available to be used to award bursaries to pupils at the School.

**xi) Stocks**

Stocks are stated at the lower of cost and net realisable value and using the "first in first out" method. Cost represents the invoice value charged by suppliers. Stocks are reviewed annually and a provision created for any slow moving stock where necessary.

**xii) Debtors**

Other debtors, intercompany debtors and accrued income are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**xiii) Cash and cash equivalents**

Cash is represented by cash in hand.

**xiv) Fees Received in Advance**

Fees received in advance of education to be provided in future years is treated as deferred income until either taken to income in the School term when used or otherwise refunded.

**xv) Leases**

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is the shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the income and expenditure account, and the capital element which reduces the outstanding obligation for future instalments. All other leases are accounted for as operating leases and the rental charges are charged to the statement of financial activities on a straight line basis over the life of the lease.

**xvi) Repairs provision**

In accordance with the requirements of the block lease, the School commissions a five yearly survey of the state of the repair of the leased buildings. The surveyor's suggestions and recommendations for repairs are then categorised into major repair works and ongoing repairs. The School undertakes the major repair work within its ongoing programme of maintenance over a five year period.

**NOTES TO THE ACCOUNTS (cont'd)**

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**2. Accounting policies (cont'd)**

**xvii) Endowment funds (restricted)**

Endowment funds are defined as donations made to the School in perpetuity, the income from which is to be used for the benefit of future pupils.

**xviii) Restricted funds**

These funds have been donated for specific purposes, such as bursaries, scholarships or capital projects.

**xix) Capital fund (restricted)**

The capital fund represents the cost of buildings that were funded by the Wells Cathedral School Development Trust ("the Trust") and transferred to the School prior to 2005, when the Trust was closed, and contributions by the Trust towards capital projects undertaken by the School ceased. The capital fund also includes amounts received by the School towards specific fixed assets from other organisations and is subject to an attributable depreciation charge.

**xx) Revenue fund**

The revenue fund represents the working capital of the School. Part of this fund has been designated as an asset fund.

**xxi) Designated Asset fund**

The Governing Body has elected to designate funds equal to the value of land and buildings which are not held within the restricted funds. The asset fund therefore represents the net book value of the tangible fixed assets not funded by the capital fund, less outstanding loans secured on specific assets.

**xxii) Transfers between reserves**

Transfers between revenue and designated funds are made at the Governing Body's discretion to set aside funds as required. Expenditure on new tangible fixed assets not funded by the capital fund, less any outstanding loans secured on these assets, is transferred to designated reserves. Transfers between revenue and restricted funds reflect the depreciation charge on the capital fund and any purchases of restricted assets.

**xxiii) Financial instruments**

The Group has financial assets and financial liabilities of a kind that qualify as basic financial instruments. These are initially recognised at transaction value and subsequently measured at their amortised cost or fair value depending on the nature of the financial instrument.

**xxiv) Critical Accounting Judgements and Estimation of Uncertainty**

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

- **Critical judgements**

The Governing Body do not believe that any critical judgements have been made in preparing the financial statements.

The accruals and prepayments are calculated based on firm or historical evidence, except pledges, which are included based on a firm judgement by the Foundation.

**NOTES TO THE ACCOUNTS** (cont'd)

**2. Accounting policies** (cont'd)

**xxv) Critical Accounting Judgements and Estimation of Uncertainty** (cont'd)

- **Estimates and assumptions**

The estimates and assumptions made by the Group consist mainly of an allocation of the School's development department's operating costs associated with the Foundation and the useful economic lives and residual values of the School's fixed assets. These reasonable estimates are based on the knowledge of key management personnel.

**xxvi) Taxation**

The School and Foundation, which are registered charities, are not liable to taxation on the net revenue from their primary activity or investment income and gains.

The School is registered for Value Added Tax and is subject to the partial exemption rules.

