

The Edward James Foundation Limited
(a company limited by guarantee)

ANNUAL REPORT AND GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 SEPTEMBER 2023

Company Registration No. 06689362 (England and Wales)
Charity Registration No. 1126084



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Chair's introduction
For the year ended 30 September 2023

In a letter written to Aldous Huxley on Christmas Day, 1939, our founder Edward James described his vision for the Foundation as a community dedicated to the values of art that might be protected from the destructive chaos of a second world war by the 'high walls' and relative isolation of his West Sussex estate. The name 'West Dean' then came to be a shorthand that encompasses both the College he created and the grand country house in which it is based, as well as for the glorious gardens and the large rural estate which surround it. Since those anxious times the Foundation has become very much an outward-looking institution and this year we are delighted to express that openness and confidence by taking the West Dean name beyond those high flint walls to establish West Dean: London, an exciting new venture for the Foundation and one which holds considerable promise for the future.

During this year we secured a 15-year lease on an historic, stand-alone building in the heart of the university district of Bloomsbury, close to the British Museum. Dilke House will be the new home for our School of Design, as well as the base for a wider range of courses in the areas of art, craft and conservation, for which we have established an enviable reputation. West Dean: London opens in April 2024 and the School of Design will relocate there from its current premises, in Chelsea Harbour, in July. The London campus will provide an excellent range of studios and workshops, as well as a café, library and exhibition space.

As part of our preparation for expanding the reach of our activities, during this year we refreshed the visual branding of West Dean and launched a new website to create a striking, outward-looking identity, which aligns with our values and ambitions.

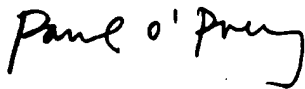
Our Vision 2030 Strategic Plan was focussed on developing the West Sussex campus to expand our educational provision and diversify income. The campus development plan is progressing well with the commission of the necessary feasibility studies. Higher Education numbers were given a major boost by the acquisition of KLC School of Design in 2021, and continue to grow steadily. This growth means that for the first time this year the College delivered over 100,000 days of high quality tuition (65,000 face-to-face, 40,000 online). This compares with a combined total of 35,000 tuition days in 2019. These overall growth figures mask, however, a 10% decline in registrations for our short courses, which have been slow to recover to pre-Covid levels.

The shortfall in short course registration is a key factor in the disappointing financial result for the year. In response to this decline, the Foundation has reviewed its short course provision to introduce greater flexibility, and launched a marketing campaign aimed at attracting new students as well as encouraging previously regular students to return. This activity is part of a financial stabilisation plan which will see the achievement of a modest EBITDA surplus within three years. The Foundation is fortunate to have a strong asset base which has allowed us to weather the storm created by the pandemic and subsequent cost of living crisis and drop in consumer confidence, without compromising the quality of our educational provision. We are also confident that there remains a strong demand for the courses we offer.

The Foundation has also sought to diversify its other income streams and there are exciting new opportunities which spring from our recent adoption of a major strategic shift towards environmental sustainability. One example is the direct packaging and sale of produce grown on the estate. Working with Natural England, the Forestry Commission and our own farm tenants, we are looking to achieve a more balanced and harmonious relationship with the land. In his letter to Huxley, Edward James wrote that 'above all the planting of trees is my greatest joy'. He would have been delighted, therefore, to see his Foundation commit to the planting of half a million trees over the next ten years, and the creation of a thousand hectares of priority habitat. The first oak has now been planted and during the forthcoming year 25,000 trees will be planted on the estate. They are a symbol of our commitment

Chair's introduction (continued)
For the year ended 30 September 2023

to the regeneration of the natural environment, and of our belief in a strong and sustainable future for the Foundation and the community we serve.

A handwritten signature in black ink, appearing to read 'Paul O'Prey'.

Professor Paul O'Prey CBE

Chair of Trustees

22 February 2024

Trustees' report
For the year ended 30 September 2023

The Trustees present their Annual report and audited accounts for the year ended 30 September 2023 which have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Companies Act 2006 and the Charities SORP (FRS 102).

ABOUT US

The Edward James Foundation (the Foundation) is a registered charity which operates West Dean College (the College). The College comprises three Schools: Arts, Conservation and Design, the latter resulting from the acquisition of KLC School of Design (KLC) in July 2021. The Foundation also comprises West Dean Gardens, West Dean Estate and West Dean Tapestry Studio.

Our Objects

To advance, promote or carry out such charitable educational purposes as the Trustees in their absolute discretion think fit in particular by (but without limitation):

- (a) The delivery of education through West Dean College;
- (b) Provided that the activity at (a) above has (in the opinion of the Trustees) been fulfilled then in the Trustees discretion, as a secondary activity, preserving (in whole or in part) the West Dean Estate to the extent that the said Estate consists of land, buildings, and physical or natural environment, which is of historical, architectural, environmental or scientific importance.

Our Vision

Our schools of arts, conservation and design offer a uniquely broad range of world-leading courses. At the heart of all we do is our belief that 'making' makes our lives better. We celebrate the intrinsic value of work that has been hand-made by artists and artisans, and challenge the assumption that mass-produced must be the only way because, across the world, the maker movement is growing.

From online courses to postgraduate degrees, our student cohorts reflect the interests, backgrounds and aspirations of a global community. Guided by experts, who are often leaders in their field, our students are encouraged to develop their practice and reach their true potential.

Our London and Sussex campuses connect our students to the city and countryside, providing inspiring study environments and state-of-the-art studios across all our disciplines, helping to forge collaborations and discover their creative voice.

Our founder

The original vision for West Dean College was conceived in a series of letters between Edward James, our founder, and Aldous Huxley, beginning with an initial communication to the writer on Christmas Day 1939. In it, James wrote that he had been inspired by Huxley's 1937 book on idealism, *Ends and Means*, to gift his family home and Estate to create a community of artistic practice and education.

James established his eponymous Foundation in 1964 and the College opened its doors in 1971 as a centre for education and training in arts and conservation. Today, we continue to develop our portfolio of courses to provide the highest quality education and do so with a spirit of independence that, like our founder, aspires to difference, uniqueness and a freedom to experience the world and its nature through making and creativity.

Trustees' report (continued)
For the year ended 30 September 2023

STRATEGIC REPORT: OUR ACHIEVEMENTS AND PERFORMANCE

This year has been full of significant achievements. We've continued to see record demand for our higher education courses, alongside the post Covid-19 recovery of those activities which experienced significant disruption or were suspended during that unprecedented period. We've also undertaken a rebrand, secured new London premises in Bloomsbury, advanced our Campus Development Plans to Royal Institute of British Architects (RIBA) Stage 1 and gained approval for our ambitious woodland creation plans. These successes have been made possible by our pre-pandemic asset strength, which has allowed us to absorb several years of financial deficits. Heading into 2023/24, we have approved a three-year Financial Stabilisation Plan which targets a return to surplus over that timeframe; this will be a major strategic focus in the year ahead, along with the exciting launch of 'West Dean:London' in our new premises in the heart of Bloomsbury.

Our achievements and performance are described in more detail below across the following core activities:

- Educational programmes
- Sharing our Collection and Archive
- West Dean Gardens
- The West Dean Estate and our local community

Educational Programmes

The heart of our mission is to deliver the highest quality education in the arts, conservation and design and to preserve the knowledge and application of craft skill. Our portfolio expanded to include interior design and garden design from the academic year 2021/22, following the successful acquisition of KLC School of Design in July 2021. Encompassing learning from one-day introductory sessions all the way through to post-graduate qualifications, our course programmes give people the opportunity to learn practical hand skills in a wide range of subjects across art, craft, making, conservation and design. For many students, these support the development of a vocation or career and for all, they contribute to a life better lived.

Our aims, performance and achievements for 2022/23	
<i>Our aims for 2022/23 included:</i>	<i>The key achievements in 2022/23 included:</i>
We will continue to integrate KLC School of Design into the College through the alignment of processes, procedures and the bringing together of ethos and culture.	Further integration of KLC School of Design internally and externally including the implementation of a new single brand and website.
We will develop an integrated approach to portfolio development across both the Sussex and London campuses building on collective strengths and resources to achieve an accessible, flexible and unique range of programmes enabling growth.	The development of a cross college approach to portfolio development and student number planning in support of Vision 2030.

