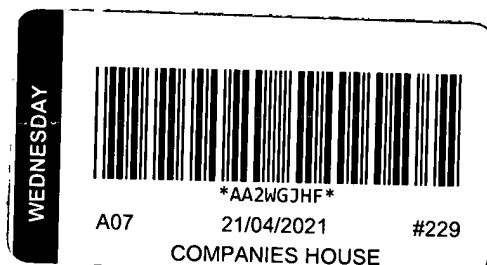


COMPANY NUMBER: 03394895
CHARITY NUMBER: 1115875

**KING EDWARD'S SCHOOL, BATH
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**



KING EDWARD'S SCHOOL, BATH
CONTENTS
FOR THE YEAR ENDED 31 AUGUST 2020

	Page
Legal and Administrative Information	1
Governors' Report	2 – 17
Independent Auditor's Report	18 – 20
Statement of Financial Activities	21
Balance Sheet	22
Cashflow Statement	23
Notes to the Financial Statements	24 – 37

KING EDWARD'S SCHOOL, BATH

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2020

COMPANY NUMBER	03394895
CHARITY NUMBER	1115875
REGISTERED OFFICE	King Edward's School North Road Bath BA2 6HU
GOVERNORS	Mrs W. Thomson Mr D.G Moar (resigned 21 November 2019) Mr A.J. Morsley (Resigned 25 March 2021) Mr I.A. Bleakley* Mr T. Boyce Mrs V. Chalmers Mr P.G. Cobb Mrs C.A. Colston Mr S. Coombe Mr J. Isherwood Prof S.C. Lillicrap Prof A. Millar Prof B. Morley (resigned 8 July 2020) Mr P. Roper Mr R.P. Stevens Mr O.A. Von Arx*

* Parent of pupil(s) at the School

HEAD	Mr M.J. Boden*
BURSAR / COMPANY SECRETARY	Mr J.M.C. Webster
BANKER	National Westminster Bank plc 15 High Street Bath BA1 5AH
AUDITOR	Crowe U.K. LLP Carrick House Lypiatt Road Cheltenham GL50 2QJ
SOLICITOR	Veale Wasbrough Vizards LLP Narrow Quay Bristol BS1 4QA
INVESTMENT MANAGER	Charles Stanley & Co. Limited 26 Queen Square Bath BA1 2HX

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

The Governors present their annual report for the year ended 31 August 2020 under the Charities Act 2011, together with the Strategic Report and the audited financial statements for the year, and confirm that the latter comply with the requirements of the Act, the Trust Deed and the Charities SORP 2005 and the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE INFORMATION

The School was founded by Royal Charter in 1552, and following its restructuring at 31 August 2006 as a charitable company, as described below, is registered with the Charity Commission under charity number 1115875 with which its permanent and expendable endowments of school lands belonging to King Edward's School Bath Trust, number 1115875, are linked for accounting purposes by a Uniting Direction from the Commission at the time. The Governors, executive officers and principal addresses of the Charity are as listed on page 1. Particulars of the Charity's professional advisers are given on page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charities Governance Code

As the School is a not for profit organisation which aims to follow charity sector best practice, the Board members have familiarised themselves with the updated version of the Charity Governance Code (the "Code") published in July 2017. An in-depth review of the Code and consequential changes to the School's governance and standards was carried out in 2019, with a view to the School becoming fully compliant with the Code.

Governing Document

The Charitable Company (Limited by Guarantee registered number 03394895) is governed by its Memorandum and Articles of Association. The Company was appointed as sole trustee of King Edward's School Bath Trust under the above-mentioned Scheme by the Charity Commission upon transfer of the assets and undertaking of the old School to the Company at 31 August 2006.

Governing Body

The Board of Governors and Charity Trustees are as listed on page 1.

Trustee Recruitment and Training

The Charity's Governors are appointed on the basis of nominations received from existing Governors as the Board seeks to recruit suitable personnel with regard to their personal competence, specialist skills and local availability. New Governors are inducted into the workings of the Charity and its schools, including Board policy and procedures, by the Chair and Clerk to the Governors, and are encouraged to attend trustee training seminars organised by AGBIS or similar national bodies.

Organisational Management

The Governors, as the Directors of the Company, are legally responsible for the overall management and control of the Senior, Junior and Pre-Prep schools of King Edward's School, Bath, and meet at least three times a year. The work of developing and implementing most of their policies is carried out by the executive through a series of delegated Governors' Committees.

During 2019/20 these Committees consisted of Education, Finance & General Purpose, Estates & Premises and the Health & Safety Committees. In addition, the impact of the Covid-19 pandemic resulted in the establishment of a Covid Governor Committee which met regularly from March 2020. All of these Committees report to meetings of the full Governing Board. The Chair of Governors and the Chairs of the Committees liaise to co-ordinate the delegated work of the Committees.

The day to day running of the schools is delegated to the Headmaster supported by the Bursar, Heads of the Junior and Pre-Prep Schools and the Senior Management Team. The Headmaster, the Bursar, the Second Master and other invited staff attend meetings of the above Committees.

Remuneration is set by the Governors, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success. The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere.

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

A formal Scheme of Governance, Management & Delegation prescribes the relative roles and responsibilities of Governors and executive management.

Group Structure and Relationships

The Charity has a wholly owned non-charitable subsidiary, Tolcram Limited (company number 02360944), which was dormant throughout the year ending 31 August 2020.

The School actively supports the promotion of the highest standards in the Independent Schools sector, through its membership of HMC, AGBIS and the ISBA, and through networking with other major schools. We also co-operate with many local community organisations and charities in our on-going endeavours to widen public access to the schooling we can provide, to optimise the use of our cultural and sporting facilities and to foster in our pupils an awareness of the social context of the all-round education they receive at the School.

The School also benefits from the generosity of a thriving network of past and current parents' fund-raising committees along with the Old Edwardians' Association whose close support we greatly appreciate and gladly acknowledge.

Related party transactions are disclosed in note 20 to these financial statements.

Employment policy

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests.

STRATEGIC REPORT

Risk Management

The Board of Governors is responsible for the management of the risks faced by the School. Detailed considerations of risk are delegated to the Chair and the Chairs of the Governors' Committees, assisted by the Headmaster and Bursar. Risks are identified, assessed, and controls established as part of the work of the individual Committees. A formal review of the charity's risk management processes is undertaken each year and the main or key operational risks identified and these are documented here:

Educational:

- Academic standards declining as reflected by external examination results; mitigated by:
 - Recruitment and retention of good quality teaching staff;
 - Systematic performance review and development of teaching staff.

Pastoral:

- Adverse pastoral matter arising; mitigated by:
 - Robust structures and systems in place to identify and manage behaviour issues and possible underlying causes;
 - Robust structures in place to manage and support well-being, including an awareness of and close supervision of those identified as, or who identify themselves as, vulnerable members of the community;
 - Staff training on specific issues (eg. self-harm, suicide or bereavement).

Health and Safety:

- Failure to ensure safe, secure and suitable premises and accommodation; mitigated by:
 - Organisational structures and resources to sustain regular repairs & maintenance;
 - refurbishment and renewals to improve and meet new standards of safety, education, environment, technology and legislation, as required.

Legal and/or regulatory:

- Failure to comply with statutory, legal or educational requirements; mitigated by:
 - Systematic production and review of policies and procedures carried out at all levels by management and staff trained and supported as required;
 - Organisation and management structures to ensure monitoring and implementation of policies and procedures.

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

Financial:

- Significant and sustained decline in pupil numbers; mitigated by:
 - High quality academic, pastoral and extra-curricular provision in all three sections of the School;
 - The Pre-Prep and Junior Schools as major feeders for Junior and Senior Schools;
 - Effective marketing and recruitment processes;
 - Competitive fees;
 - Substantial Bursary and Scholarship programme to support families in difficulty as well as broadening the range of pupils;
 - Ongoing development and renewal of premises, facilities and resources.
- Inadequate financial resources to support educational and developments brought about by external factors (e.g. Teachers' Pension Contributions, scrapping of business rates relief, VAT); mitigated by:
 - Strategic and annual detailed financial planning and budgeting to provide adequate annual budgets for expenditure, and target levels of cash surplus to sustain capital developments and expenditure.

The key controls used by the School include:

- Formal agendas and minutes for all Committee and Board activity;
- Terms of reference for Committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies; and
- Clear authorisation and approval levels.

In addition to the risks identified above which relate to the ongoing operational risks faced by the School, from the Spring Term 2020 onwards the School was required to manage all risks associated with the Covid-19 global pandemic and the periods during which the School buildings were required to be closed in line with Government instructions. A process of dynamic risk identification and management was undertaken throughout this period with the Covid Governor Committee overseeing this process which was managed on a day to day basis by the School's executive team.

Actions undertaken to directly address the risks resulting from the pandemic included:

- Introducing a comprehensive on-line educational provision so as to enable the School to continue to be able to continue to deliver, to the fullest extent possible, its programme of academic and co-curricular activities as well as pastoral provision;
- Reviewing and introducing new health and safety procedures so as to ensure the continued wellbeing of our pupils, employees and wider members of the School Community; and
- On-going assessment of the School's financial projections so as to ensure that the Governors continue to have effective oversight of the School's financial health throughout this period.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can provide only reasonable, but not absolute, assurance that major risks have been adequately managed.

Public Benefit

In the furtherance of these aims the Trustees of King Edward's School, Bath have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act.