**3. Fees receivable**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Fees receivable consist of:</b>		
Tuition and boarding fees	18,137	16,974
Music tuition fees	1,970	1,952
<b>Total fees</b>	<b>20,107</b>	<b>18,926</b>
<b>Less:</b>		
DfE cap – Tuition and boarding fees	(1,199)	(1,038)
Bursaries, scholarships and other discounts	(2,728)	(2,603)
	<b>16,180</b>	<b>15,285</b>

The Department for Education ('DfE') cap is the contribution by the School to cover the shortfall which arises because the fees eligible for the Music and Dance Scheme are lower than the full fees. The bursaries include the restricted bursaries donated from the Foundation of £23k (2022: £22k).

WELLS CATHEDRAL SCHOOL, LIMITED (Limited by Guarantee)  
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YEAR ENDED 31 AUGUST 2023

**NOTES TO THE ACCOUNTS (cont'd)**

**4. Income from Charitable Activities**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Other educational income:</b>		
School activities	1,027	599
Extra tuition	238	167
Wells Music College income	8	8
Registration fees	37	37
Other income	5	4
	<b>1,315</b>	<b>815</b>
<b>Other ancillary trading income:</b>		
Bus service for pupils	63	114
Concert income	12	4
Other income	183	228
	<b>258</b>	<b>346</b>

**5. Income from Donations and Legacies**

		2023	Group		
		£'000	2022		
			£'000		
<b>Unrestricted:</b>					
Donations and legacies		4	21		
<hr/>					
		2023	Group	2023	School
		£'000	2022	£'000	2022
			£'000		£'000
<b>Restricted / Endowed</b>					
<b>Donations:</b>					
Donations (restricted)		126	100	30	82
Donations to Music (restricted)		56	7	30	7
Donations (endowed)		-	8	-	-
<hr/>					
		182	115	60	89

Donations to the School from the Foundation totalled £60k (2022: £82k), including bursaries of £23k (2022: £22k). Net restricted donations received by the Foundation totalled £152k (2022: £59k) and donations to endowed funds were £Nil (2022: £8k).

WELLS CATHEDRAL SCHOOL, LIMITED (Limited by Guarantee)  
GOVERNORS' ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED 31 AUGUST 2023

**NOTES TO THE ACCOUNTS (cont'd)**

**5. Income from Donations and Legacies (cont'd)**

	2023 £'000	2022 £'000
<b>Other trading activities:</b>		
Lettings	56	53
Hire of facilities	175	171
Functions/Concert income	86	60
Solar panels	34	12
Rental	20	32
Deficit on fixed asset disposals	(6)	(19)
	365	309

**6. Income from investments**

	2023 £'000	Group 2022 £'000	2023 £'000	School 2022 £'000
Interest from short-term deposits	25	1	21	1
Income earned on endowment funds transferred to restricted funds	3	3	-	-
Income earned on endowment funds	21	21	-	-
	49	25	21	1

**7. Expenditure**

	Staff costs £'000	Other £'000	Depreciation £'000	Total 2023 £'000	Total 2022 £'000
<b>Expenditure on raising funds:</b>					
Fundraising trading costs	257	184	-	441	399
Foundation operating costs	37	6	-	43	46
<b>Total expenditure on raising funds</b>	294	190	-	484	445
<b>Expenditure on charitable activities:</b>					
Teaching costs	6,973	440	95	7,508	7,060
Welfare costs	817	280	-	1,097	956
Premises – general	1,523	2,121	549	4,193	3,565
Premises – non recurring projects	-	3	-	3	2
Support costs	2,031	1,407	-	3,438	3,363
School activities	-	1,027	-	1,027	599
Ancillary trading	53	174	-	227	197
<b>Total expenditure on charitable activities</b>	11,397	5,452	644	17,493	15,742

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NOTES TO THE ACCOUNTS (cont'd)

7. Expenditure (cont'd)

	Staff costs	Other	Depreciation	Total	Total
	£'000	£'000	£'000	2023	2022
				£'000	£'000
Other expenditure:					
Other expenditure	4	-	-	4	-
<b>Total expenditure</b>	<b>11,695</b>	<b>5,642</b>	<b>644</b>	<b>17,981</b>	<b>16,187</b>

8. Support costs

	Costs of generating funds £'000	Other charitable activities £'000	Total 2023 £'000	Total 2022 £'000
Staff costs:	294	2,031	2,325	2,070
Other support costs:				
Staff expenses/development	-	116	116	135
Office	92	1,125	1,217	1,183
Professional advice	-	72	72	190
Finance costs	-	160	160	101
<i>Services provided by the School's auditor:</i>				
Fees payable for the audit (including the Foundation)	-	35	35	28
Fees payable for the Teachers' Pension Certificate	-	1	1	1
	<b>386</b>	<b>3,540</b>	<b>3,926</b>	<b>3,708</b>

Included within the support costs are governance costs of £62k (2022: £42k), which mainly comprise the costs of administering the School, auditor's remuneration and Governing Body meeting expenses.