Trustees' report (continued)
For the year ended 30 September 2023

We will build on the work undertaken to date in relation to Equality, Diversity and Inclusion (EDI) to continue to develop and enhance the student experience.	The completion of the three-year EDI Working Group project with an agreed legacy action plan and full integration of ongoing work into the existing Board and academic committee structure.
We will undertake pre-planning design and survey work for Phase I of our approved Campus Development Plan in Sussex. Phase I is focused on the creation of new teaching space and the core campus infrastructure to support that expansion.	The completion of RIBA Stage I for the Campus Development Plan with the production of a comprehensive pre-planning design briefing document.
We will commence a search for alternative future premises in London with a view to enhancing the student experience and extending course delivery to include evenings and weekends.	The identification and securing of a new London campus in Bloomsbury. We will be the sole occupant of Dilke House, a heritage building on Malet Street, offering more than 12,500 square feet of space for staff and students from across all three of our schools. A 15-year lease was signed in October 2023 and the first short courses are scheduled to run there from April 2024 with a decant planned for Summer 2024 of all the higher education and short courses currently run at the Design Centre in Chelsea Harbour.

Our aims for 2023/24:

- We will continue to grow student numbers in accordance with the targets set out in the strategic plan through portfolio development and effective recruitment to existing programmes. This will include particularly emphasis on the short course programme based at our Sussex campus and higher education programmes across all three schools;
- We will successfully launch West Dean:London as a new hub for arts, craft, conservation and design in Bloomsbury;
- We will invest in our new West Dean:London campus to achieve an enhanced teaching and learning experience for our students;
- We will implement the actions set out in our EDI action plan and monitor the success of these through our committee structure.

Trustees' report (continued)
For the year ended 30 September 2023

Sharing our Collection and Archive

The Edward James Foundation Collection includes artworks, antiquities, artefacts, furniture, books, correspondence, deeds, documents and ephemera from pre-history to the twenty-first century. The Archive comprises correspondence, manuscripts, photographs, Estate deeds and other material relating to the history of the House and Estate, its resident families and the College. Among this is the extensive Edward James Archive that documents James' prominent role in 20th century arts and culture. The archive also now contains documents related to the establishment and history of KLC School of Design.

Our aims, performance and achievements for 2022/23	
<i>Our aims for 2022/23 included:</i>	<i>The key achievements in 2022/23 included:</i>
We will continue to work towards Museum Association accreditation and pilot a limited programme of public access.	We have continued to develop our collections management standards towards Museum Association accreditation and have developed criteria for acquisitions of external works and collections as well as for the collection of exemplary work that represents the educational mission of the College.
We will launch our online catalogue and continue the process of cataloguing and digitising material in order to make it accessible online to internal and external researchers and the public.	We have continued the process of cataloguing and digitising material in order for inclusion in the online catalogue.
We will continue to review the presentation of the collection in line with the College's strategic aims ensuring all displays are sensitive to the origins of the objects and critically reflect on the history of acquisition.	We continued to review and critically reflect upon the presentation of the collection in line with the College's strategic aims and made contributions to curriculum delivery and a student conference on topics of decolonisation and repatriation in relation to collections.

Our aims for 2023/24:

- We will continue to develop our policy framework towards Museum Association accreditation;
- We will launch the online catalogue as part of the new branded website and complete the cataloguing of Edward James's literary papers;
- We will continue to offer a programme of public access through specialist tours and events aiming to broaden the diversity of audiences for these.

Trustees' report (continued)

For the year ended 30 September 2023

West Dean Gardens

The award-winning grade II* listed West Dean Gardens are an inspirational setting for our educational work. They provide an opportunity for us to share the rich heritage of the estate with thousands of visitors who enjoy and admire both the Gardens and their historical context, and they contribute to an extraordinary and inspiring sense of place for our students.

Our aims, performance and achievements for 2022/23	
<i>Our aims for 2022/23 included:</i>	<i>The key achievements in 2022/23 included:</i>
We will increase the volume of West Dean-grown plants for retail in reused pots, which will result in a significant reduction in plastic use and peat-free, locally produced compost whenever possible.	Increased footfall by 10,000 visitors.
We will further develop the Spring Garden planting scheme begun in 2021/22 to revitalise and enhance planting design.	Completion of the Spring, Wild and Dye Garden projects, each balancing the needs of the visitor attraction, our sustainability plan and educational benefit for our students.
We will develop new horticultural features, including the introduction of a Dye Garden to support art courses and an Arid Glasshouse to extend the horticultural collection.	Revitalisation of unused and under-utilised areas of ground to grow food. This has doubled the growing areas of the garden and produce consumed within the College and Gardens.

Our aims for 2023/24:

- Focus on visitor engagement and interaction to further enjoyment and learning from visits;
- Revitalise and refresh the areas around the pergola and north lawns, combating the effects of box blight and box moth caterpillar;
- Increase to 90% or more the proportion of plants for resale which we grow or nurture in-house.

Trustees' report (continued)
For the year ended 30 September 2023

The West Dean Estate and our local community

The Estate is not only part of the inspirational setting for the College, but it offers natural and built assets to support expansion and it provides vital income generated from farming, forestry, letting, special events, Garden visitors and tourism. The health and good stewardship of the Estate is not just an aim, but a necessity to create a vibrant and sustainable place in which our community can live, work and learn. The Estate is one that conserves its heritage, habitats and special qualities, that inspires people through its College and Gardens, and that celebrates its unique position in the South Downs National Park.

The community in and around West Dean College and Gardens and West Dean village is an integral part of who we are. Encompassing West Dean village, West Dean Primary School and our tenants, the Weald and Downland Living Museum, and set within the South Downs National Park, we are a proud member of our local community.

Our aims, performance and achievements for 2022/23	
<i>Our aims for 2022/23 included:</i>	<i>The key achievements in 2022/23 included:</i>
We will implement the sustainability action plan across the organisation.	Our woodland creation plans were accepted and approved by the Forestry Commission for 500 acres of new woodland; Implemented Continuous Canopy Forestry as a new approach to our existing woodland management, benefiting the whole estate through more diverse habitats and increased future timber stocks; We published our first Sustainability Policy. The full Policy is available on our website, but its key aims are included later in this report.
We will undertake pre-planning design and survey work for Phase I of our approved Campus Development Plan. Phase I is focused on the creation of new teaching space and the core campus infrastructure to support that expansion.	Completion of RIBA Stage I for the Campus Development Plan with the production of a comprehensive pre-planning design briefing document.

Our aims for 2023/24

- We will commence new woodland creation, planting more than 20,000 trees in the first six months;
- We will continue working closely with our tenant farmers to agree approaches to implementing landscape-scale sustainability plans.

Trustees' report (continued)
For the year ended 30 September 2023

OUR FUTURE PLANS

Our strategic plans are set out in 'Vision 2030'. Drafted during the lockdown periods of Covid-19 in 2020/21 and approved by the Board in July 2021, the plans reflect a level of ambition based on our increasing impact over recent years, the organisation's resilience during a period of global uncertainty, as well as the significant demand for our high-quality educational offer.

Vision 2030 remains true to the craft community philosophy developed by our founder, Edward James, and it sets out our ambitious plans for expansion and development. These include:

- Becoming the global provider of choice for prospective students of practice-based education in arts, craft, conservation and design;
- Trebling in size to deliver 100,000 student days of in-person education per annum, across multiple locations;
- Expanding and modernising our campus facilities;
- Embedding themes of sustainability and equality, diversity and inclusivity across all our activities.

The balance on the Vision 2030 fund (see note 28) represents the unexpended proceeds from the disposal of assets which have been designated by the Trustees for the purpose of financing projects envisaged by the strategic plan.

Detailed aims for 2023/24 are set out by activity earlier in this report, but these all fall into one of five priorities for the year:

- Grow student numbers;
- Successfully launch West Dean:London;
- Invest for long-term sustainability;
- Embed EDI action plans across West Dean;
- Deliver year one of a three-year financial stabilisation plan.

SECTION 172 STATEMENT

The Trustees of The Edward James Foundation Limited, as is the case for all trustees of UK charitable companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

A trustee of a charitable company must act in the way they consider, in good faith, would be most likely to promote the success of the charity for the benefit of its stakeholders as a whole and, in doing so have regard (amongst other matters) to the:

- Likely consequences of any decisions in the long term;
- Interests of the charitable company's employees;
- Need to foster charitable company's business relationships with suppliers, customers and others;
- Impact of the charitable company's operations on the community and environment;
- Charitable company's reputation for high standards of business conduct; and
- Need to act fairly between members of the charitable company.

The following paragraphs summarise how the Trustees of The Edward James Foundation Limited fulfil their duties:

EMPLOYEES

We are highly dependent on our employees, and our extensive number of visiting tutors, to deliver our objectives and we are hugely grateful for their dedication and passion.