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The Objects for which the Charity is established are to advance the education of boys and girls by the provision of a day and/or boarding school in or near Bath and by ancillary or incidental educational activities for the benefit of the community.

The Aims of King Edward's School, Bath

- To provide a distinctive and stimulating environment for talented children from a variety of backgrounds, in which each individual is encouraged to strive for excellence and to acquire a lifelong passion for learning, discovery and adventure;
- To encourage each pupil to fulfil his or her own personal academic, sporting, creative and cultural potential;
- To cultivate in each pupil alongside intellectual development a strong sense of the moral and spiritual, the difference between right and wrong, and an awareness of their rights and responsibilities;
- To promote and develop in each pupil the qualities of honesty, integrity, duty, loyalty, courtesy, tolerance and compassion;
- To offer a strong, caring and supportive pastoral framework, working closely with parents to ensure that pupils are safe and happy and that all members of the School community feel respected and valued;
- To create an environment in which all members of the School community enjoy equality of opportunity;
- To provide opportunities both for leadership and teamwork, thereby nurturing pupils as confident, articulate, self-disciplined and socially responsible citizens and independent thinkers who respect the dignity of others;
- To prepare pupils fully for the challenges and opportunities of a rapidly changing world in the 21st Century and to lay the foundations for King Edward's School, Bath, pupils to lead honourable, worthwhile and fulfilled lives in the wider community; and
- To foster a sense of community across the Pre-Prep, Junior and Senior sections of the School.

Objectives Achieved for the Year

The School's ability to fully achieve its objectives for the year were naturally impacted by the Covid-19 pandemic and the Government's instruction that all schools should close their buildings from Friday 20 March 2020, with pupils then only returning to School at staggered dates throughout the Summer Term. Despite the inevitable disruption caused by these events, the School still achieved the following objectives during the year:

- Delivering a broad academic and co-curricular programme to all pupils and adapting it to the fullest extent possible for provision on-line when this was required during periods of lockdown.
- Adapting the School's pastoral support to meet the changing needs of the School community as the pandemic developed.
- Continuing the record of academic achievement as reflected in external examination results and the successful transition of the majority of pupils between the Pre-Prep, Junior and Senior Schools (including from Year 11 into the Sixth Form).
- Maintaining pupil numbers in all three sectors of the School in the face of continuing general economic and political uncertainties including those resulting from the Covid-19 pandemic.

Principal Activities of the Year

The Charity provides education in Bath for boys and girls from the ages of 3–18 in its three schools, the Senior, Junior and Pre-Prep Schools. This year, the overall pupil numbers were 1,085 (2019: 1,097). Recruitment for the current and next academic year is continuing extremely well in both the Senior and Junior Schools and remaining stable in the Pre-Prep.

Grant-making Policy

In 2019/20 the value of bursaries, scholarships, allowances and other awards made to the Schools' pupils totalled £1,605,553, from the previous year's level of £1,538,567 reflecting the continuing aims to add to and develop means-tested bursaries and academic scholarships where financially possible.

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

£954,479 of on-going means-tested bursaries were awarded – totalling 6.5% of gross fee income and these awards assisted 146 pupils (2019: 152) representing 18% of Senior School pupils. In addition, a further £77k was awarded in single means-tested hardship awards as a result of the Covid-19 pandemic, supporting the families of 45 pupils from across the three schools.

The School continues to aim at developing higher levels of means-tested bursary awards in line with the Governors' policy to relieve hardship cases where the pupil's education and future prospects would otherwise be at risk, and to ensure as wide access as possible to individuals of high educational potential who would be prevented from benefiting from a King Edward's education for reasons of financial or economic circumstance.

The means-tested bursary awards process is based on HMC and ISC approved models, whereby all applicants have to submit fully-documented information relating to income, family commitments, expenditure, assets, and existing major liabilities to provide a full and accurate picture of the family's overall financial circumstances. This includes an element of self-assessment of the extent of need for support, and award decisions are then made based on this information as well as the academic selection criteria.

Other KES Community Links and Activities

King Edward's School has been proud to play a part in the life of the city of Bath for nearly 500 years. The School is keen to contribute to the local community and to continue to look at ways in which it can expand its contribution. Within the realm of education (beyond providing schooling for over 1,000 children and being a major local employer, with over 250 staff) and at no cost to the pupils/schools involved, the School:

- Provides regular (either weekly or fortnightly) English and/or Maths Year 6 extension teaching in four local maintained primary schools. This involves teachers liaising with their state school counterparts for planning the schemes of work, they then travel to the schools and deliver their lessons. It is planned for further outreach work involving state primary and secondary school pupils and teachers, but Covid-19 interrupted planning during the Summer term 2020. However, a regular 'outreach' programme is something that is expanding, timetable and resources permitting.
- Offers and runs annual sports skills days to a range of BANES primary schools, as well as an annual Activity Morning (open to all pupils) and an Activities Week Primary Schools' Workshops Programme in the summer, where pupils from 5 or 6 local maintained schools spend the week attending a variety of practical and extension activities at King Edward's on a rota basis. Again the sports skills days have been affected by Covid-19 and the Activity Week workshops (July 2020) was unfortunately cancelled.
- Makes the playing fields available for the use of two local maintained primary schools
- Accommodates around 40-50 pupils from two local maintained secondary schools within the Combined Cadet Force. In one case, this is a long standing partnership, and in the other also involves KES organising the transport between the schools
- Offers mock Oxbridge interview practice for pupils at two local secondary schools
- In March 2020 invited state school primary children and their families to the annual music Gala concert featuring KES Senior Orchestra/Choirs and Bath Philharmonia. Before the Covid-19 pandemic caused the March 2020 concert to be cancelled, 150 children and families had free tickets for the concert in the Forum, Bath.
- Is currently forming an exciting partnership with Bath Cricket Club where facilities, coaching expertise are shared and developed for KES pupils and pupils within the community
- Provides a valuable Community Service programme helping a range of local people and organisations – schools, care homes, charities (halted from March 2020 due to Covid-19)

Between 10 and 15 BANES schools benefit directly each year from the above links and partnerships.

King Edward's also plays a significant wider role in the life of the city and the local community:

- We offer our facilities and resources for free or at a heavily subsidised cost to:
 - Bath Abbey Parish Council
 - Mid-Somerset Festival
 - Bath Mums

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

- Bath Cricket Club and Bathampton Cricket Club
- Bath Rugby
- Old Edwardians' Rugby Club (despite its title, this is an open club)
- Bath Philharmonia
- Bath Opera
- Gilbert & Sullivan Society
- Parent & Toddler groups and organisations which put on children's activities (using 'Teddy's Lodge' at our Pre-Prep School in Weston as a hub; this is also provided free of charge as a venue for the local children's inoculation programme)

Volunteers

The KES Parent's Group, Old Edwardians Association and other parents and individuals have helped throughout the year with School fundrasing and culturaleal activities and the Board would like to take this opportunity to sat how much it appreciates their continuing and valuable support for our work.

In addition, many individual parents and friends of the School support other educational activities, trips and events throughout the year and their voluntary contributions are very much appreciated.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Operational Performance of the Schools

Overall the School achieved another very creditable academic performance, especially in light of the changes and challenges brought about by Covid-19 and the summer term's lockdown.

Senior School academic achievement as reflected in external examination results

The academic results this year reflected the national pattern of grade inflation arising from the use of Centre Assessed Grades in schools but remained very strong in that context:

- A level results remained excellent with 40.7% of all entries achieving an A* grade; 73.4% were A* or A*; 92.5% were A* to B grades
- At GCSE 58.5% of results were 9-8 grades and 80.8% A8-A/9-7

Higher education

The School has very effective Higher Education advisory and Careers guidance programmes in support of pupils seeking their ideal choices for higher education and future careers. In 2020, 119 applications (including past alumni following GAP years etc) resulted in 106 secured places with only 8 unsuccessful applications. Of those who secured a place, 90% achieved their main choice of university or college, including 9 Oxbridge places (all those with an offer), 10 on to medical or veterinary courses and 14 on to engineering or computer science courses. Art foundation, drama and classics also remain popular.

Senior School extra-curricular and curriculum-linked activities and main highlights of 2019-20

The challenges of Covid-19, lockdown and remote schooling had a significant impact on the Easter and Summer term provision of our planned programme of co-curricular activity. However, for 2/3rds of the year KES was able to provide the usual robust range of activities covering the school day, after school, weekend and holidays. With over 100 clubs and societies from Aloud (Gender Equality Club) to Warhammer, the students could engage themselves in a plethora of opportunities. Despite the challenges of lockdown, KES staff made every effort to transition as much activity as possible to virtual/remote provision for pupils.

Some highlights from the year are:

Established clubs have continued to thrive and been joined by new clubs: Russian Club and Calligraphy Club. Jiu Jitsu's popularity combined with pupil progression has led to extra sessions being put on in the week, and a session in the Junior school. During lockdown clubs like MUN and Socrates became a virtual club using Teams and the VLE. Mr Willison's 'Something for the weekend' weekly art challenge was very well received. Lockdown also released a range of free to view films, which helped establish KES cinema club, which selected suitable films to match contemporary themes in the media or Headmaster assemblies.

The DofE award at all three levels continues to be very popular and despite the severe restrictions to summer term expedition activities, training occurred when conditions permitted, and pupils embraced the

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

'DofE with a difference' adaptations provided by the DofE. Indeed, lockdown did not stop our pupils from achieving their awards, with one Y12 pupil gaining their Gold award before he started Y13.