9. Staff numbers and costs

The monthly average headcount number of persons employed by the Group during the year, analysed by category, was as follows:

	Number of employees	
	2023	2022
Teaching staff	160	160
Non-teaching staff	235	221
	<b>395</b>	<b>381</b>



**NOTES TO THE ACCOUNTS (cont'd)**

**9. Staff numbers and costs (cont'd)**

The aggregate payroll costs of these persons were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	9,318	8,761
Social security costs	887	804
Pension costs (see note 23)	1,420	1,312
	<b>11,625</b>	<b>10,877</b>

The number of employees earning in excess of £60,000 gross salary per year:

	<b>Number of employees</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
£140,001 - £150,000	1	-
£130,001 - £140,000	-	-
£120,001 - £130,000	-	1
£110,001 - £120,000	1	-
£100,001 - £110,000	-	-
£90,001 - £100,000	-	-
£80,001 - £90,000	-	-
£70,001 - £80,000	2	-
£60,001 - £70,000	4	2

Of the above employees, 6 (2022: 2) were members of the Teachers' Superannuation Pension Scheme which is a defined benefit scheme. The School's contribution to this was £65k (2022: £46k). The remaining 2 employees (2022: 1) were members of a money purchase pension scheme for which the School's contribution was £22k (2022: £9k).

None of the Governing Body received any emoluments or benefits during the year (2022: Nil). See note 29 for further information. The total amount earned by the Senior Management Team for the year was £656k (2022: £654k).

Settlement payments of £15k (2022: £13k) were made to 1 (2022: 2) employee in the year.

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**NOTES TO THE ACCOUNTS (cont'd)**

**10. Net income before transfers**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Net income before transfers is stated after charging:</b>		
Services provided by the School's auditor:		
Audit Fees		
- School	30	27
- Foundation	-	-
Other services		
- Music and Dance Scheme grant audit	1	1
- Teachers' Pension certificate audit	1	1
- Foundation Corporation Tax return	2	2
- Employment tax advice (COVID related)	-	2
Rentals payable under operating leases		
- Land and buildings	95	66
- Other	181	97
Depreciation		
- Owned assets	577	575
- Leased assets	15	26
Amortisation		
- Owned assets	52	-

**11. Interest payable**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Interest on bank loans and overdraft	160	58

**NOTES TO THE ACCOUNTS** (cont'd)

**12. Tangible Fixed Assets**

Group and School	Freehold Land & buildings	Assets in the course of construction	Leasehold land & buildings	Information & computer technology equipment	Fixtures fittings, machinery, & musical instruments	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>							
At 1-9-22	24,653	66	1,571	434	2,709	38	29,471
Additions	43	31	-	37	270	-	381
Transfer	10	(10)	-	-	-	-	-
Disposals	-	(52)	-	-	(22)	-	(74)
At 31-8-23	24,706	35	1,571	471	2,959	38	29,778
<b>Depreciation</b>							
At 1-9-22	3,488	-	909	246	1,980	35	6,658
Charge	359	-	26	49	155	3	592
Transfer	-	-	-	-	-	-	-
Disposals	-	-	-	-	(16)	-	(16)
At 31-8-23	3,847	-	935	295	2,119	38	7,234
<b>Net book value</b>							
At 31-8-23	20,859	35	636	176	838	-	22,544
At 31-8-22	21,165	66	662	188	729	3	22,813

The School has a finance lease on properties leased from Wells Cathedral, which date back to 1983. Due to the age of the lease, there is insufficient data to be able to accurately disclose the net amount of the associated asset and depreciation for the year. This is not considered to be material to the financial statements.