The organisation engages with its employees frequently and through various channels. This includes interactive quarterly staff meetings which are led by the Chief Executive, monthly emails providing latest news and developments, as well as staff-focused social events during the year.

We endeavour to pay all employees above the National Living Wage and offer them the opportunity to participate in pension schemes (to which we make a contribution of up to 7.5%, depending on the scheme). In addition, we provide various other benefits such as a cycle to work scheme and access to an Employee Assistance Programme.

VOLUNTEERS

Volunteers are an integral part of the welcoming community of West Dean. We currently have around 50 volunteers, the majority of whom provide support within our beautiful gardens and surrounding landscape. We work to ensure that volunteers gain valuable experience whilst working at the College and feel respected, safe and recognised for everything they do in support of our charitable activities. The contribution of volunteers was more important than ever as we sought to recover from the impact of the Covid-19 pandemic.

OUR APPROACH TO SUSTAINABILITY

Over the last two years, we've been developing a 10-year roadmap action plan to deliver a sustainable future for the College's 6,500 acre estate, education and operations. Our Sustainability Policy (available in full on our website) is driving the plan which aligns with global best practice frameworks including the United Nation's Sustainable Development Goals.

West Dean's natural heritage setting has long been a place of inspiration to many. As custodians of that estate, we have a duty to ensure it can thrive long into the future. To maximise our unique sense of place, we are bringing together creativity, nature and wellbeing in a bold vision to become an exemplar of sustainability. We are committed to embedding sustainability permanently across all of our activities, including the estate, our education provision, our collection, our gardens and our community activities.

It is an easy fit with Edward James' original philosophy for West Dean, and we're confident that our sustainability action plan is not only the right and necessary thing to do, it will help inspire and support the participation of a diverse community throughout West Dean.

We have already started with a comprehensive Baseline Sustainability Review and extensive surveys to develop an evidence based process that includes biodiversity, our carbon footprint and many of the areas reflected in the United Nation's Sustainable Development Goals (UN's SDGs). We are now in the process of finalising our action plan which will be, at a minimum, self-financing.

Against a global backdrop of environmental and social challenges including climate change, biodiversity loss and inequality, our need to act has never been stronger. We are looking to lead the way in our sector, meeting annual emissions reductions, incorporating sustainability improvements across all areas of our work and breaking down barriers to enable equitable access.

Trustees' report (continued)

For the year ended 30 September 2023

Our sustainability action plan will deliver:

- 10-year roadmap action plan encompassing the 6,500 acre West Dean's Estate;
- Improved mixed land use to support a strong productive, farmed landscape that enhances natural capital, mitigates against climate change and is nature positive with Biodiversity Net Gain;
- Reforestation and the planting of 0.5 million new trees;
- 30% reduction in water use across College operations, estate management and gardens;
- Growing local crops and produce for our restaurants and shops;
- Zero waste to landfill by 2024;
- Certified Climate Neutral by 2030 as part of our long term commitment to achieving Net Zero Emissions by latest 2050;
- Leadership in embedding sustainability in arts, design, landscape and conservation education;
- An inclusive culture, curriculum, collection and campus to broaden access and widen participation;
- Alignment with the UN's SDGs - the blueprint foundations for sustainability best practice with seven most relevant to West Dean College.

STREAMLINED ENERGY AND CARBON REPORTING

Following our growth over recent years, in terms of student activity, net balance sheet value and staff numbers, we have now reached the threshold for Streamlined Energy and Carbon Reporting (SECR). As part of our Environmental, Social and Governance (ESG) Strategy & disclosures and compliance with governmental legislation like the SECR, we are publishing our Greenhouse Gas (GHG) Emissions data for the years ending 31 December 2021 (which represents our Emission Baseline data) and 2022:

	2022	2021	Change %
Energy Consumption used to calculate emissions (kWh)	985,475	1,089,164	(9.5)
Energy Consumption Breakdown:			
Gas or Oil	Kerosene and propane		
Electricity	West Sussex and Chelsea Harbour		
Transport Fuel	Diesel	Diesel & petrol	
Scope 1 emissions in metric tonnes CO ₂ e:			
Oil Consumption	97	61	59.0
Transport Fuel	38	149	(74.5)
Total Scope 1	135	210	(35.7)
Scope 2 emissions in metric tonnes CO ₂ e:			
Purchased Electricity – Grid based	177	221	(20.0)
Purchased Electricity – Market based	24	23	4.3
Totals:			
Scope 1 and 2 metric tonnes CO ₂ e (Grid)	312	431	(27.6)
Scope 1 and 2 metric tonnes CO ₂ e (Market)	159	233	(31.8)
Other:			
Biomass Boiler (wood chip feedstock) metric tonnes CO ₂ e	27	86	(68.6)

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors. We have included within our calculations our Scope 1 emissions oil consumption and our transport related emissions. Our Scope 2 consists of our purchased electricity. According to GHG emissions accounting best practice, the CO₂e produced from biologically sequestered carbon, e.g. from the combustion of biomass for heat generation is not included under Scope 1-3. It is reported separately as a biogenic (from a life form) emission. The biomass boiler fuelled by wood chip coppiced or felled timber from West Dean forests provides much of our heating and hot water is considered a renewable fuel.

OUR APPROACH TO SAFEGUARDING

The College is committed to practices that protect children and vulnerable adults from abuse, exploitation, bullying, neglect and self-harm. We have a Safeguarding policy which covers our responsibility to protect and prevent students from radicalisation and extremism in response to the Prevent duty requirements. The College is committed to working with local safeguarding organisations including the local authorities, Channel, Prevent coordinators and other community and referral groups to ensure the safeguarding of all students.

OUR APPROACH TO FUNDRAISING

The Trustees take their responsibility under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their fundraising activities.



In demonstration of our commitment to good fundraising, The Edward James Foundation Limited is a member of the Fundraising Regulator and we uphold the standards set out in the Code of Fundraising Practice. This includes taking into account the needs of any individual donors who may be in vulnerable circumstances.

The Foundation's Fundraising policy and Gift Acceptance policy govern our approach to fundraising and this is reviewed annually. We did not engage external professional organisations to deliver any of our fundraising activity in 2022/23.

In 2022/23 we received 0 (2021/22: 0) complaints about our fundraising programme.

GRANT MAKING

A significant proportion of Higher Education students and some Short Course students would be unable to study at the College without some form of financial assistance towards tuition fees. The value of scholarships and bursaries awarded to students this year totalled £349,741 (2021/22 £302,105). Of this total, £301,295 (2021/22 £282,682) was contributed from the West Dean Scholarship Fund and the balance of £48,446 (2021/22 £19,423) was contributed from annual unrestricted operating budgets. The West Dean Scholarship Fund is administered by the Foundation using funds which have been designated by the Trustees or which have been restricted for this purpose by third party donations from partners and funders who share our mission to inspire the artists, conservators and designers of the future, and to whom we are enormously grateful.

PUBLIC BENEFIT

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

In implementing our primary charitable objective, we offer educational courses and programmes that contribute greatly to public life, including through the protection of heritage craft skills, the promotion of sustainable design and making techniques and the enhancement of wellbeing. We provide significant financial subsidies across all our educational activities and we award a number of scholarships and bursaries to enable students who might otherwise be unable to do so to study at the College. Students are considered on merit, potential and financial need.

In implementing our secondary charitable objective, we also provide public access to West Dean Estate, West Dean Gardens, West Dean House and West Dean College, and we operate West Dean Stores as an essential service to

Trustees' report (continued)
For the year ended 30 September 2023

the local community. We have also recently launched an ambitious landscape-scale sustainability project, which will enable us to make a positive contribution to tackling climate change and increasing biodiversity.

RISKS AND UNCERTAINTIES

The Trustees have assessed the major risks to which the Foundation is exposed and are satisfied that systems and procedures are in place to manage and to mitigate these. Detailed consideration of risks is delegated to the Finance and Audit Committee, assisted by the Chief Executive, and is carried out at least three times a year. A formal review of the Foundation's risk management processes is undertaken on an annual basis by the Board. The Trustees recognise that systems can provide only reasonable, but not absolute, assurance that major risks are being adequately managed.