The Senior play production was 'Romeo and Juliet', which again saw clever multiple casting of the key actors, allowed large numbers of pupils to be involved in all aspects of the production and nights of excellent performances. The Autumn term saw the first Y9 production 'Discontented Winter House Mix'. By separating Y9 from the Junior production more pupils could be involved and the Y9s stretched a little further. The Y7&8 production of the Billy Elliot musical saw large numbers of pupils in Y7-8 involved in much dedicated rehearsal, though sadly the lockdown prevented the final performances.

CCF continues to be very active, delivering a full programme of activities on site and several off-site exercises for our Cadet contingent, comprised of pupils from KES, Beechen Cliff and those members of Hayesfield that have chosen to continue with KES despite the development of a Navy section at Hayesfield. The addition of the Corps of Drums has gone from strength to strength and certainly made their presence felt in the 2019 Remembrance parade. Exciting additions of a Radio/Communications course for cadets and BTEC level 2 in Leadership has moved our provision for cadets forward again.

The Music department in the Senior School worked to Year 3 of the Triennial plan, delivering many performance opportunities to our pupils, as individuals or as part of smaller & larger ensembles. The Music Marathon was a great addition in the Autumn term supplementing the traditional Autumn Colours and Carol Service. Sadly, the Gala extravaganza was curtailed due to lockdown conditions at the end of the spring term. The summer term provision largely revolved around individual lessons.

Sport continues to successfully perform at a competitive level, whilst ensuring very high participation rates across all the major team sports and supporting individual sportsmen and sportswomen to represent the school in areas such as Biathlon, Cross Country, Athletics and Swimming. Lockdown at the end of the Spring term and the summer term, sadly curtailed many key events from our sporting calendar. However, the sports department worked hard to mirror the Sporting National Governing Bodies and opened live face to face opportunities through the summer term and the holidays. The 1st XI even managed some fixtures at the end of the summer holidays.

Trips were significantly impacted by the lockdown with initial Government advice against Overseas trips, and subsequently all residential trips for schools. This impacted the range of Easter trips (Art to Amsterdam, Spanish Exchange, Ski Trip, all of our Activities week trips, and our two flagship overseas trips to Tanzania and Canada). The process of recouping deposits, payments, insurance claims has been a long process, but largely successful.

Drama

The Drama department were not going to be beaten by the Covid-19 pandemic last year and proved that the Performing Arts were very much alive during this challenging time. Before the pandemic, whilst on site in school, Drama staff and students were delighted to be teaching in such a professional and creative space as The Rose. Not a day went by when someone did not comment on how great it was to be working in this space.

Once the School was shut, Drama continued to be taught remotely and as practically as possible to all year groups. When schools eventually reopened to some students, the department were determined to make lessons as relevant and 'real' as possible.

Before Covid-19 took hold, the Upper School show, directed by Sarah Bird and designed by the brilliant duo James Sellick and Becca Walker, was another department triumph. Trying to get as many students cast in our shows as possible is always a priority, so having 5 Romeos and 6 Juliets (including a singing Juliet), seemed only natural. We also launched our new project, the year 9 production. Directed by Victoria Stevens-Craig, a large number of year 9 students performed in a play by Bryony Lavery, Discontented Winter. We brought back two Edwardians to help with the project's musical elements, Jake Hight and Louie Milton. This proved extremely popular with the cast and Louie even mixed the music live on stage. This proved a great launch of our new project.

Years 7 & 8 worked extremely hard on rehearsing the exciting production of the musical Billy Elliot, under the directorship of Dani Tamblyn with the talented Lucie Perris as Musical Director and Mark Boden as Assistant Musical Director. Sadly, as the pandemic escalated, the show had to be cancelled. The cast and

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

staff involved were devastated as so much work had gone into rehearsals and it was proving to be a real showcase of our students' talent and strength of character.

LAMDA continued to succeed with great examination results and continued to be taught online once schools were shut. We were lucky to employ another hard-working Intern, former sixth former Emily Farmer who assisted play rehearsals and lessons. She also ran a hugely popular weekly Drama Club leading to some energetic and fun performances of scenes from the hit musical Matilda.

Music

There were many successes and new projects brought to fruition for the Music Department over the past year, despite the impact of Covid-19 restrictions. Certainly, the first half of the academic year from Autumn 2019 – March 2020 saw another rise in the engagement of pupils in KES Music activities and very nearly saw the largest number of KES performers on stage at once for perhaps a decade or more!

Since lockdown in late March, the Music Department has managed to gain new skills, particularly in the delivery of remote, online lessons, that have enabled the continued support of our young musicians.

2019-20 was the inaugural realisation of the 3rd year of our new Triennial Extra-Curricular programme with the overall aim of creating, and feeding a 'massed forces' performance project in conjunction with our partners, Bath Philharmonia. Alongside this, we have maintained our inspiring programme of exciting ensembles and choirs, professional partnerships with Bath Abbey and New Music South West (now called Soundworks), workshops, adventurous Music curriculums and exhilarating performances that engaged more musical pupils than ever in its initial stages, working at all levels, with a unique mix of musical opportunities. This success certainly adds to the School's attraction, breadth of provision, success and hopefully, financial security for the future.

Despite the move to remote lessons from the Summer 2020, engagement in instrumental Music Lessons has held steady since last year with (as of September 2020) over 400 instrumental and vocal lessons now taking place every week across the Junior and Senior schools. This roughly equates to a little under half the pupils across the three schools.

These pupils are being taught by our highly professional team of Specialist Music Staff and their expertise and enthusiasm has allowed us to build on our results and reputation of presenting well-prepared pupils for ABRSM, Trinity, and London College of Music exams. Autumn 2019 (ABRSM & LCM) and Spring 2020 (ABRSM) exams were able to take place in the usual 'live' context, but unfortunately Summer ABRSM and Trinity Exam sessions were cancelled due to Covid-19.

The impact of the lockdowns on live music cannot be overstated, and particularly with the delivery of instrumental and vocal lessons. After an initial trial conducting remote music lessons through MS Teams with the four woodwind teachers in early May 2020, we were able to get a good number of the SMS involved in remote teaching by June 2020, and all engaged by the last two/three weeks of the Summer 2020 term.

We managed to produce 6 of our planned 8 soloists' concerts put on through the year in the Senior School. The school's expertise in solo performing has been further advanced through the fourth year of work by our piano accompanist and performance coach, Rupert Hutchings. With Rupert's specialism in posture, combined with his outstanding skill and sensitivity to not only the musical support of pupils, but also their personal confidence and preparation, the overall increase in assured performance etiquette has been very evident over the past year.

Overall, there was an expected drop in numbers to 83 KES candidates who took ABRSM exams in 2019-20 due to Covid-19. It is pleasing to report that the percentage of pupils achieving Distinctions has remained steady at 18%, but the number achieving Merit Certificates for their performances has dropped slightly from 46% to 39%. (41% passed, 39% achieved a merit and 18% achieved a distinction.) We also held our fifth set of LCM Music Theatre and Drum exams at KES with again, outstanding result. 1 Merits – 8 Distinctions. This is the first year that the organisation for these exams has been brought in house. It is a shame the numbers taking the exams have dropped, primarily due to Mrs Hale's retirement in Summer 2019, but great that our provision continues in her absence. It is likely that ABRSM new Music Theatre exams will have an impact on our LCM entries in the future. Due to the 1st Covid-19 lockdown, we were unable to hold any live Trinity exams for 2019-20.

KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

Partnership with Bath Philharmonia

Our partnership with the city's professional orchestra, Bath Philharmonia, is now in its 7th year and the educational aspects of this unique partnership have reached new levels of excellence. With the focus this year being on a 'massed forces' Gala Concert – A Night at the Musicals 2020 – with a performance in The Forum on the 17th March, we were 24 hours away from achieving the largest number for performers seen for many years. (around 75+ in the KES/Bath Phil orchestra alone; 115 pupils were due to be performing alongside a parent & staff choir). It was great to use The Forum for a concert, something we trialled with the Summer Founder's Day service being held there. KES had not used this fabulous Bath venue since around 2003/4. Unfortunately, based on advice from KES community professionals within the Health Service and with Covid-19 numbers rising rapidly in March 2020, the concert was cancelled on the 16th March, less than 24 hours ahead of the Prime Minister's announcement that all performances venues were to close. A wise, but disappointing choice. The final rehearsals proved it was going to be an outstanding and triumphant concert, proving the validity of a 'massed forces' concert within the KES Music Triennial programme.

Whilst the orchestral Gala Concert is the grand finale of the project, the majority of musical opportunities and focused training with Bath Philharmonia takes place throughout the year. We held our usual Sunday orchestral workshops. Due to diverting the financial resources for the Gala project to more Bath Philharmonia players and a longer dress rehearsal in The Forum, we reduced our usual five solo performance masterclasses with talented Bath Philharmonia section leaders (Upper and Lower Strings, Woodwind, Percussion and Brass) to a set of two new 'Performance Etiquette' masterclasses with the leader of Bath Philharmonia – Sophie Langdon. (One was achieved with great success before lockdown.) We also held our first KES Piano masterclass with BBC Young Musician of the Year 2018 winner, Lauren Zhang, through KES's sponsorship of her concert in The Forum accompanied by Bath Philharmonia. The KES Senior Orchestra leader, Issy Timson-Smidt was mentored by leader Sophie Langdon and KES pupils enjoyed the opportunity to watch Bath Philharmonia's rehearsals and attend their concerts for free, including the concert with Lauren Zhang. This was a highly visible arts sponsorship project for KES which supported our charitable outreach aims as it enabled pupils from other Bath schools to attend the concert with their families, many of whom had never attended an orchestral concert.