There is £662k (2022: £662k) in leasehold land and buildings which relates to long term lease improvements.

The £35k (2022: £66k) in "assets in the course of construction" is the continued capitalisation of the "New Entrance", Art Department development and Nursery improvements.

**NOTES TO THE ACCOUNTS** (cont'd)

**13. Investments**

<b>Group</b>		
<b>Non-current investments</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Investment management portfolio comprises:	1,161	1,146

The investments are represented by the following funds:

Endowed funds £1,002,500 (2022: £987,017)

Restricted funds £158,552 (2022: £158,453)

The investments consist of a portfolio of equities, funds, bonds and cash managed by Evelyn Partners, the majority of which comprise UK assets. They are categorized as non-current assets as they are held for longer than twelve months.

The objective of the portfolio is to grow the capital over time, such that, in the future, the portfolio is of sufficient size to meaningfully contribute towards the advancement of education. The portfolio achieved a positive return of 1.4% over the twelve months to the end of August, compared to a negative return of 8.3% in the prior year. The current year outcome reflects a continued challenging market place which has in particular impacted portfolios with a growth bias. Over the same timeframe the MSCI WMA Growth Index declined 3.4% compared to a decline of 1.4% in the prior year. Whilst lagging slightly behind the target, the portfolio's performance, net of costs, has held up much better than similar charity portfolios.

<b>Group</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Investments at valuation</b>		
At 1 September 2022	1,146	1,247
Additions at cost	438	335
Disposal proceeds	(367)	(307)
Loss on investment portfolio	(27)	(129)
Cash management movement	(54)	-
Gain on cash	25	-
	<b>1,161</b>	<b>1,146</b>

These balances can be further analysed as:

Cash held	28	57
Investments	1,133	1,089
<b>At 31 August 2023</b>	<b>1,161</b>	<b>1,146</b>

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**NOTES TO THE ACCOUNTS** (cont'd)

**14. Stocks**

These consist of catering supplies.

**15. Debtors**

		<b>Group</b>		<b>School</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade debtors – amounts due from parents	960	1,012	960	1,012
Other debtors	271	378	278	371
Prepayments	440	323	440	323
	<b>1,671</b>	<b>1,713</b>	<b>1,678</b>	<b>1,706</b>

**16. Creditors: amounts falling due within one year**

		<b>Group</b>		<b>School</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Bank loans and overdrafts	124	161	124	161
Fees received in advance	1,181	2,521	1,181	2,521
Pupil deposits	1,538	1,623	1,538	1,623
Fees In Advance Scheme	300	-	300	-
Trade creditors	5	5	5	5
Taxation and social security	211	182	211	182
Finance lease	28	29	28	29
Other creditors	605	533	605	533
Accruals and deferred income	527	620	520	628
	<b>4,519</b>	<b>5,674</b>	<b>4,512</b>	<b>5,682</b>

In the normal course of business and assuming the going concern basis, the expected repayment of deposits to parents of pupils leaving the School will be £1,538k (2022: £1,623k).

**Fees received in advance:  
Group and School**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
At 1 September 2022	2,532	2,134
New contracts	-	16
Fees received in advance of next academic year	1,181	2,370
Amounts utilised in payment of fees to the School	(2,532)	(1,988)
<b>At 31 August 2023</b>	<b>1,181</b>	<b>2,532</b>

**NOTES TO THE ACCOUNTS (cont'd)**

**16. Creditors: amounts falling due within one year (cont'd)**

<b>Fees received in advance – aged breakdown:</b>		
<b>Group and School</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Fees falling due within:		
- 1 year	1,181	2,521
- 1-2 years	-	11
	1,181	2,532

**17. Creditors: amounts falling due after one year**

<b>Group and School</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Bank loan	2,554	2,625
Finance lease	39	67
Fees received in advance	-	11
Fees In Advance Scheme	1,075	-
	3,668	2,703

Bank loans are instalment debts and fees received in advance are non-instalment debts.

There are three (2022: three) bank loans secured on School properties.