The two biggest risks and uncertainties we are managing at the time of this report are:

- **IT infrastructure:** In recent years, we have moved much of our electronic data and associated IT infrastructure into the cloud. However, on-site, physical infrastructure is still necessary in order to securely access that data via the internet and also to run a number of legacy systems. A Technology Roadmap has been in place since 2022 to incrementally invest in new infrastructure and to replace all legacy systems but, in late August 2023, we suffered a failure of part of the 'old' physical infrastructure at the West Dean campus. No data was lost or in any way compromised, but the failure caused significant operational disruption for a period of about a week and some ongoing minor disruption since then. The previously approved Technology Roadmap has now been accelerated and significant investment is being made into 2023/24, but the risk level remains elevated until this work is complete;
- **Annual financial results:** We have intentionally used our pre-pandemic asset strength to absorb the impact of economic instability and insecurity arising from multiple external crises over recent years. Additionally, we have held fast to our strategic ambitions, investing in a range of projects for our medium-term success. However, the period of external instability has been longer and deeper than we anticipated and we have therefore prepared a three-year Financial Stabilisation Plan which has commenced in 2023/24. There are numerous risk factors to be considered as part of implementing this Plan, including student recruitment, the launch of 'West Dean:London', inflation, the sales market for residential property and future subsidy arrangements for UK farming and sustainable land management. We remain confident due to our investment asset strength, and our focus is to return to generating modest operating surpluses.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Operating deficit

We recorded an operating deficit in this year's financial statements of £3.146m (2022: £2.943m). This is our fourth consecutive deficit since the arrival of the Covid-19 pandemic in 2019/20. Our pre-pandemic asset strength has afforded us the ability to sustain these deficits, so absorbing the worst of the macro-economic disruption while continuing to support our students, acquiring KLC School of Design and evolving our business model for the future. In order to better illustrate the financial results during the period, we've included a table below which summarises the years between 2018/19 and 2022/23; the table also reconciles our results in the financial statements to the measure we use for management purposes, Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA).

Trustees' report (continued)

For the year ended 30 September 2023

Year ended 30 September:

	2023			2022	2021	2020	2019
	Income £'000	Costs £'000	Net £'000	Net £'000	Net £'000	Net £'000	Net £'000
Financial investments	363	(40)	323	202	331	1,039	1,201
Trading (excluding memberships)	1,702	(2,075)	(373)	(391)	(323)	(965)	(380)
West Dean Estate	2,344	(2,064)	280	710	1,190	916	705
Fundraising (including memberships)	221	(64)	157	121	448	560	247
Insurance proceeds	183	-	183	-	20	228	-
Governance	-	(208)	(208)	(169)	(78)	(69)	(82)
Net operating income available for education	4,813	(4,451)	362	473	1,588	1,709	1,691
Education	9,610	(13,118)	(3,508)	(3,416)	(3,840)	(4,391)	(2,086)
Total deficit as per Consolidated statement of financial activities	14,423	(17,569)	(3,146)	(2,943)	(2,252)	(2,682)	(395)
Add back:							
Interest			44	139	187	116	76
Depreciation			699	619	557	421	417
Amortisation			61	61	10	-	-
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)			(2,342)	(2,124)	(1,498)	(2,145)	98

The most significant aspects of the operating results above are as follows:

- **Education:** it is a central tenet of our charitable mission that we will subsidise the cost of our education programmes to ensure that the skills we teach may be preserved and that our fees are competitive in the market place. The annual net cost of education more than doubled to £4.391m in the early stages of the Covid-19 pandemic (2020), but this had reduced by £0.883m by 2022/23, as we've recovered student numbers across all programmes and created an economy of scale through the acquisition of KLC School of Design (2021);
- **Net operating income available for education:** this has fallen sharply across 2021/22 and 2022/23 for a number of reasons:
 - o **Financial investments:** income from this source in 2022/23 was £0.878m lower than it was pre Covid-19. This is partly due to a reduction in investment holdings (following disposals required to support the recent deficits) and partly due to a change in our financial investment management approach (from income return to total return);
 - o **West Dean Estate:** the net annual contribution from this activity has fluctuated by more than £0.900m over the last 5 years, with 2022/23 seeing the lowest return during that period. The fluctuation is due to a combination of large repairs costs, changes in forestry approach and changes in the land management funding regime. An improvement in contribution from this activity is projected in 2023/24;
 - o **Fundraising:** the results in 2019/20 and 2020/21 were inflated by the short-term impact of funding received through the Government's Coronavirus Job Retention Scheme. The result in 2022/23 represents something more typical;
- **EBITDA:** prior to the arrival of the Covid-19 pandemic, significant progress had been made in rebalancing our business model in order to achieve an EBITDA operating surplus in 2018/19. The unprecedented events of recent years have resulted in significant deficits, but it is the purpose of reserves to absorb unexpected events and longer periods of uncertainty. However, we are committed to once again rebalancing the business model. We have developed a three-year Financial Stabilisation Plan. It is our intention to reduce the EBITDA deficit by 50% in 2023/24, to achieve breakeven in 2024/25 and to return to modest surpluses from 2025/26. This

Trustees' report (continued)
For the year ended 30 September 2023

improvement will be achieved primarily through income growth from West Dean Estate, Trading and Education, although close cost control will also be essential.

Investment gains (reflected on the Consolidated Statement of Financial Activities)

The investment gain during the year of £0.296m (2021/22: £0.090m) represents:

- An unrealised gain of £0.221m (2021/22: £1.320m) on the revaluation of investment properties (see note 16). The estimated value was based on advice from professional external valuers;
- An unrealised loss of £0.147m (2021/22: loss of £1.301m) on the revaluation of financial investments. This relatively modest movement reflects a year of lower volatility in financial investment markets compared to the significant market turmoil experienced late in 2021/22 triggered by the UK Government's short-lived emergency mini-budget. There have been unrealised gains in the early months of 2023/24;
- A realised gain of £0.222m (2021/22: gain of £0.070m) on the disposal of financial investment assets. This gain arose when decisions were taken by the Trustees to realise a total of £3.0m across two disposals (one in January 2023, one in July 2023) as part of managing cash reserves.

Financial investment policies

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way that the Trustees see fit, providing that such powers of investment are only exercised for the purpose of attaining the objects of the Foundation and in a manner that is legally charitable. Since mid-2020/21, the Trustees have adopted a total return approach to financial investment. This objective is conditional on:

- i. the free reserves requirement in our Reserves Policy being met at all times;
- ii. all investment decisions reflecting our Sustainability Policy;
- iii. all investment decisions either strengthening or leaving unchanged our ability to meet our charitable objectives.

This investment objective replaced an approach based on maximising income yield while maintaining the value of capital in real terms. In general terms, the change in objective has impacted on the results in the annual financial statements through lower Investment Income from Financial Investments reflected in the Statement of Financial Activities in favour of reduced net losses / higher net gains on Financial Investments. In the short to medium term, this necessitates the periodic disposal of financial investment assets to realise cash to support operating activities; in the medium to long term, through Vision 2030, it is intended that increases in the value of Financial Investments will provide funding for future strategic projects and annual operating activities will be sustainable without reliance on returns from these investments.

The Finance and Audit Committee monitors investment performance and reports to the Board on a regular basis. Members of the Finance and Audit Committee have background experience and knowledge of finance and investment markets and property. Mercer assists the Trustees as an independent investment adviser. During 2021/22, Mercer assisted us to complete a review and repositioning of our financial investments to ensure they are more actively managed to align with our organisational values and ethical principles.

Actuarial gains on The Edward James Foundation Final Salary Pension Scheme

The most recent actuarial valuation as at 30 September 2021 reported a surplus of £0.765m. The update for accounting purposes as at 30 September 2023 was a surplus of £2.197m (2021/22: £2.718m). However, the Trustees have decided to restrict the asset recognised in the financial statements to £nil (2022: £nil). See note 26 for further details.

Trustees' report (continued)
For the year ended 30 September 2023

Intangible fixed assets

There have been minor additions only in the last two financial years. More than 95% of the carrying value as at 30 September 2023 relates to the goodwill generated on the acquisition of KLC Limited on 31 July 2021.

Tangible fixed assets

The additions of £0.907m (2021/22: £1.642m) included £0.663m (2021/22: £1.341m) in respect of the creation of new student building facilities and master-planning work for future campus expansion. The largest building project over the last two years has been the conversion of Old School House and major refurbishment of Church Lane House, delivering 25 student bedrooms at the West Dean campus (costing £0.283m in 2022/23 and £1.267m in 2021/22).

Property investment fixed assets

The additions of £0.608m (2021/22: £0.548m) related to the major refurbishment of residential houses on West Dean Estate.

Cash balances

As at 30 September 2023, we held cash balances totalling £2.399m (2022: £5.425m). The levels of cash fell by £3.026m during the year; this was driven by a combination of factors (the annual operating deficit, a reduction in the value of course fees in advance, loan repayments, the investments set out above in respect of tangible and property investment fixed assets) as reduced by the proceeds on disposal of financial investments.