This ground-breaking partnership project is the other half to our expanded partnership with Bath Abbey which also continues to thrive with the School usually performing in the Abbey three times a year as well as taking part in workshops and other events. We remain the largest provider of boy choristers for the Bath Abbey choir. In 2019-20, due to the Abbey undergoing major renovation, we were unable to hold either our Carol Service or our Founder's Day services in the Abbey, instead using St Mary's Bathwick and The Forum respectively. The Assistant Director of Music at the Abbey, Shean Bowers, works once a week with singers from the Junior (Tudor Rose Choir) and Senior school's (KES 24) and this invaluable choral training on top of our own Music staff's expertise, has seen a rapid rise in the quality and breadth of vocal music at the school.

Our extra-curricular weekly programme has continued to expand, engaging all our KES musicians whilst stretching the very top end pupils in some very exciting performance opportunities. We are holding steady with around 200 pupils actively participating in 20 Senior School ensembles every week means that there remains around 30% of pupils are actively engaged in our provision every week. A respectable figure, but one that the department aims to improve further, particularly in singing.

Our Senior School performance programme has now undergone some careful restructuring and this year saw the implementation of Year 3 of a new Triennial Music Performance Programme. KES has now reached a point where we are staging well over 50 performances opportunities in the Senior School a year. This high figure includes not only concerts for ensembles such as the new Prizegiving, KES Unite Concert, Spring Colours and Autumn Colours, but also the provision of regular opportunities for soloists to perform to the wider public at such atmospheric events as the Holburne Museum Concert, the Autumn Colours Concert, Spring Colours Concert, workshops and our termly lunchtime concert series and our fifth Lower School Concert.

Autumn 2019 saw a brand-new charity concert aimed at including as many young performers of all standards as possible – the KES Music Marathon. 100 one-minute performances in the shortest time possible. With a sweepstake on the final timing, a fabulous raffle and other prizes, around £819 profit was raised with lots of fun being had by all, including the audience singing Hey Jude I at the end.

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

All the ensembles have continued to thrive with a few like the KES 24, Senior Singers, Tudor Rose choir, MEN, the Senior Orchestra and KES Soul taking on more performance opportunities both inside and outside school even within the reduced performance opportunities before lockdown in March.

Our exciting new performance partnership with the Royal United Hospital saw the Baroque Group performing to the patients, visitors and staff of our city's hospital in the main foyer and one of the internal gardens in Summer 2019. Money was raised during the performance by the Forever Friends trust to raise funds for a new piano in the RUH's proposed new cancer care ward. Spring 2020 was to see the Saxophone Ensemble and the KES String Quartet follow in the Baroque Group's footsteps, but unfortunately these were cancelled last minute due to the Covid-19 restrictions in place at the RUH in March 2020.

This year has also seen the continuation of our composing partnership with New Music South West – now called Soundworks. We were for a sixth year, proud to host an A-Level and GCSE Music Composition workshop with them on the top floor of the Wessex Building for both our own pupils and those from other schools which was successfully carried out one Sunday just before the first lockdown.

Charity Fundraising

Last year, the School community raised in excess of £14,000 for charitable causes. These included Together for Short Lives (£3,768), Moving Mountains (£7,271), Rainforest Concern (£1,011), Cancer Research (£809), the Australian Bushfire appeal (£1,062) and Bath Cats & Dogs (£707).

Community Service

Around 30 sixth form students do Community Service on Thursday afternoons at a range of institutions: the RUH, Bridgemoor Care Home, the Peggy Dodd Alzheimers Centre, the Margaret Coates Unit for autistic children and four local primary schools – Bathwick St Mary's, Widcombe Infants, Bathampton, Combe Down as well as our own Junior School. This year's programme was interrupted by the Covid-19 pandemic, so our pupils were only able to attend their placements from September 2019 to March 2020.

Sport

The Covid-19 pandemic had a significant impact on the School's sports programme in 2019/20 with the main elements within the Spring term and all the Summer impacted. However, we offered a programme for part of the Summer term where restrictions allowed, utilising our Bathampton and main School facilities to site to run suitably risk assessed and delivered coaching/game-based sessions across a wide range of sports. This carried on into the holidays in July and was brought back again in August. We were able to keep our pupils active, engaged and hopefully enjoying playing sport.

Hockey

There was further development and progress in hockey. The U18 Girls enjoyed a positive run in the cup and all the senior teams produced some excellent performances in their Saturday block fixtures. The U16 Girls played some exciting hockey as they finished as runners up at the Indoor County Championships, going on to represent BANES at the Regional Finals.

At the other end of the School there was great commitment shown by the U12s and U13s, with consistently high numbers at training and representing the school. The highlight of the season however, was the outstanding achievement by the Girls U14s, who, after being crowned Tier 2 County and Regional Champions, progressed all the way to the National Final, losing only to a strong Bedford Girls' School side, to finish as National runners up.

The U12 Boys, made huge progress through the season and finished third at the Booker Shield, losing only one match, through a last-minute goal from Millfield. The U13s again showed how much potential they have, as they were County runners up, and would have been confident of doing well at the Regional Finals, which were unfortunately cancelled due to the pandemic. The U18 Boys were County runners up at the Indoor Championships and were less than a minute away from reaching the Regional semi-finals, before a last gasp equalizer from Canford meant they lost out on goal difference.

The England Hockey Player Pathway has been badly affected by the ongoing pandemic, but nevertheless, KES still has increasing numbers being nominated for places.

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

Cricket

Covid-19 unfortunately spoiled the summer cricket programme with no inter school matches whatsoever in 2020. The 1st XI however did play a fixture in late July v Bath CC – which we won – Seb Chester-Phillips top scoring with 65. The 1st XI then continued to train over the summer holidays (2020) culminating in a *senior cricket week* where we managed to play against the 40 club, The Headmasters XI and The Old Edwardians; we managed to win all 3 matches with some super team performances with the ball and in the field and again with some super batting from Seb Chester-Phillips 54 & 60 in the last two fixtures. It was fitting way for the year 13's to finish of their time at KES especially as they gave so much to the sporting programme

Rugby

In Rugby, within the current staff, three are Academy Coaches at Bath Rugby. There were 3 boys in Player Development Group & 12 in the Developmental Player programme for Bath Academy from U13-U16.

Individual sports

- 12 pupils competed in the Area round of the schools XC.
- 4 pupils competed for the county in the Regional round.
- 7 athletes represented BANES and 1 Avon at the South-West schools' championships and the English Schools finals in the 1500m at the English School finals (Justin Davies = 7th in the country).
- 8 biathletes qualified for the National Schools at Bath University in March 2020 which unfortunately did not go ahead.
- Notable performances in Dressage, Show-Jumping and One Day Eventing by NSEA riders in events across the year.
- 24 swimmers competed in the Bristol School qualifiers at Bath Leisure centre in November, with 10 competing in the finals at Easton in December.

Junior School

The pursuit of academic excellence along with high standards and expectations lies at the heart of everything we do here at King Edward's Junior School. We endeavour to develop in our children, broad and open minds with a balanced and rounded view of the world through a holistic, modern, expansive and varied curriculum. This is achieved in many ways – our enriched teaching and learning environment, both in and out of the classroom, has enabled us to extend the educational provision and this, along with specialist, dedicated and passionate members of staff help promote excellence and to raise our standards still further.

Our finely tuned pastoral system based on mutual respect, kindness, support and positive encouragement helps the children to become better citizens. Their wellbeing and emotional health is a priority for us to fulfil our school aims and values. This, complimented with trips, visits, visitors and other opportunities offered, makes the Junior School a happy, healthy, vibrant and rewarding place in which to learn, progress and be inspired. Whilst inevitably the School was heavily impacted by the lockdown at the start of the Summer Term, we sought to adapt our planning and teaching accordingly to deliver remote and blended learning and support to our pupils.

Throughout the year, the Junior School's curriculum work was enhanced by special projects, events and activities.

- Enrichment Week helps by providing time for creative thinking and exploration in academic subjects often through cross-curricular themes and projects
- Work on the 'Learning Pit' helps children to welcome challenge in learning, to develop a growth mindset and in building resilience.
- Home work is linked more closely to pupil progress in lessons and teaches children to identify their own learning, their strengths and weaknesses and their areas to develop. This helps to develop self-motivation, organisational skills and a Growth Mindset about learning.
- Character Education continues to instil key virtues, attitudes and behaviours through assemblies and work in class groups.
Values: 'CARERS': Charity, Appreciation, Responsibility, Ethics(Integrity), Resilience and Self-Awareness
Attitudes: Focus, Resilience, Integrity, Drive, Adaptability, Optimism, Discernment, Courage, Self-Awareness.