The capital for the loans is repayable in monthly instalments which vary from £1k to £18k. The interest rates on these loans vary from 0.9% to 1.95% above base rate. There is an interest offset arrangement in place with the bank for two of the loans whereby a sweep of the loans and cash balances is made daily. A net interest adjustment is then made reflecting the balance of interest received on cash held and the interest to be paid on the outstanding loan balances.

The bank loans are repayable as follows:

<b>Group and School</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Within:		
1 year	124	161
1 – 2 years	133	169
2 – 5 years	459	537
After 5 years	1,962	1,919
	2,678	2,786

**NOTES TO THE ACCOUNTS** (cont'd)

**18. Endowment funds**

Group								
	Chandler	Alan				Ashley		
	fund	Quilter	Dulverton	Carnegie	Vandervell	Jones	Bursary	Total
	£'000	fund	fund	fund	fund	fund	fund	£'000
At 1-9-22	80	6	40	25	249	14	573	987
Additions	-	-	-	-	-	-	16	16
Interest	-	-	-	-	-	-	1	1
Loss on investment	-	-	-	-	-	-	(2)	(2)
At 31-8-23	80	6	40	25	249	14	588	1,002

The Chandler fund represents an endowment, the income from which is to be used for music bursaries.

The Alan Quilter fund provides scholarships and bursaries.

The Dulverton fund is to fund bursaries for former boy choristers at Wells Cathedral.

The Carnegie fund is to fund a folk singing scholarship.

The Vandervell fund is to fund scholarships and bursaries.

The Ashley Jones fund represents an endowment, the income from which is to be used to fund bursaries.

The Bursary fund represents donations which are to be used to fund bursaries.

Comparative statement of Endowment Funds for the year ended 31 August 2022

Group								
	Chandler	Alan				Ashley		
	fund	Quilter	Dulverton	Carnegie	Vandervell	Jones	Bursary	Total
	£'000	fund	fund	fund	fund	fund	fund	£'000
At 1-9-21	80	6	40	25	249	14	656	1,070
Additions	-	-	-	-	-	-	8	8
Interest	-	-	-	-	-	-	21	21
Loss on investments	-	-	-	-	-	-	(112)	(112)
At 31-8-22	80	6	40	25	249	14	573	987

**NOTES TO THE ACCOUNTS (cont'd)**

**19. Restricted Funds**

<b>Group and school</b>	<b>Project fund £'000</b>	<b>Bursary fund £'000</b>	<b>Capital fund £'000</b>	<b>Other fund £'000</b>	<b>School fund £'000</b>	<b>Consolidated fund £'000</b>	<b>Foundation fund £'000</b>	<b>Group Total £'000</b>
Donations and other receipts	-	-	60	-	60	(30)	152	182
Other trading	-	-	-	2	2	-	-	2
Bank and other interest	-	-	-	-	-	-	3	3
Expenditure	-	-	(17)	(2)	(19)	52	(54)	(21)
Deficit for year	-	-	43	-	43	22	101	166
Transfers	-	-	60	-	60	(23)	(3)	34
At 1-9-22	74	71	3,112	309	3,566	98	358	4,022
At 31-8-23	74	71	3,215	309	3,669	97	456	4,222

The Project Fund comprises funds from the DfE in respect of specific education based projects with State sector schools.

The Bursary Fund represents restricted bursaries received and awarded during the year.

The Capital Fund represents the cost of buildings that were funded by the Wells Cathedral School Development Trust ("the Trust") and transferred to the School prior to 2005, and contributions by the Trust towards capital projects undertaken by the School. This Trust closed in July 2005. The Capital Fund also includes amounts received by the School towards specific fixed assets from other organisations and is subject to an attributable depreciation charge.

The Other Fund comprises funds from the Foundation and other specific educational based projects such as Sierra Leone.