Funding and reserves

The Foundation holds a wide range of investments which generate income to subsidise its educational activities. The primary sources of investment and trading income are from financial investments, investment property, the opening of its gardens to the public (including shop and restaurant) and the operation of a conference facility. This income ensures that the fees charged for education provided by West Dean College can be maintained at significantly lower than cost.

As explained earlier in this Financial Review, we have used some of our reserves to absorb the worst of the macro-economic disruption of the last four years recorded while 'Net operating income available for Education' has been insufficient to meet the 'Net cost of Education'. The Reserves Policy of the Foundation is to hold as a general unrestricted reserve an amount equivalent to not less than 6 months' charitable expenditure (equivalent to a minimum of £8.785m as at 30 September 2023), of which at least 20% should be held in cash and the balance in financial investments readily convertible to cash. The Trustees have ensured this Policy continues to be met and they have reallocated sufficient financial investments from designated reserves to achieve this. Vision 2030, our updated strategic plan approved in July 2021, together with our recently-drafted Financial Stabilisation Plan, sets out a future growth plan which targets the elimination of operating deficits and then, in the medium-term, sustainable operating surpluses. The Trustees also have in place a Strategic Cash Management Policy, in order to ensure sufficient cash is held at all times to meet not only charitable operating expenditure (as set out in the Reserves Policy) but also any strategic capital commitments.

Trustees' report (continued)
For the year ended 30 September 2023

Statement of Trustees' responsibilities

The Trustees, who are also the Directors of The Edward James Foundation Limited for the purpose of company law, are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company and the Group for that period.

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP (FRS 102).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial statements.
- Prepare the Financial statements on the going concern basis unless it is inappropriate to presume that the Group and Charity will continue in business.

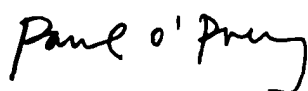
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the reparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

In so far as the Trustees are aware, there is no relevant audit information of which the Charitable Company's auditor is unaware; and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

I declare that the Trustees have approved the Trustees' report (incorporating the Strategic Report) above and have authorised me to sign it on their behalf.



Professor Paul O'Prey CBE
Chair of Trustees
22 February 2024

The Edward James Foundation Limited
(a company limited by guarantee; Company Registration No. 06689362)

Statement of corporate governance
For the year ended 30 September 2023

The following statement is provided to enable the reader to understand The Edward James Foundations Limited's corporate governance framework and structure. It covers the year ended 30 September 2023 and the period up to the date of approval of the financial statements.

Governing document

The Edward James Foundation Limited (the Foundation) is a charitable company (the charitable company or Charity) limited by guarantee and governed by its Memorandum and Articles of Association. Prior to its incorporation in 2008, the Foundation was constituted as an unincorporated charity; this original charity is now dormant (numbered 1126084-1, formerly 306372).

Governance framework

The Foundation is committed to exhibiting best practice in all aspects of corporate governance. Its Governance Handbook expands on the governance approach set out in the Memorandum and Articles of Association. Furthermore:

- It is registered with the regulator of Higher Education, the Office for Students.
- It has adopted the Committee of University Chairs Higher Education Code of Governance. As part of its adherence to this Code, the Foundation:
 - o Conducted an internal, high-level review of compliance at the point of adoption in 2018.
 - o Commissioned Kingston City Group (KCG) to undertake a new, rolling internal audit programme with effect from 2021/22. This programme has to date reviewed:
 - the post-acquisition integration of KLC School of Design's key compliance systems relating to UK Visa & Immigration, the Office for Students' Regulatory Framework and Health & Safety legislation;
 - the compliance systems relating to residential property letting;
 - o Appointed a Clerk to the Board in May 2020. During 2020/21, the Clerk to the Board undertook a Governance Review, the most significant recommendations from which were implemented during 2021/22. A replacement Clerk to the Board is currently being sought, following the resignation of the volunteer who undertook this role until December 2022.
 - o Established an Equality, Diversity and Inclusivity (EDI) working group, which first met in February 2021. The Foundation also appointed in 2020/21 an external consultancy to conduct an independent audit of its policies, practices and procedures in relation to EDI. An action plan was approved during 2021/22 based on the external audit reports and the EDI working group remained in place until October 2023, since when the activity has been permanently embedded throughout management and Board committee structures.

Group Structure

The Foundation delivers education through West Dean College and, as a secondary activity, maintains and preserves the West Dean Estate. The Foundation is the parent company of two wholly-owned subsidiaries:

- West Dean Limited: A trading company which manages the activities of the shop and restaurant in West Dean Gardens, the conference and event activities of West Dean College and the shop in West Dean Village;
- KLC Limited: A dormant company which previously managed the activities of KLC School of Design. These activities, together with the assets and liabilities, were transferred to The Edward James Foundation Limited immediately following its acquisition of 100% of the share capital of KLC Limited on 31 July 2021. It is the Trustees' intention to retain this dormant company for a number of years, as part of its commitment to protect the use of the KLC brand name.

Statement of corporate governance (continued)
For the year ended 30 September 2023

Corporate Governance Structures

The Board of Trustees

The Foundation's governing body is its Board of Trustees who are responsible for policy matters and the overall direction of the Charity and have absolute discretion in applying its funds in furtherance of the objects of the Foundation. None of the Trustees has any beneficial interest in the Foundation and each Trustee guarantees to contribute £10 in the event of winding up.

The Board of Trustees increased from seven to eight Trustees during 2022/23, following two appointments and one retirement. Two appointments in December 2023 mean there are ten Trustees as at the date of approval of the financial statements for the year ended 30 September 2023. One further appointment is planned for April 2024, taking the total number of Trustees to eleven.

The Board of Trustees usually meets five times a year, unless there are exceptional circumstances such as in the years ended 30 September 2020 (COVID-19) and 2021 (acquisition of KLC Limited). During the year ended 30 September 2023 it met on five occasions (2022: five). Members of the Foundation's Executive Leadership Team attended all Board meetings during the year ended 30 September 2023.

Most Board and sub-committee meetings take place in-person or as a hybrid mix (i.e. in-person with some participants via video conference), although they have been held entirely via video conference in exceptional circumstances (e.g. during COVID-19). During the year ended 30 September 2023, all of the five Board meetings and thirteen of the sixteen sub-committee meetings took place in-person or as a hybrid mix.

Sub-committees

The Foundation has various sub-committees which support, and report to, the Board of Trustees:

- **The Education Committee**

Purpose: To review the range of subject areas, the range of qualifications, the quality of the teaching provision, regulatory matters affecting education at West Dean College and the stewardship of the Foundation's archive and art collections.

Composition: Three members of the Board, the Principal & Deputy Chief Executive and the President of the Student Association.

Meeting frequency: Scheduled to meet at least three times per year. During the year ended 30 September 2023 it met three times (2022: three).

- **The Finance and Audit Committee**

Purpose: To review the Foundation's annual revenue and capital budgets, financial performance, financial forecasts, investments and controls. It also assesses the adequacy of the Foundation's risk management policies, its insurance needs, its IT risks and the financial implications of any special initiatives. It is responsible for overseeing the relationship with the Group's external financial auditors, internal auditors and for finalising the Foundation's audited group financial statements for approval by the Board of Trustees.

Composition: Three members of the Board (there were temporarily two during 2022/23 following a retirement in May 2022), the Chief Executive and the Director of Finance & Business Systems (this post has

Statement of corporate governance (continued)
For the year ended 30 September 2023

been vacant since January 2024 and is being covered by an Interim Head of Finance at the date of approval of the accounts for the year ended 30 September 2023).

Meeting frequency: Scheduled to meet at least three times per year. During the year ended 30 September 2023 it met six times (2022: six).

- **The Estate Committee**

Purpose: To strategically keep under review the management of West Dean Estate, including the West Dean College Campus, and to make any necessary recommendations to the Board arising from that review. The management of the Estate and Campus includes property repairs, land/property sales and purchases, construction of property, and letting/renting of land/property.

Composition: Four members of the Board, the Chief Executive, the Director of Estates and the Director of Finance & Business Systems (this post has been vacant since January 2024 and is being covered by an Interim Head of Finance at the date of approval of the accounts for the year ended 30 September 2023).

Meeting frequency: Scheduled to meet at least two times per year. During the year ended 30 September 2023 it met three times (2022: three).

- **The Remuneration Committee**

Purpose: To review and agree salaries for all staff based upon the recommendations of the Chief Executive. The Chief Executive's remuneration package is reviewed annually by the Remuneration Committee, which can seek external advice if desired. In reviewing the Chief Executive's remuneration package, the Remuneration Committee considers factors such as:

- The experience and qualifications of the Chief Executive;
- the Chief Executive's performance which is assessed annually against objectives formally agreed at the start of a financial year;
- the breadth of sectors in which the Foundation operates and the level of responsibility this entails;
- the Foundation's geographical location.