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

Behaviours: Empathy, Reflection, Growth Mindset, Responsibility, Curiosity, Self-Control, Service, Charity, Cooperation, Interdependence

- Teacher planning throughout the curriculum balances acquisition of knowledge with development of skills, positive attitudes and emotional literacy. SEND and EAL learners are carefully planned for and given appropriate and additional support as and when necessary, from our dedicated Learning Support Team.
- Harnessing ICT to help pupils, to inspire their artwork and create short animation films and presentations to illustrate curriculum topics
- Visiting art galleries and sculpture parks, working with visiting artists and joining in the various art clubs and weekend workshops.
- Maths has been in focus, with the introduction of the mastery approach, which emphasises deep learning and application through concrete learning, discussion and problem-solving. Year 4, 5 and 6 took part in maths challenges, while Year 6 enjoyed a day of mathematical enquiry and problem-solving skills.
- English thrives with a celebration of Book Week, Year 4 enacting a Shakespeare play in 20 minutes and Year 6 writing and illustrating picture books to read to infant children in local primary schools.
- Different religions and ideas are explored through reflection, empathy and imagination.
- Pupils have many opportunities to examine historical artefacts and primary sources. Year 6 debated whether it was right for Britain to go to war in 1939 and researched their own historical questions about World War 2.
- Work in Humanities emphasises critical and higher order thinking, building thinking skills while giving children a broad knowledge of the World and its history.
- Geographers examined the natural and human world. A rainforest topic in Year 3 focuses on looking after our planet which links with our international charity.
- Science is similarly a practical 'hands-on' course with learning based around exploration through numerous and varied experiments.
- In Music, children in all year groups get to play and compose together: Year 3 play stringed instruments; Year 4 play either wind and/ or brass instruments in their class bands; Year 5 play ukulele, samba drums and gamelan; Year 6 perfect their skills on the steel pans. All year groups are given the opportunity to perform for the whole school and parents, through various concerts and events. The three school choirs sing both internally in concerts and services, and externally in the community.

Pre-Prep School Report

2019/20 at the Pre-Prep began with a focus on the legal requirement to introduce 'Relationship Education' to the Personal, Social, Health, Emotional and Economic (PSHE) curriculum in September 2020. A new school policy on Relationship Education was created and the curriculum content fully researched to ensure that our PSHE curriculum covered all the new elements.

During the Autumn term, the computing coordinator visited a local school to investigate a new piece of software called 'Seesaw'. The intention was to explore the possibility of recording children's outcomes electronically rather than through the current method of taking photographs and placing them in children's exercise books.

In Spring 2020 the first national lockdown began. Very quickly we had to adapt to remote teaching using the platforms that we had at the Pre-Prep-Interactive Learning Diary and through the school-Virtual Learning Environment. At the same time we had to provide care and education for key worker children during term time and holiday periods.

In June 2020 the Pre-Prep reopened full time to our Nursery, Reception, Year One children and part-time for Year Two. A detailed risk assessment was created to ensure we had robust safety procedures in place. All the staff contributed to the risk assessment to ensure it was as thorough as possible. We were very fortunate not to have a single case of Covid-19 amongst our Pre-Prep community during the Summer term.

Fees and Financial Assistance

The Governors' policy of keeping fee increases as affordable as possible, whilst maintaining the School's essential quality of education, premises and facilities resulted in a fee increase of 4% (2019 – 3.5%). The

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

fees for the year 2019/20, before the deduction of any means-tested bursaries, scholarships and other concessions were:

- Nursery: £2,905 per term
- Pre Prep School: £3,520 per term
- Junior School: £3,900 per term
- Senior School: £4,935 per term (Sixth Form £5,020)

Fund Raising Standards Information

All fundraising activities for the School are carried out by highly professional School staff with assistance from the parents and pupils with the running of specific fundraising events. The School does not use external professional fundraisers or have any commercial participators. All fundraising activities are managed by the Headmaster, with oversight by the members of the Governing Body.

No complaints relating to fundraising activities have been received by the School during the financial period. However, the School has in place procedures that would be followed in the event of a complaint being received. The School's complaints policy and procedure is on the website.

The School's standards of operation and management of fundraising activities are based on those of the Institute of Fundraising and of CASE (Council for the Advancement and Support of Education), of which the School is a member and follows CASE's best practice, recommendations and guidance on fundraising in education. The School is also a member of IDPE (Independent Development Professionals in Education). In particular, the School considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion on a person's privacy and that no fundraising activities would be unreasonably persistent or place undue pressure on a person to give money or property.

Investment Performance

The Charity's investments are held by Charles Stanley and unrealised losses on investments totalled £44,836 (2019 – unrealised loss of £50,778). The value of the total investment portfolio decreased to £1,279,128 at the year-end (2019 - £1,283,824). Dividend income was similar to the prior year at £45,189 (2019 - £46,385).

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The School's Total Incoming Resources for the year were £14,722,380 (2019 - £15,211,881) and the surplus for the year before investment losses was £380,196 (2019 - £868,732). Net Debt at 31 August 2020 was £2,178,990 (2019 - £1,475,261). Full details are set out in the audited financial statements on pages 21 to 37.

The reduction in Total Incoming Resources and the resulting reduction in the School's surplus for the year was as a result of the Covid-19 pandemic. To support the School community through the first lockdown which began in March 2020, the Governors took the decision to reduce the School fees charged for the Summer Term 2020 and to increase the level of bursary support provided. This saw the total income from School fees drop from £13,501,155 in the prior year to £12,964,688 – a reduction of £536,467.

Reserves Policy and the School's status as a Going Concern

The School's policy is to continue to invest in premises and equipment to support the business and educational requirements of the School, while ensuring adequate financing of the School's day to day operational needs and the maintenance of adequate reserves to meet any contingencies as they arise. Therefore, retained surpluses are not held as free reserves, but are normally utilised for improvements to the School's facilities. This policy is supported by external financing as and when necessary, allocated to specific capital projects.

Free reserves, as defined by the Charity Commission, are the undesignated general funds of the Charity excluding the funds invested in tangible fixed assets. If this adjustment was made to the school's unrestricted reserves, the free reserves would be a negative figure of £3,498,759 (2019 - £3,035,363) which is typical of many independent schools. This is due to the need for continuing capital expenditure out of retained reserves. The borrowings to finance the building programmes are at a level which the Governors are confident can be serviced, based on conservative projections of income and expenditure

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

and the related cash flows. Total reserves at the year end were £17,906,467 (2019 - £17,571,107).

In light of the current climate in relation to the Covid-19 pandemic the Governors have reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows. The Governors have a reasonable expectation that the School's financial resources and contingency planning is sufficient to ensure the ability of the School to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements.

Investment Policy and Objectives

The Board's investment objectives are to balance current and future needs by:

- maintaining (at least) the value of the investments in real terms;
- producing a consistent and sustainable amount to support expenditure; and
- delivering these objectives within acceptable levels of risk.

To meet these objectives the School's investments as a whole are managed on a portfolio basis, maintaining diversification across a range of asset classes in order to produce an appropriate balance between risk and return. The Board considers that in the year to 31 August 2020 the investment objectives were met.

ENERGY AND CARBON EMISSIONS

Under 'The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 we are now required to report on the energy the School uses and the associated levels of greenhouse gases that we omit.

In producing the information presented below, we have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting. As this is the first year of these reporting requirements, no prior year comparative figures have been provided but these will be reported in future periods.

UK Greenhouse gas emissions and energy use for the period 1 September 2019 to 31 August 2020

Energy consumption used to calculate emissions (kWh)

Energy consumption break down (kWh)

• gas	1,384,004
• electricity	825,798
• transport fuel	54,960

Scope 1 emissions in metric tonnes CO₂e

• Gas consumption	255
• Owned transport – minibuses & vans	14

Total Scope 1

Scope 2 emissions in metric tonnes CO₂e

• Purchased electricity	192
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Scope 3 emissions in metric tonnes CO₂e

Business travel in employee owned vehicles	2
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• Total gross emissions in metric tonnes CO ₂ e	463
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Intensity ratio Tonnes CO₂e per pupil	0.43
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Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

The School is committed to reducing the amount of energy it consumes and is regularly reviewing opportunities for greater energy efficiencies. Recent examples include:

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

- The replacement of 270 fluorescent light bulbs to 25 LEDs in the School Sports Hall, saving in excess of £8k of energy costs each year
- The roll out of LED lights across classrooms as part of our planned maintenance programme
- Installation of new insulation in the Grade 2 listed Nethersole Building as part of its recent roof replacement
- All of the School's vehicles and coach service are being upgraded to the more energy efficient Euro 6 engine category or to electric vehicles.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

Company law requires the 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

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

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

So far as the Governors are aware, there is no relevant audit information of which the School's auditors are unaware. The Governors have taken all the steps that we ought to have taken as Governors in order to make ourselves aware of any relevant audit information and to establish that the School's auditors are aware of that information.

SECTION 172(1) STATEMENT

The Governors have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the School for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

In discharging their duties above, the Governors carefully consider, amongst other matters, the impact on and interest of other stakeholders in the School and factor these into their decision-making process.

As a Charity, the School believes that its key stakeholders include its pupils, their parents, its employees and the wider community.

For our pupils, the Governors note that in this Annual Report they have detailed a range of examples as to how the School's pupils benefit from its academic, co-curricular and pastoral provision. For the parents of the pupils, the School encourages regular engagement and involvement with the School throughout the year. A programme of regular parents evenings is supplemented by regular communication with parents and active encouragement of them to attend events at the School and to participate in the life of the School, including through the KES Parents' group referred to previously in this report.

**KING EDWARD'S SCHOOL, BATH
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

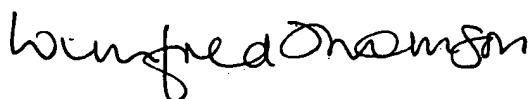
The School recognises that the qualities, skills and commitment of its employees plays a major role in the School's success. Regular briefings keep staff informed of School-wide developments, and wide-ranging employee benefits enhance their quality of life. Staff wellbeing has been a key focus this year and will be a continued area of attention, along with equality, diversity and inclusion. Furloughed staff were successfully re-integrated as they returned from an extended period of absence from the site.