The transfers from the Restricted Fund of £23k (2022: £71k) comprise the following:

	<b>2023 £'000</b>	<b>2022 £'000</b>
Transfer from the Designated Asset Fund to Capital Fund for assets Funded by Friends of Music and the Foundation	-	49
Transfer from revenue fund in respect of restricted bursaries from the Foundation	23	22
<b>Total</b>	<b>23</b>	<b>71</b>



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19. Restricted Funds (cont'd)

Comparative Statement of Restricted Funds for the year ended 31 August 2022:

Group and school

	Project fund £'000	Bursary fund £'000	Capital fund £'000	Other fund £'000	School fund £'000	Consolidated fund £'000	Foundation fund £'000	Group Total £'000
Donations and other receipts	-	22	42	25	89	(41)	59	107
Bank and other interest	-	-	-	-	-	-	3	3
Expenditure	-	-	(88)	(17)	(105)	41	(98)	(162)
Deficit for year	-	22	(46)	8	(16)	-	(36)	(52)
Transfers	-	22	49	-	71	-	-	71
At 1-9-21	74	27	3,109	301	3,511	-	492	4,003
At 31-8-22	74	71	3,112	309	3,566	-	456	4,022

20. Unrestricted Funds

	Balance at Sept 2022 £'000	Interest £'000	Incoming £'000	Outgoing £'000	Transfer £'000	Balance at Aug 2023 £'000
<b>Group</b>						
Revenue Fund	(4,664)	25	18,120	(17,447)	(484)	(4,450)
Designated Fund	19,491	-	-	(506)	447	19,432
	14,827	25	18,120	(17,953)	(37)	14,982
<b>School</b>						
Revenue Fund	(4,737)	21	18,139	(17,444)	(507)	(4,528)
Designated Fund	19,491	-	-	(506)	447	19,432
	14,754	21	18,139	(17,950)	(60)	14,904

The transfer deficit of £484k (2022: £726k) is the accumulation of the restricted fund £37k (2022: £71k) and the Designated Fund £447k (2022: £655k).

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NOTES TO THE ACCOUNTS (cont'd)

20. Unrestricted Funds (cont'd)

Comparative Statement of Unrestricted Funds for the year ended 31 August 2022

	Balance at Sept 2021 £'000	Interest £'000	Incoming £'000	Outgoing £'000	Transfer £'000	Balance at Aug 2022 £'000
<b>Group</b>						
Revenue Fund	(5,187)	1	16,776	(15,528)	(726)	(4,664)
Designated Fund	19,350	-	-	(514)	655	19,491
	14,163	1	16,776	(16,042)	(71)	14,827
<b>School</b>						
Revenue Fund	(5,241)	1	17,036	(15,807)	(726)	(4,737)
Designated Fund	19,350	-	-	(514)	655	19,491
	14,827	1	17,036	(16,321)	(71)	14,754

21. Financial Instruments

Financial assets that are measured at fair value:

	2023 £'000	Group 2022 £'000
Investments	1,161	1,146

22. Commitments

Group and School

Operating leases

The total commitments under non-cancellable operating leases were as follows:

	Land and buildings £'000	2023 Other £'000	Land and buildings £'000	2022 Other £'000
Operating lease commitments:				
In less than one year	91	164	66	220
In the second to fifth years inclusive	-	463	150	624
	91	627	216	844

**NOTES TO THE ACCOUNTS** (cont'd)

**22. Commitments (cont'd)**

The leases of land and buildings are subject to rent reviews which occur over 1 to 7 years. The rent for the properties in Vicars Close is £69,800 per annum (2022: £65,880). The leases on 17 and 18 Vicars Close expire in June 2024 and the leases on 16 and 26 Vicars close expire in September 2024.

**Finance leases**

The total commitments under non-cancellable finance leases were as follows:

		2023		2022
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Finance lease commitments:				
In less than one year	140	-	103	-
In the second to fifth years inclusive	560	-	411	-
	700	-	514	-

Commitments under finance leases relate to the rental properties from Wells Cathedral. The lease agreement dated back to 1983 and there is insufficient data to be able to accurately disclose the finance lease creditor amount. This is not considered to be material to the financial statements.

**23. Pension Scheme**

The School operates two pension schemes.

**a) Teachers**

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 £1,224k (2022: £1,143k) and at the year-end £130k (2022: £168k) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

**NOTES TO THE ACCOUNTS (cont'd)**

**23. Pension Scheme (cont'd)**

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

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

**b) Non-teaching staff**

Most of the non-teaching staff are members of a defined contribution scheme.