Composition: Three members of the Board. The Remuneration Committee is chaired by a Trustee who is not the Chair of the main Board of Trustees and it has adopted the Committee of University Chairs' Remuneration Code. The Chief Executive is not a member of the Remuneration Committee.

Meeting frequency: The Remuneration Committee meets at least once per year. During the year ended 30 September 2023 it met twice (2022: twice).

- **The Nominations & Governance Committee**

Purpose: The Committee considers and makes recommendations to the Board on matters relating to governance and appointments to the Board and its sub-committees.

Composition: Three members of the Board, the Chief Executive and the Principal & Deputy Chief Executive.

Meeting frequency: The Nominations & Governance Committee meets at least once per year. During the year ended 30 September 2023, it met twice (2022: once).

Statement of corporate governance (continued)
For the year ended 30 September 2023

- Urgent Situations Committee

Purpose: The Urgent Situations Committee (USC) meets only in exceptional circumstances. It was established in March 2020 to support the Chief Executive and Executive Leadership Team in terms of emergency response, crisis management and ensuring business continuity during COVID-19. The USC acts with the delegated authority of the Board during designated periods of urgent and serious situations, in order to:

- protect the health, safety and welfare of staff, students and visitors;
- support the Chief Executive by authorising any material financial transactions or budget amendments (i.e. revenue items in excess of £100,000, borrowings and asset disposals) necessary to protect the financial resilience and sustainability of the Foundation; and
- support the Chief Executive with any other urgent matter which falls within the Primary Responsibilities of the Board (as set out in the Handbook of Governance).

Composition: Four members of the Board and all members of the Executive Leadership Team.

Meeting frequency: No meetings of the Committee have been deemed necessary since the year ended 30 September 2020.

Recruitment, election and training of Trustees

The power of appointing successor or additional Trustees is vested in the Members of the company who, as noted above, are also the Trustees. The number of Trustees may not exceed twelve nor be less than three. Trustees serve for four-year terms before being considered for reappointment. Ordinarily, Trustees may serve up to two, four-year terms. Exceptionally, this may be extended for a third, four-year term. The Covid-19 pandemic period interrupted the normal cycle of trustee recruitment and the Board has been taking action to address this. During the year ended 30 September 2023, the Board:

- Appointed two new trustees, following an external recruitment process;
- Granted two exceptional third terms;
- Extended a third term by up to one year, in order to allow time to replace specialist skills and experience.

Since the year ended 30 September 2023, the Board:

- Appointed two new Trustees in December 2023, following an external recruitment process, and plans to make one further appointment in April 2024.

Trustees are selected on the basis of their specialist skills and knowledge of relevance to the Foundation's broad activities. New Trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Handbook of Governance, the Charity structure and decision making processes, recent activities and financial performance and plans. There is formal training for Trustees as required.

Day-to-day management

The Trustees have delegated responsibility for the day-to-day management of the Foundation to the Chief Executive.

Statement of internal control
For the year ended 30 September 2023

The following statement is provided to enable the reader to understand The Edward James Foundations Limited's system of internal control. It covers the year ended 30 September 2023 and the period up to the date of approval of the financial statements.

System of internal control

The Edward James Foundation Limited's system of internal control is embedded in its ongoing operations and includes:

- Comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the Board of Trustees.
- Regular reviews by the Board of Trustees of periodic and annual financial reports which indicate financial performance against forecasts.
- A clearly defined schedule of limits of authority which is reviewed and agreed by the Board of Trustees.
- An ongoing process designed to identify and prioritise the risks to the achievement of operational objectives, strategic aims and compliance obligations, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
- Setting targets to measure financial and other operational performance.
- The adoption of formal project management, for example, through a Project Steering Group.

The Board is ultimately responsible for the Foundation's system of internal control and for reviewing the effectiveness of these arrangements. The Board has delegated detailed consideration of risks to the Finance and Audit Committee. Furthermore, it has delegated day-to-day responsibility to the Chief Executive, who is the Accountable Officer as defined by the Office for Students, for maintaining a sound system of internal control that supports the achievement of the Foundation's strategy, whilst safeguarding its assets.

Risk management

The Foundation maintains a critical risk register. This is updated regularly and reviewed by the Foundation's Finance and Audit Committee.

The Executive Leadership Team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the Foundation's various departments.

The Finance and Audit Committee and the Board of Trustees have regularly reviewed the key strategic, corporate compliance and financial risks to which the Foundation is exposed together with the operating, financial and compliance controls that have been implemented to mitigate the risks.

Statement of internal control (continued)
For the year ended 30 September 2023

Effectiveness of the system of internal control

A formal review of the Foundation's risk management processes is undertaken on an annual basis by the Board of Trustees. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. The Board of Trustees recognises that systems can provide reasonable, but not absolute, assurance that major risks are being adequately managed.

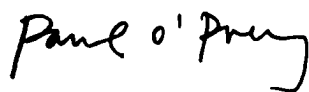
External audit

The Board of Trustees is informed by comments made by the Foundation's external auditors in their management letters and seeks to act upon these to improve internal controls.

Internal audit

Having previously been postponed due to the emergence of the Covid-19 pandemic, the Foundation commissioned Kingston City Group (KCG) to undertake an annual internal audit programme which commenced in 2021/22.

This Statement of Internal Control was approved by the Trustees and the Chief Executive on 22 February 2024.



Professor Paul O'Prey CBE
Chair of Trustees



Alexander Barron ACA FRSA
Chief Executive

Independent auditor's report to the members of The Edward James Foundation Limited
For the year ended 30 September 2023

Opinion

We have audited the financial statements of The Edward James Foundation Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 September 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 September 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 course of 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Independent auditor's report to the members of The Edward James Foundation Limited (continued)
For the year ended 30 September 2023

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 the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

Opinions on matters prescribed by the Office for Students (OfS) "Regulatory advice 9: Accounts direction"

In our opinion, in all material respects:

- funds from whatever source administered by the institution for specific purposes during the year ended 30 September 2023 have been properly applied to those purposes and managed in accordance with relevant legislation; and
- the requirements of the OfS's Accounts direction have been met.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Act 2011 or the Office for Students Accounts direction require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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, or
- grant and fee income, as disclosed in the note to the accounts, has been materially misstated.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 19, 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 group and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of The Edward James Foundation Limited (continued)
For the year ended 30 September 2023

Auditor's Responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

Independent auditor's report to the members of The Edward James Foundation Limited (continued)
For the year ended 30 September 2023

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Luke Holt (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date 29 February 2024

9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The Edward James Foundation Limited
(a company limited by guarantee; Company Registration No. 06689362)

Consolidated statement of financial activities including income and expenditure account
For the year ended 30 September 2023

	Notes	Unrestricted Fund £	Restricted Fund £	Total 2023 £	Total 2022 £
Income from:					
Donations and legacies	3	2,147	218,545	220,692	194,537
Income from charitable activities	4	9,610,259	-	9,610,259	9,140,527
Income from trading activities	5	1,701,626	-	1,701,626	1,277,410
Investment income					
- Properties	6	2,344,228	-	2,344,228	2,423,624
- Financial investments	6	351,846	11,041	362,887	235,523
Other income	7	183,408	-	183,408	-
Total income		14,193,514	229,586	14,423,100	13,271,621
Expenditure on					
Raising funds					
- Fundraising cost		64,479	-	64,479	74,353
- Trading costs		2,075,131	-	2,075,131	1,667,659
- Property investment management		2,063,592	-	2,063,592	1,713,894
- Financial investment management		40,287	-	40,287	33,638
Charitable activities	8	13,164,267	161,577	13,325,844	12,725,146
Total resources expended		17,407,756	161,577	17,569,333	16,214,690
Net gain on investments	13	268,210	27,550	295,760	89,552
Net (outgoing) / incoming resources before transfers		(2,946,032)	95,559	(2,850,473)	(2,853,517)
Transfers between funds	27,28	10,777	(10,777)	-	-
Net (expenditure) / income for the year		(2,935,255)	84,782	(2,850,473)	(2,853,517)
Other recognised gains and losses					
Actuarial loss on defined benefit pension schemes	26	(69,000)	-	(69,000)	(61,000)
Net movement in funds		(3,004,255)	84,782	(2,919,473)	(2,914,517)
Fund balances at					
1 October		145,167,880	1,862,884	147,030,764	149,945,281
Fund balances at					
30 September		142,163,625	1,947,666	144,111,291	147,030,764

The Consolidated statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. It includes all gains and losses for the year and all activities are continuing.