The School is proud of its place in the local community and as highlighted in this report, the School engages with and contributes to the local community in a wide number of areas including its partnerships with other local schools, its community service activities and its wider charitable activities. We also engage, where required, with our local authority and residents association.

AUDITOR

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Crowe U.K. LLP as auditor to the School will be put to the annual general meeting.

The Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of King Edward's School, Bath, on 25 March 2021 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Mrs W Thomson
Chair of Governors

**KING EDWARD'S SCHOOL, BATH
INDEPENDENT AUDITORS' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2020

Independent Auditor's Report to the Members of King Edward's School, Bath

Opinion

We have audited the financial statements of King Edward's School, Bath for the year ended 31 August 2020 which comprise Statement of Financial Activities, Balance Sheet, Cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

**KING EDWARD'S SCHOOL, BATH
INDEPENDENT AUDITORS' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2020

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 trustees' 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 trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

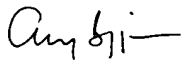
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**KING EDWARD'S SCHOOL, BATH
INDEPENDENT AUDITORS' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2020

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.



Guy Biggin (Senior Statutory Auditor)

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Carrick House

Lypiatt Road

Cheltenham

Gloucestershire

GL50 2QJ

15 April 2021

KING EDWARD'S SCHOOL, BATH
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total Funds 2020 £	Total Funds 2019 £
Income from:						
Charitable Activities						
School fees	2	12,964,688	-	-	12,964,688	13,501,155
Other educational income	3	401,566	-	-	401,566	673,256
Other trading activities						
Other ancillary trading income	3	573,217	-	-	573,217	724,153
Non-ancillary trading income	3	654,380	-	-	654,380	63,560
Investments						
Investment income	4	10,894	45,189	-	56,083	65,341
Voluntary sources						
Donations		-	72,446	-	72,446	184,416
Total incoming resources		<u>14,604,745</u>	<u>117,635</u>	<u>-</u>	<u>14,722,380</u>	<u>15,211,881</u>
Expenditure on:						
Raising funds						
Fundraising costs	5	117,341	-	-	117,341	223,413
Financing costs	5	28,725	-	-	28,725	45,863
Total deductible costs		<u>146,066</u>	<u>-</u>	<u>-</u>	<u>146,066</u>	<u>269,276</u>
Charitable activities						
Education and grantmaking	5	<u>14,180,900</u>	<u>15,218</u>	<u>-</u>	<u>14,196,118</u>	<u>14,073,873</u>
Total expenditure	5	<u>14,326,966</u>	<u>15,218</u>	<u>-</u>	<u>14,342,184</u>	<u>14,343,149</u>
Net income from operations		277,779	102,417	-	380,196	868,732
Loss on investments	9	-	(44,836)	-	(44,836)	(50,778)
Transfers between funds	16, 17	54,736	(54,736)	-	-	-
Net income for the year		<u>332,515</u>	<u>2,845</u>	<u>-</u>	<u>335,360</u>	<u>817,954</u>
Total funds at 1 September 2019		<u>15,119,796</u>	<u>397,004</u>	<u>2,054,307</u>	<u>17,571,107</u>	<u>16,753,153</u>
TOTAL FUNDS AT 31 AUGUST 2020	18	<u>15,452,311</u>	<u>399,849</u>	<u>2,054,307</u>	<u>17,906,467</u>	<u>17,571,107</u>

The notes on pages 24 to 37 form part of these financial statements.

KING EDWARD'S SCHOOL, BATH
BALANCE SHEET
AS AT 31 AUGUST 2020

COMPANY NUMBER: 03394895

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	8		21,005,377		20,606,470
Investments	9		<u>1,279,128</u>		<u>1,283,824</u>
			22,284,505		21,890,294
CURRENT ASSETS					
Stock	10	2,707		4,715	
Debtors	11	621,417		739,176	
Cash at bank and in hand		<u>1,741</u>		<u>132,053</u>	
		625,865		875,944	
CREDITORS: amounts falling due within one year	12	<u>(3,281,946)</u>		<u>(3,486,053)</u>	
NET CURRENT LIABILITIES			<u>(2,656,081)</u>		<u>(2,610,109)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			19,628,424		19,280,185
CREDITORS: amounts falling due after more than one year	13		<u>(1,721,957)</u>		<u>(1,709,078)</u>
NET ASSETS			<u>17,906,467</u>		<u>17,571,107</u>
FUNDS					
Endowment funds	15		2,054,307		2,054,307
Restricted funds	16		399,849		397,004
Unrestricted funds	17		<u>15,452,311</u>		<u>15,119,796</u>
TOTAL FUNDS			<u>17,906,467</u>		<u>17,571,107</u>

The financial statements were approved and authorised for issue by the Board of Governors and were signed on their behalf on 25 March 2021.

Wynfred Thomson

Mrs W Thomson
Chair of Governors

The notes on pages 24 to 37 form part of these financial statements.

KING EDWARD'S SCHOOL, BATH
CASHFLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	2019 £
NET CASH INFLOW FROM OPERATIONS			
Net cash provided by operating activities	(i)	<u>568,069</u>	<u>2,291,430</u>
Cash flows from investing activities:			
Payment for tangible fixed assets		(1,254,067)	(2,839,646)
Proceeds from sale of tangible fixed assets		100	3,123
Additions to investments portfolio		(45,189)	(46,385)
Withdrawal from investments portfolio		-	-
Investment income		<u>56,083</u>	<u>65,341</u>
Net cash used in investing activities		<u>(1,243,073)</u>	<u>(2,817,567)</u>
Cash flows used by financing activities:			
Bank loan interest paid and finance costs		(28,725)	(45,863)
Bank loan repayments		<u>(177,215)</u>	<u>(177,215)</u>
Net cash used by financing activities		<u>(205,940)</u>	<u>(223,078)</u>
Change in cash and cash equivalents in the reporting period		(880,944)	(749,215)
Cash and cash equivalents at the beginning of the period		<u>132,053</u>	<u>881,268</u>
Cash and cash equivalents at the end of the reporting period including overdrafts		<u>(748,891)</u>	<u>132,053</u>

(i) RECONCILIATION OF NET-INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net incoming resources	427,185	868,732
Elimination of non-operating cash flows:		
- Investment income	(56,083)	(65,341)
- Finance costs	28,725	45,863
- Investment management fees	5,049	581
Depreciation charge	854,699	709,616
Decrease in stocks	2,008	110
Decrease in debtors	70,770	175,833
(Decrease)/increase in creditors	(764,645)	550,268
Loss on sale of fixed assets	<u>361</u>	<u>5,768</u>
Net cash inflow from operations	<u>568,069</u>	<u>2,291,430</u>

(ii) ANALYSIS OF CHANGES IN NET DEBT

	1 September 2019 £	Movement in the year £	31 August 2020 £
Net cash including overdrafts	132,053	(880,944)	(748,891)
Bank Loan due with one year	(177,305)	90	(177,215)
Bank Loan due after more than one year	<u>(1,430,009)</u>	<u>177,125</u>	<u>(1,252,884)</u>
Net Debt	<u>(1,475,261)</u>	<u>(703,729)</u>	<u>(2,178,990)</u>

The notes on pages 24 to 37 form part of these financial statements.

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. CHARITY INFORMATION

King Edward's School, Bath is a charitable company limited by guarantee incorporated in England and Wales (charity number 1115875, company number 03394895) and is a Public Benefit Entity operating from its registered office North Road, Bath, BA2 6HU. The liability of members in the event of winding up is limited to an amount not exceeding £1 per member.

ACCOUNTING POLICIES

The financial statements have been prepared on the historical cost basis of accounting, as modified by the revaluation of listed investments, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Statement of Recommended Practice (SORP 2019) and the accounting policies set out below.

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

The School depends on its existing bank facilities to meet its day to day working capital requirements. Current forecasts indicate that the School expects to be able to operate within these facilities for the whole of the foreseeable future. These facilities are renewed annually and are not guaranteed for the period covered by the going concern review. The Governors are not aware, however, of any circumstances that may adversely affect the renewal of these facilities.

In light of the current climate in relation to the COVID-19 pandemic the Governors have undertaken planning and forecasting and continue to closely monitor the developing situation. Despite the current circumstances the Governors believe that the School's financial resources and contingency planning is sufficient to ensure the ability of the School to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

The subsidiary undertaking Tolcram Limited has not been consolidated on the grounds that the activities are not material to the group as the subsidiary undertaking is dormant.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Governors are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

a) School fees and similar income

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school, but include contributions received from restricted funds for scholarships, bursaries and other grants. Amounts received in advance for education not yet utilised to settle school fees are recorded as deferred income and allocated against current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

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

**KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

b) Donations

All monetary donations and gifts are included in full in the Statement of Financial Activities when entitlement arises, the amount can be reliably quantified and economic benefit to the School is considered probable. When donors specify that donations, including donations towards the purchase of fixed assets, are for particular restricted purposes, the income is included in incoming resources of restricted funds.

c) Investment income

Dividend income is accounted for at the date on which the School has entitlement to the dividends. Interest on bank balances is accounted for in the period in which the interest is earned.

d) Coronavirus Job Retention Scheme Grant

During the current year King Edward's School, Bath suspended certain functions in reaction to government directives aimed at reducing the spread of Covid-19. This resulted in a number of staff being furloughed with their wages paid by the government. These wages are reflected as expenditure in Notes 5 and 6 to the financial statements. The repayment of their wages from the government is represented in unrestricted income in Note 3.

e) Resources expended

Resources expended are accrued as soon as a liability is considered probable, discounted to present value for long term liabilities. Expenditure which can be directly attributed to specific activities has been included in appropriate cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion attributable to each activity.