The pension cost charge for the year represents contributions payable by the School to the funds (Employer's Contribution) analysed as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Non-teaching staff	196	168
Teaching staff	1,224	1,143
	<b>1,420</b>	<b>1,311</b>
Contributions outstanding at 31 August were as follows:		
Non-teaching staff	-	-
Teaching staff	130	124
Net contributions outstanding	<b>130</b>	<b>124</b>

**NOTES TO THE ACCOUNTS (cont'd)**

**24. Reconciliation of net movement in funds to net cash inflow from operating activities**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Net movement in funds	370	600
Adjustments for:		
Depreciation	592	601
Loss on sale of fixed assets	58	19
Cash held for re-investment	26	57
Loss on investments	2	129
Increase in stocks	(1)	-
Decrease/(Increase) in debtors	43	(339)
(Decrease)/Increase in creditors	(83)	80
Income from investments	(49)	(25)
Interest payable	160	58
<b>Net cash provided by operating activities</b>	<b>1,118</b>	<b>1,180</b>

**25. Analysis of changes in cash balances**

	<b>Sep</b>	<b>Cash</b>	<b>Aug</b>
	<b>2022</b>	<b>flows</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cash in hand and at bank	2,535	475	3,010
Cash held by investment manager	57	(29)	28
Debt due within one year	(161)	37	(124)
Debt due after one year	(2,625)	71	(2,554)
<b>Total</b>	<b>(194)</b>	<b>554</b>	<b>(360)</b>

**26. Reconciliation of Net Debt**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Increase in cash in the year	446	440
Cash inflow from repayment of loans	108	230
<b>Change in net funds resulting from cash flow</b>	<b>554</b>	<b>670</b>
Net debt at start of year	(194)	(864)
<b>Net debt at end of year</b>	<b>(360)</b>	<b>(194)</b>

**NOTES TO THE ACCOUNTS (cont'd)**

**27. Allocation of Net Assets for the year ended 31 August 2023**

The net assets are held for the various funds as follows:

<b>Group</b>	<b>Fixed assets £'000</b>	<b>Net current assets/ (liabilities) £'000</b>	<b>Long term liabilities £'000</b>	<b>Total £'000</b>
Endowment Funds	1,002	-	-	1,002
Restricted Funds	5,514	(1,292)	-	4,222
Unrestricted Funds	17,189	1,461	(3,668)	14,982
	23,705	169	(3,668)	20,206

<b>School</b>	<b>Fixed assets £'000</b>	<b>Net current assets/ (liabilities) £'000</b>	<b>Long term liabilities £'000</b>	<b>Total £'000</b>
Restricted Funds	5,355	(1,686)	-	3,669
Unrestricted Funds	17,189	1,383	(3,668)	14,904
	22,544	(303)	(3,668)	18,573

**Comparative Statement of Allocation of Net Assets for the year ended 31 August 2022**

<b>Group</b>	<b>Fixed assets £'000</b>	<b>Net current assets/ (liabilities) £'000</b>	<b>Long term liabilities £'000</b>	<b>Total £'000</b>
Endowment Funds	1,146	(159)	-	987
Restricted Funds	5,773	(1,751)	-	4,022
Unrestricted Funds	17,040	490	(2,703)	14,827
	23,959	(1,420)	(2,703)	19,836

**NOTES TO THE ACCOUNTS** (cont'd)

**27. Allocation of Net Assets for the year ended 31 August 2023 (cont'd)**

School	Fixed assets £'000	Net current assets/ (liabilities) £'000	Long term liabilities £'000	Total £'000
Restricted Funds	5,774	(2,208)	-	3,566
Unrestricted Funds	17,039	418	(2,703)	14,754
	22,813	(1,790)	(2,703)	18,320

**28. Related Parties**

a) **Connected Persons**

The Chapter of Wells Cathedral ("the Chapter") is a connected person within the terms of the Charities SORP. At the School's Governors meeting in December the Members will include an agenda item to ratify the appointment of new Governors. The articles provide for three Chapter members to be Governors.