The notes on pages 33 to 67 form an integral part of the financial statements,

The Edward James Foundation Limited
(a company limited by guarantee; Company Registration No. 06689362)

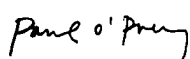
Consolidated and Charity Balance Sheets
For the year ended 30 September 2023

		Group 2023	Group 2022	Charity 2023	Charity 2022
	Notes	£	£	£	£
Fixed assets					
Intangible assets	14	486,541	542,878	486,541	542,878
Tangible assets	15	34,463,242	34,255,203	34,442,533	34,239,105
Property investments	16	104,449,246	103,620,375	104,449,246	103,620,375
Financial investments	17	12,715,009	15,640,390	12,715,932	15,641,313
		152,114,038	154,058,846	152,094,252	154,043,671
Current assets					
Stocks	19	67,308	66,154	20,877	22,527
Debtors	20	2,805,197	3,256,712	2,832,156	3,292,719
Cash at bank and in hand		2,398,893	5,424,839	2,337,495	5,394,942
		5,271,398	8,747,705	5,190,528	8,710,188
Creditors: amounts falling due within one year	21	(6,008,530)	(8,155,618)	(5,931,421)	(8,126,473)
Net current (liabilities) / assets		(737,132)	592,087	(740,893)	583,715
Total assets less current liabilities		151,376,906	154,650,933	151,353,359	154,627,386
Creditors: amounts falling due after more than one year	22	(7,265,615)	(7,585,842)	(7,265,615)	(7,585,842)
Provisions for liabilities and charges	23	-	(34,327)	-	(34,327)
Net assets		144,111,291	147,030,764	144,087,744	147,007,217
Income funds					
Restricted funds	27	1,947,666	1,862,884	1,947,666	1,862,884
Unrestricted funds					
Designated funds	28	133,378,625	137,067,880	133,378,623	137,067,878
General unrestricted funds	28	8,785,000	8,100,000	8,761,455	8,076,455
		142,163,625	145,167,880	142,140,078	145,144,333
		144,111,291	147,030,764	144,087,744	147,007,217

The total income of the Charity as an individual entity for the year was £13,011,839 (2022: £12,258,065) and its net deficit was £3,217,083 (2022: £3,031,484 deficit). A Statement of financial activities for the Charity as an individual entity is not included using the exemption given in section 408 of the Companies Act 2006.

The notes on pages 33 to 67 form an integral part of the financial statements.

The accounts were approved by the Trustees and the Chief Executive. They were authorised for issue on 22 February 2024.



Professor Paul O'Prey CBE
Chair of Trustees



Alexander Barron ACA FRSA
Chief Executive

The Edward James Foundation Limited
(a company limited by guarantee; Company Registration No. 06689362)

Consolidated statement of cash flows
For the year ended 30 September 2023

	Notes	2023		2022	
		£	£	£	£
Cash flows from operating activities	33		(4,194,133)		(2,421,935)
Investing activities					
Purchase of tangible fixed assets		(907,365)		(1,642,304)	
Purchase of intangible fixed assets		(5,130)		(3,500)	
Proceeds from disposal of tangible fixed assets		-		49,267	
Purchase of investment property		(607,732)		(548,178)	
Proceeds from disposal investments		3,000,000		1,200,000	
Net cash inflow / (outflow) from investing activities			1,479,773		(944,715)
Financing activities					
Repayment of borrowings		(311,586)		(352,655)	
Net cash used by investing activities			(311,586)		(352,655)
Net decrease in cash equivalents			(3,025,946)		(3,719,305)
Cash and cash equivalents at beginning of year			5,424,839		9,144,144
Cash and cash equivalents at end of year			2,398,893		5,424,839

The notes on pages 33 to 67 form an integral part of the financial statements.

Notes to the Financial Statements
For the year ended 30 September 2023

I. Accounting policies

Company information

The Edward James Foundation Limited is a private company, limited by guarantee. It is incorporated in England and Wales. The registered office is Estate Office, West Dean, Chichester, West Sussex, PO18 0QZ.

I.1 Accounting convention

These Financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the Charities SORP (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Financial statements are prepared in sterling, which is the functional currency of the Group. Monetary amounts in these Financial statements are rounded to the nearest £.

The Financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

I.2 Going concern

At the time of approving the Financial statements, the Trustees have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Trustees have intentionally used reserves to absorb the worst impact of the macro-economic disruption experienced in recent years, but they have approved a three-year Financial Stabilisation Plan with a view to returning to modest operating surpluses. The Foundation has sufficient cash reserves and liquid financial investments to enable it to continue operating beyond 12 months after the date of approving the Financial statements. The Trustees therefore continue to adopt the going concern basis of accounting in preparing the Financial statements.

I.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives unless the funds have been designated for other purposes.

Designated funds are either represented by the carrying value of assets that the Group requires to carry out its business or reflect funds set aside by the Trustees for future projects as explained in the notes to the Financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of restricted funds are set out in the notes to the Financial statements.

I.4 Incoming resources

Income is recognised when the Group is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Group has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Group has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Government grants are recognised within Donations and legacies. Income from Government grants is recognised when there is evidence of entitlement, receipt is probable and the amount can be measured reliably

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

I. Accounting policies (continued)

I.4 Incoming resources (continued)

Trading income is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes. Fees received in relation to educational courses are initially reflected on the balance sheet as deferred income and recognised as income over the period of the course.

I.5 Resources expended

Resources expended are accounted for on an accruals basis. Certain expenditure is apportioned to cost categories based on the estimated amount attributable to that activity in the year. These estimates are based on staff time, floor area, student and delegate activity levels and equipment utilisation. The irrecoverable element of VAT is included within the area of expense to which it relates.

The cost of raising funds represents the costs associated with generating incoming resources other than from undertaking charitable activities, and includes costs relating to: the letting of land and buildings on West Dean Estate, in-hand forestry, the management of quoted investments, West Dean Gardens, conference and event activities and fundraising.

Charitable activities represent the costs applied by the Charitable company in undertaking its work to meet its charitable objectives. They include all direct costs of West Dean College's educational provision, all bursaries and scholarships payable to students and those support costs incurred that enable the educational activity to be undertaken.

Governance costs are those associated with constitutional and statutory requirements. They include both direct costs and a share of indirect staff costs.

Support costs represent the costs incurred by the Charitable company which, while not directly related to the charitable educational provision of West Dean College, are necessary to facilitate their provision. These costs include marketing, finance, human resources and IT.

All grants, bursaries and allowances towards fees are included as expenditure in the period for which the award is given.

I.6 Intangible fixed assets - other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Product design rights	straight line over 5 years
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Notes to the Financial Statements (continued)
For the year ended 30 September 2023

I. Accounting policies (continued)

I.7 Intangible assets – goodwill

Goodwill represents the excess of the cost of a business combination over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill arising on the acquisition of a subsidiary is included in 'Intangible assets'.

Intangible assets acquired are recognised separately from goodwill only when they are separable from the acquired entity and give rise to other contractual / legal rights.

Goodwill amortisation is calculated by applying the straight-line method to its estimated useful economic life. Estimates of the useful economic life of goodwill are based on a variety of factors including any legal and contractual provisions. Where a reliable estimate of goodwill cannot be made, it is presumed to be 10 years.

Goodwill is assessed at each reporting date to determine whether there is any indication of impairment. Where there is an indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit (CGU) to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

I.8 Tangible fixed assets

Tangible fixed assets are initially valued at cost and subsequently valued at cost net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	straight line over 7 to 50 years
Plant and machinery	straight line over 4 to 20 years
Fixtures, fittings and equipment	straight line over 10 years
Motor vehicles	straight line over 5 years

Freehold land, some of the Charity's buildings and chattels (e.g. works of art) are not depreciated. The buildings, including the main house, and the chattels held by the Charity are not depreciated as the useful economic lives of these assets are of such significant lengths that the accumulated depreciation charges are considered to be immaterial.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/expenditure for the year.

Capitalisation and replacement

Building improvements costing more than £2,500 together with furniture and equipment costing more than £500 per item are capitalised and carried in the balance sheet at historical cost less depreciation.

I.9 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured at fair value. Fair value is based on open market value. The surplus or deficit on revaluation is recognised in net income/expenditure for the year. Transaction costs are expensed as incurred.

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

I. Accounting policies (continued)

I.10 Financial investments

Financial investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/expenditure for the year. Transaction costs are expensed as incurred. Having adopted a total return investment approach in recent years, the Trustees have decided to drawdown a minimum of 3% of financial investment value each year in lieu of income distributions.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. Investments in subsidiary companies are measured at cost.