- Expenditure on raising funds – include all fund raising and financing support costs;
- Charitable activities – expenses are charged to the Statement of Financial Activities on an accruals basis. Expenditure is allocated to functional headings either on a direct cost basis or apportioned according to time spent;
- Governance costs – includes those costs associated with constitutional and statutory requirements such as audit fees, legal costs and Governors' expenses.

f) Redundancy costs

Redundancy payments occur when absolutely necessary and are accounted for on an accruals basis when the commitment to terminate a post on the grounds of redundancy has been made.

g) Tangible fixed assets

Tangible fixed assets, including freehold property, are stated at original cost plus subsequent costs of additions, less depreciation. Tangible fixed assets costing less than £500 are not capitalised.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on current market prices, of each asset evenly over its expected useful economic life, as follows:

Freehold properties	Straight line over 50 years
Fixtures and fittings	Straight line over 10 years
School equipment	Straight line over 3-5 years
Motor vehicles	Straight line over 5 years

h) Investments

The investments held by the school are stated at market value as at the Balance Sheet date. Gains and losses on disposal are disclosed as realised gains or losses, being the difference between sales proceeds and the market value at the last accounting date. Changes in the valuation of investments during the year are shown as unrealised gains and losses.

i) Debtors

Short term debtors are initially measured at transaction price, less any impairment.

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

j) Cash

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

k) Creditors

Short term creditors are initially measured at the transaction price.

l) Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

m) Funds

Funds held by the Charity are:

- Restricted funds – these can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by donors or by the purpose of the appeal.
- Unrestricted general funds - these can be used in accordance with the Charitable objects at the discretion of the Governors.
- Designated funds – these are unrestricted funds which have been designated for specific purposes by the Governors, in particular where School funds have been used to match contributions from donors.

n) Taxation

The School is a registered Charity and as such is entitled to certain tax exemptions on all its income and gains, properly applied in furtherance of the Charity's primary objectives.

The School is not registered for VAT.

o) Operating leases

Rentals payable under operating leases are charged on a straight line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

p) Pensions

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi employer pension scheme and it is not possible to identify the assets and liabilities of the scheme, which are attributable to the School. In accordance with FRS 102 S28.11, therefore, the scheme is accounted for as a defined contribution scheme.

The School also contributes to personal pension schemes for non-teaching staff.

The School's contributions to the schemes are charged in the financial statements as they accrue.

q) Recognition of liabilities

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

r) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. FEES RECEIVABLE

Income represents gross School fees invoiced, less discounts and allowances:

	2020	2019
	£	£
Gross school fees	14,570,241	15,039,722
Less: Total bursaries, grants and allowances	<u>(1,605,553)</u>	<u>(1,538,567)</u>
	<u>12,964,688</u>	<u>13,501,155</u>

3. OTHER INCOME

	2020	2019
	£	£
Other educational income:		
After school clubs and school trips	149,939	334,954
Music and learning support lessons	<u>251,627</u>	<u>338,302</u>
	<u>401,566</u>	<u>673,256</u>

	2020	2019
	£	£
Other ancillary trading income:		
Lunch charges	463,113	566,600
Food and cafe sales	25,077	32,902
Fee protection scheme	18,266	34,303
Bus and coach service income	<u>66,761</u>	<u>90,348</u>
	<u>573,217</u>	<u>724,153</u>

	2020	2019
	£	£
Non-ancillary trading income:		
Rent received	22,758	33,121
Government grants	585,911	-
Other incoming resources	<u>45,711</u>	<u>30,439</u>
	<u>654,380</u>	<u>63,560</u>

4. INVESTMENT INCOME

	2020	2019
	£	£
Dividends received	45,189	46,463
Interest received	<u>10,894</u>	<u>18,878</u>
	<u>56,083</u>	<u>65,341</u>

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs	Other	Depreciation	Total 2020	Total 2019
	£	£	£	£	£
Costs of generating funds					
Fundraising costs	107,127	10,214	-	117,341	223,413
Financing costs	-	28,725	-	28,725	45,863
Total cost of generating funds	107,127	38,939	-	146,066	269,276
Charitable activities					
Teaching	8,772,098	516,839	-	9,288,937	8,750,414
Welfare	662,972	300,550	-	963,522	1,023,503
Premises	260,640	862,555	854,699	1,977,894	2,048,767
Support	893,510	1,049,913	-	1,943,423	2,226,997
Governance costs	-	22,342	-	22,342	24,192
Total charitable expenditure	10,589,220	2,752,199	854,699	14,196,118	14,073,873
Total resources expended	10,696,347	2,791,138	854,699	14,342,184	14,343,149

6. STAFF COSTS

The average headcount of employees, excluding Governors and visiting staff, but including part-time staff, employed by the School during the year was as follows:

	2020	2019
	Number	Number
Teaching staff (including academic support)	207	200
Administration and support	29	31
Premises	13	14
Welfare	42	44
	291	289

The aggregate payroll costs of these persons were as follows:

	2020	2019
	£	£
Wages and salaries	8,313,079	8,159,873
Social security costs	816,604	790,845
Pension costs	1,539,909	1,070,538
Apprenticeship levy	26,755	25,563
	10,696,347	10,046,819

Aggregate remuneration and benefits of the 8 (2019 - 9) key management personnel totalled £944,641 (2019 - £965,946). This relates to the Headmaster, Heads of Junior and Pre-Prep Schools, Bursar, Second Master, Deputy Heads of Pastoral and Academic and the Head of Lower School.

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

6. STAFF COSTS (continued)

The numbers of employees who earned more than £60,000 per annum were:

	2020 Number	2019 Number
£60,001 - £70,000	3	4
£70,001 - £80,000	1	1
£80,001 - £90,000	3	2
£90,001 - £100,000	1	1
£140,001 - £150,000	1	1

During the year pension contributions amounting to £174,163 (2019- £116,881) were made for the higher paid employees to the Teachers' Superannuation scheme and the money purchase pension scheme.

During the year, the Governors received no remuneration and no retirement benefits were accruing. Governors expenses reimbursed amounted to £67 (2019 - £345) for 1 Governor (2019 - 1). Related Party Transactions are declared in note 20.

During the year there was no termination payment (2019 - £18,000). No amount was outstanding at the year end (2019 - £nil).

7. AUDITOR'S REMUNERATION

	2020 £	2019 £
Auditor's remuneration: - audit services	16,000	14,100
Auditor's remuneration: - other services	2,770	2,450

8. TANGIBLE FIXED ASSETS

	Freehold Properties £	School Equipment £	Fixtures and Fittings £	Motor Vehicles £	Asset Under Construction £	Total £
Cost						
At 1 September 2019	21,763,126	1,063,280	1,694,000	298,880	1,375,889	26,195,175
Additions	117,343	151,647	119,632	38,731	826,714	1,254,067
Disposals		(122,543)	(9,342)	-	-	(131,885)
Transfers	2,455,241	30,097	(282,735)	-	(2,202,603)	-
At 31 August 2020	24,335,710	1,122,481	1,521,555	337,611	-	27,317,357
Depreciation						
At 1 September 2019	4,255,213	663,439	504,632	165,421	-	5,588,705
Charge for the year	460,228	202,829	135,281	56,361	-	854,699
On disposals	-	(122,082)	(9,342)	-	-	(131,424)
Transfers	(1,791)	1,791	-	-	-	-
At 31 August 2020	4,713,650	745,977	630,571	221,782	-	6,311,980
Net Book Value						
At 31 August 2020	19,622,060	376,504	890,984	115,829	-	21,005,377
At 31 August 2019	17,507,913	399,841	1,189,368	133,459	1,375,889	20,606,470

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. INVESTMENTS

a) Investment Portfolio

	2020	2019
	£	£
<i>At 1 September 2019</i>	1,283,824	1,288,798
Reinvested income	45,189	46,385
Investment management fees	(5,049)	(581)
Decrease in value of investments	(44,836)	(50,778)
At 31 August 2020	<u>1,279,128</u>	<u>1,283,824</u>

The investments are managed by professional investment managers and represent monies invested directly on a recognised UK stock exchange. At the end of the year £72,042 (2019 - £71,097) was held as uninvested cash.

b) Investment in subsidiaries

The School has a dormant subsidiary company, Tolcram Limited. The shares in this Company are held by the directors on behalf of the School and no cost of investment is recognised in these financial statements.

10. STOCKS

	2020	2019
	£	£
Kitchen stores, clothes and prospectuses	<u>2,707</u>	<u>4,715</u>

11. DEBTORS

	2020	2019
	£	£
Fee debtors	162,137	411,410
Prepayments and accrued income	275,873	227,766
Other debtors	183,407	100,000
	<u>621,417</u>	<u>739,176</u>

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

12. CREDITORS: amounts falling due within one year

	2020	2019
	£	£
Bank loan	177,215	177,305
Bank overdraft	750,632	-
Trade creditors	447,392	1,235,031
Taxes and social security	622,002	202,229
Fees received in advance	572,214	855,448
Refundable deposits	356,550	337,800
Accruals and deferred income	107,797	336,268
Other creditors	248,144	341,972
	<u>3,281,946</u>	<u>3,486,053</u>

Refundable deposits are received when pupils are first entered for admission, and are held until the pupil has completed their education at which point the fees are refunded. All pupils could leave within the next twelve months and therefore deposits are considered as falling due within one year.