During the year:

- Rent was paid to the Chapter of £188k (2022: £169k) under a repairing lease expiring in 2063 in respect of certain School buildings. At the year end, there was a prepayment of £15k (2022: £37k).
- Property insurance was paid to the Chapter of £19k (2002: £Nil). At the year end, there was a prepayment of £6k (2022: £Nil).
- The Chapter contributed £66k (2022: £81k) towards the fees of the Cathedral choristers.
- The School paid £35k (2022: £30k) to the Chapter in respect of the use of the Cathedral facilities for events.
- The School paid £10k (2022: £3k) to the Chapter in respect of the support of the Chorister Outreach programme.

Veale Wasbrough Vizards, of which a Governor is a partner, received £39k (2022: £14k) from the School, and Patterson Bristol, of which a Governor is a shareholder, received £59k (2022: £7k) from the School.

The School received bursaries of £15k (2022: £15k) from The Sir Keith Showering Trust, of which a Senior Management Team member is a Trustee.

The School received bursaries of £11k (2022: £32k) from The Wells Cathedral Chorister Trust, of which a Governor is a Trustee.

**NOTES TO THE ACCOUNTS (cont'd)**

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**28. Related Parties (cont'd)**

**b) Transactions with Governors and Trustees**

During the year, 1 (2022: 2) of the Governors received reimbursement for expenses of £473 (2022: £418).

During the year, 2 Governors (2022: 3) and 2 Trustees (2022: 3) were parents of pupils at the School and paid fees on the same terms as any other parent and received the benefits of Clergy and sibling discounts where appropriate.

**c) Transactions with Wells Cathedral School Foundation**

The Foundation, which is a charitable company registered in England & Wales (company number: 2804495) is not a directly owned subsidiary of the School, however, the results of the Foundation have been consolidated into the School's financial statements as the Foundation is indirectly controlled and influenced by the School.

The School has funded the initial set up costs of the Foundation and will fund certain ongoing costs of operation of the Foundation as agreed in the 'memorandum of understanding' between the School and the Foundation. In 2022/23, the Foundation's operating costs of £44k (2022: £46k) were recharged to the School.

During the year the School received £97k (2022: £82k) from the Foundation representing donations for bursaries and specific projects.

**29. The Wells Cathedral School Foundation**

The Wells Cathedral School Foundation was established in 2007 as a separate but connected charity, charity number 1118159, to act as the legal entity for the recording and control of all fundraising activity on behalf of the School.

Registered and principal office:

Wells Cathedral School, Limited  
College Road  
Wells  
Somerset  
BA5 2SX



**NOTES TO THE ACCOUNTS** (cont'd)

**29. The Wells Cathedral School Foundation (cont'd)**

A summary of its results for the year is shown below:

	<b>Endowment funds £'000</b>	<b>Restricted funds £'000</b>	<b>Unrestricted funds £'000</b>	<b>Total 2023 £'000</b>
Income:				
Income from charitable activities	21	156	51	228
Expenditure on raising funds	(7)	(55)	(46)	(108)
Unrealised gains/(losses) on investments	(2)	-	-	(2)
Net movement in funds	12	101	5	118
Transfers between funds	(3)	3	-	-
Balance brought forward	987	358	172	1,517
Balance carried forward	996	462	177	1,635
The net assets and liabilities were:				<b>2023 £'000</b>
Fixed assets:				
Investments				1,161
Total current assets				487
Creditors: amounts falling due within one year				(12)
Net current assets				475
Net assets				1,636
Total charity funds				1,636

**NOTES TO THE ACCOUNTS (cont'd)**

**29. The Wells Cathedral School Foundation (cont'd)**

Comparative results for the year ended 31 August 2022:

	Endowment funds £'000	Restricted funds £'000	Unrestricted funds £'000	Total 2022 £'000
Income:				
Income from charitable activities	29	62	67	158
Expenditure on raising funds	-	(81)	(48)	(129)
Unrealised gains/(losses) on investments	(112)	(17)	-	(129)
Net movement in funds	(83)	(36)	19	(100)
Balance brought forward	1,070	394	153	1,617
Balance carried forward	987	358	172	1,517
The net assets and liabilities were:				2022 £'000
Fixed assets:				
Investments				1,146
Total current assets				371
Creditors: amounts falling due within one year				-
Net current assets				371
Net assets				1,517
Total charity funds				1,517