The bank loan is secured by a legal charge over the freehold property known as King Edward's School. The loan is repayable in instalments by December 2028 and bears a variable interest rate of 1% above the Bank of England base rate.

The ratio of the bank loans to the book value of the property was 7% (2019 - 8%).

13. CREDITORS: amounts falling due after more than one year

	2020	2019
	£	£
Bank loan	1,252,884	1,430,009
Fees received in advance	469,073	279,069
	<u>1,721,957</u>	<u>1,709,078</u>

The bank loan is repayable by instalments:

	2020	2019
	£	£
Due after five years	544,024	720,789
Due within two to five years	531,645	531,915
Due within one to two years	177,215	177,305
	<u>1,252,884</u>	<u>1,430,009</u>
Due within one year	177,215	177,305
	<u>1,430,099</u>	<u>1,607,314</u>

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14. FINANCIAL INSTRUMENTS

	2020 £	2019 £
Financial assets measured at amortised cost (a)	450,936	651,446
Financial assets measured at fair value (b)	1,279,128	1,283,824
Financial liabilities measured at amortised cost (c)	<u>3,631,269</u>	<u>4,845,926</u>

- (a) Financial assets include cash, trade and fee debtors, staff loans, other debtors, accrued income and amounts due from subsidiaries.
(b) Financial assets held at fair value include assets held as investments.
(c) Financial liabilities include deposits, fees in advance, trade creditors, bank loans and other creditors.

15. ENDOWED FUNDS

	At 1 September 2019 £	Incoming Resources £	Resources Expended £	Transfers and unrealised gain/loss on investments £	At 31 August 2020 £
Endowed Fund - Permanent	1,845,977	-	-	-	1,845,977
Endowed Fund - Expendable	<u>208,330</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>208,330</u>
	<u>2,054,307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,054,307</u>

The Endowed fund is "King Edward's School Bath Trust" and represents the value of the assets held in the unincorporated charity number 1115875-1.

Prior year:

	At 1 September 2018 £	Incoming Resources £	Resources Expended £	Transfers and unrealised gain/loss on investments £	At 31 August 2019 £
Endowed Fund - Permanent	1,845,977	-	-	-	1,845,977
Endowed Fund - Expendable	<u>208,330</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>208,330</u>
	<u>2,054,307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,054,307</u>

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. RESTRICTED FUNDS

	At 1 September 2019 £	Incoming Resources £	Resources Expended £	Transfers and unrealised loss on investments £	At 31 August 2020 £
Prize fund	135,147	-	(1,407)	-	133,740
Bursary fund	135,678	90,590	(160)	(64,786)	161,322
The Parents' Committee	45,640	24,153	(9,240)	(20,851)	39,702
Hockey Festival	15,432	-	-	-	15,432
Mailer fund	5,916	240	-	-	6,156
Other funds	59,191	2,653	(4,412)	(13,935)	43,497
	<u>397,004</u>	<u>117,636</u>	<u>(15,219)</u>	<u>(99,572)</u>	<u>399,849</u>

Movements in other restricted funds during the year were:

Prize fund

This fund is the accumulation of bequests made over the years for specific designated prize awards each year. Funds are invested by Charles Stanley. The dividends and interest received are used to pay for the prizes annually.

Bursary fund

This fund is the accumulation of consolidated bursary funds, donations, legacies and old KES Charitable Trust funds. Investment income is used to fund the annual bursaries.

The Parents' Committee

This is made up of several small donations from the Parents' Committee. Monies are received and then spent on the specific restriction.

Hockey Festival

The hockey festival is an annual event, donations are received from entrants to the festival; these are spent on the running of the event. If a surplus is made, it will be spent on future hockey festival events.

Mailer fund

This is made up of donations to provide support towards the cost of the 6th Form Centre capital project.

Other funds

This is made up of several small restricted funds, such as the Gym Equipment Fund. Monies are received and then spent on the specific restriction.

Transfer between funds

This relates to contributions towards school expenditure for specific items. In the year to 31 August 2020 these included the walkway project and bike shelter.

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. RESTRICTED FUNDS (continued)

Movements in other restricted funds during the prior year were:

	At 1 September 2018 £	Incoming Resources £	Resources Expended £	Transfers and unrealised gain on investments £	At 31 August 2019 £
Prize fund	140,091	469	(5,413)	-	135,147
Bursary fund	93,957	92,499	-	(50,778)	135,678
The Parents' Committee	35,424	42,665	(32,449)	-	45,640
Hockey Festival	14,113	3,400	(2,081)	-	15,432
Mailer fund	10,710	67,255	-	(72,049)	5,916
Other funds	57,924	24,591	(22,900)	(424)	59,191
	352,219	230,879	(62,843)	(123,251)	397,004

17. UNRESTRICTED FUNDS

	At 1 September 2019 £	Incoming Resources £	Resources Expended £	Transfers £	At 31 August 2020 £
General	14,985,250	14,604,745	(14,326,966)	54,736	15,317,765
Designated Bursary Fund	134,546	-	-	-	134,546
	15,119,796	14,604,745	(14,326,966)	54,736	15,452,311

The Designated Bursary Fund was a specific legacy received in 2013/14.

Prior year:

	At 1 September 2018 £	Incoming Resources £	Resources Expended £	Transfers £	At 31 August 2019 £
General	14,212,081	14,981,002	(14,280,306)	72,473	14,985,250
Designated Bursary Fund	134,546	-	-	-	134,546
	14,346,627	14,981,002	(14,280,306)	72,473	15,119,796

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. ALLOCATION OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2020 are held as follows:

	Unrestricted Funds	Restricted Funds	Endowed Funds	Total Funds 2020
	£	£	£	£
Tangible fixed assets	18,951,070	-	2,054,307	21,005,377
Investments	1,279,128	-	-	1,279,128
Net current liabilities	(3,055,930)	399,849	-	(2,656,081)
Long term liabilities	(1,721,957)	-	-	(1,721,957)
	15,452,311	399,849	2,054,307	17,906,467

Fund balances at 31 August 2019 were held as follows:

	Unrestricted Funds	Restricted Funds	Endowed Funds	Total Funds 2019
	£	£	£	£
Tangible fixed assets	18,552,163	-	2,054,307	20,606,470
Investments	1,283,824	-	-	1,283,824
Net current liabilities	(3,007,113)	397,004	-	(2,610,109)
Long term liabilities	(1,709,078)	-	-	(1,709,078)
	15,119,796	397,004	2,054,307	17,571,107

19. PENSION COSTS

The School operates two pension schemes. A defined contribution pension scheme is operated for non-teaching staff, the assets of which are held separately from those of the School in an independently administered fund. The pension cost charge in respect of the fund of £237,991 (2019 - £238,776) represents contributions payable by the School to the fund. There were outstanding contributions at the year end of £nil (2019 - £16,765).

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 £1,937,137 (2019 - £1,446,741) and at the year-end £163,343 (2019 - £ nil) was accrued in respect of contributions to this scheme.

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

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

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

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. PENSION COSTS (continued)

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

20. RELATED PARTY TRANSACTIONS

Certain Governors have children at the School but these are all on normal terms and they are unable to use their position as Governors to their advantage.

Included within other debtors is £100,000 (2019 - £100,000) relating to a loan to Mr M J Boden, the Headmaster. Interest on the loan is charged at 2% above the Bank of England base rate and is paid monthly. Interest received by the School during the year amounted to £2,425 (2019 - £2,750).

During the financial year the School had transactions totalling £1,407 with two companies where a Governor is also listed as a Director of that entity.

21. COMPANY STATUS

King Edward's School, Bath is a company limited by guarantee, not having share capital. The liability of the members in the event of winding up is limited to an amount not exceeding £1 per member.

22. CAPITAL COMMITMENTS

At 31 August 2020 the School had capital commitments totalling £Nil (2019 - £517,525).

23. OPERATING LEASE COMMITMENTS

Other	2020 £	2019 £
Not later than one year	19,945	23,934
Later than one year and not later than five	-	19,945
	<u>19,945</u>	<u>43,879</u>

Lease payments recognised as an expense in the year amounted to £23,934 (2019 - £23,934).

KING EDWARD'S SCHOOL, BATH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

24. COMPARATIVE SOFA

	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total Funds 2019 £
Income from:				
Charitable Activities				
School fees	13,501,155	-	-	13,501,155
Other educational income	673,256	-	-	673,256
Other trading activities				
Other ancillary trading income	724,153	-	-	724,153
Non-ancillary trading income	63,560	-	-	63,560
Investments				
Investment income	18,878	46,463	-	65,341
Voluntary sources				
Donations	-	184,416	-	184,416
Total incoming resources	14,981,002	230,879	-	15,211,881
Expenditure on:				
Raising funds				
Fundraising costs	223,413	-	-	223,413
Financing costs	45,863	-	-	45,863
Total deductible costs	269,276	-	-	269,276
Charitable activities				
Education and grantmaking	14,011,030	62,843	-	14,073,873
Total expenditure	14,280,306	62,843	-	14,343,149
Net income from operations	700,696	168,036	-	868,732
Loss on investments	-	(50,778)	-	(50,778)
Transfers between funds	72,473	(72,473)	-	-
Net income for the year	773,169	44,785	-	817,954