I.11 Impairment of fixed assets

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

I.12 Stocks

Stocks include finished goods held for sale, food and drink held as raw materials for catering operations and fuel. Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost and are expensed as they are used.

I.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

I.14 Financial instruments

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's balance sheet when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

I.14.1 Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest rate method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

I. Accounting policies (continued)

I.14 Financial instruments (continued)

I.14.2 Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

I.14.3 Derecognition of financial liabilities

Financial liabilities are derecognised when the Group's contractual obligations expire or are discharged or cancelled.

I.15 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee services are received.

Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

I.16 Retirement benefits

The Group operates two post-employment benefit plans:

i) Defined contribution pension scheme

A defined contribution pension scheme is a post-employment benefit plan under which an organisation pays fixed contributions to a pension scheme administered by a third party and will have no legal or constructive obligation to pay further amounts. Obligations for contributions are recognised as an expense in the periods during which services are rendered by employees.

ii) Defined benefit pension scheme

A defined benefit pension scheme is a post-employment benefit plan under which an organisation's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the organisation.

The cost of providing benefits under the defined benefit pension plan is determined using the projected unit credit method; and is based on actuarial advice.

The change in the net defined liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income / (expenditure) in subsequent periods.

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

I. Accounting policies (continued)

I.16 Retirement benefits (continued)

ii) Defined benefit pension scheme (continued)

Re-measurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income / (expenditure) in subsequent periods.

The net defined benefit pension liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligation is to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme, which is currently assessed by the Trustees as £nil.

I.17 Leases

Rentals payable / receivable under operating leases, including any lease incentives received, are charged / credited to income on a straight line basis over the term of the relevant lease.

I.18 Taxation

The Foundation is a registered charity and is not subject to taxation on income or gains so far as they are applied for wholly charitable purposes. Any income tax recovered on investment income and covenanted subscriptions is included with the respective income.

West Dean Limited donates its taxable profits by way of Gift Aid to The Edward James Foundation Limited.

I.19 Basis of consolidation

The Financial statements consolidate the results of the Charitable company and its wholly owned subsidiaries, West Dean Limited and KLC Limited on a line by line basis.

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

2. Critical accounting estimates and judgements

In the application of the Group's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2.1 Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the Financial statements.

2.1.1 Stocks

Calculations require judgements to be made, which include forecast consumer demand and a review of obsolete stock.

2.2 Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are:

2.2.1 Revenue recognition in relation to Open Learning courses

When a student purchases an Open Learning course, they have a set period of time in which to complete their studies. Revenue is recognised in relation to such courses based on a number of assumptions including, but not limited to, average completion rates, dates of course commencement and length of time needed to complete a course.

2.2.2 Useful life of goodwill

Goodwill is amortised over the Trustees' estimate of its useful economic life. Such estimates are based on a variety of factors including any legal, regulatory and contractual provisions. At each reporting date, the Trustees assess whether there are any indicators of impairment taking into account the economic viability and future financial performance of the cash generating unit. If such indicators are identified, an impairment may be recognised.

2.2.3 Useful life, residual value and impairment of tangible fixed assets

The carrying value of tangible fixed assets is calculated on the basis of estimates of depreciation periods derived from the expected useful life of the asset concerned and residual values. The expected useful life of the asset concerned and its estimated residual value may change under the influence of technological developments, market circumstances and changes in the use of the asset. These factors may also give rise to the need to recognise an impairment on assets.

2.2.4 Fair value of investment property

The fair value of investment property is based upon open market values for residential properties and net present value of future rental yields for commercial / farming lets.

2.2.5 The financial risks associated with its Final Salary Pension Scheme.

In 2011, the Scheme was closed to further accrual, so eliminating the risk of further deficits arising in respect of future employee service, but the liabilities in respect of past service have yet to be fully secured and therefore fluctuate with movements in markets and actuarial assumptions. The investment strategy is reviewed regularly and has contributed towards a more proactive exit strategy; a significant de-risking exercise was undertaken early in 2020/21. A series of Liability Management Exercises was planned for 2019/20 but have been held in abeyance since the Covid-19 pandemic commenced. Since 2018, the Scheme has been in surplus on a Technical Provisions basis and the next target is to achieve a surplus on a Self-Sufficiency basis.

The Edward James Foundation Limited
(a company limited by guarantee; Company Registration No. 06689362)

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

3. Donations, legacies and grants

	Unrestricted Funds	Unrestricted Funds	Total 2023
	£	£	£
Donations and gifts	2,147	218,545	220,692
	<u>2,147</u>	<u>218,545</u>	<u>220,692</u>
	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£
Donations and gifts	17,760	176,777	194,537
	<u>17,760</u>	<u>176,777</u>	<u>194,537</u>

4. Income from charitable activities

	School of Arts	School of Conservation	KLC School of Design	Total 2023
	£	£	£	£
Fees receivable	<u>4,060,752</u>	<u>1,524,304</u>	<u>4,025,203</u>	<u>9,610,529</u>
	School of Arts	School of Conservation	KLC School of Design	Total 2022
	£	£	£	£
Fees receivable	<u>3,724,355</u>	<u>1,451,796</u>	<u>3,964,376</u>	<u>9,140,527</u>

5. Income from trading activities

	2023	2022
	£	£
West Dean Gardens - admissions income (The Edward James Foundation Limited)	290,366	346,425
West Dean Gardens - commercial restaurant and shop (West Dean Limited)	699,872	445,487
Conferences (West Dean Limited)	421,657	233,266
West Dean Stores (West Dean Limited)	<u>289,731</u>	<u>252,232</u>
Income from trading activities	<u>1,701,626</u>	<u>1,277,410</u>

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

6. Investment income

	Unrestricted Funds	Restricted Funds	Total 2023
	£	£	£
Properties			
West Dean Estate income	<u>2,344,228</u>	<u>-</u>	<u>2,344,228</u>
Financial investments			
Income from financial investments	180,023	11,041	191,064
Interest receivable	32,823	-	32,823
Net interest on defined benefit pension scheme	<u>139,000</u>	<u>-</u>	<u>139,000</u>
	<u>351,846</u>	<u>11,041</u>	<u>362,887</u>
	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£
Properties			
West Dean Estate income	<u>2,423,624</u>	<u>-</u>	<u>2,423,624</u>
Financial investments			
Income from financial investments	168,377	10,195	178,572
Interest receivable	8,951	-	8,951
Net interest on defined benefit pension scheme	<u>48,000</u>	<u>-</u>	<u>48,000</u>
	<u>225,328</u>	<u>10,195</u>	<u>235,523</u>

West Dean Estate income included £1,884,413 (2022: £2,139,895) in respect of rental income from land and buildings.

The Edward James Foundation Limited
(a company limited by guarantee; Company Registration No. 06689362)

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

7. Other Income

	2023 £	2022 £
Proceeds from Insurance claims	183,408	-

During the year ended 30 September 2021, following a fire in a sub-tenanted building at one of its tenanted farms, the Group made a claim on its Property and Business Interruption Commercial Insurance policy. As at 30 September 2021, it had received £20,000 as a payment on account. It received no further amounts during the year ended 30 September 2022. During the year ended 30 September 2023, it received a further £80,000. The claim remains in progress.

Three new insurance claims arose during the year ended 30 September 2023 relating to flood damage, storm damage and a car accident. £103,408 was received during the year in relation to these claim.

8. Charitable activities

	School of Arts £	School of Conservation £	KLC School of Design £	Total 2023 £
Staff & staff related costs	1,959,525	1,334,581	1,679,003	4,973,109
Visiting tutors & lecturers	580,459	75,408	223,300	879,167
Material & other course costs	365,961	175,397	105,364	646,722
Catering provisions	271,359	103,169	1,344	375,872
Premises costs	351,433	229,994	915,375	1,496,802
Insurance	90,773	90,773	90,773	272,319
Irrecoverable VAT	309,624	101,313	102,148	513,085
Depreciation	229,406	140,322	160,857	530,585
Other charitable expenditure	203,030	148,642	121,084	472,756
	<u>4,361,570</u>	<u>2,399,599</u>	<u>3,399,248</u>	<u>10,160,417</u>
Grant Funding of activities (note 9)	152,458	197,283	-	349,741
Share of support costs (note 10)	1,034,162	796,769	984,755	2,815,686
	<u><u>5,548,190</u></u>	<u><u>3,393,651</u></u>	<u><u>4,384,003</u></u>	<u><u>13,325,844</u></u>
Analysis by fund				
Unrestricted funds	5,470,900	3,309,364	4,384,003	13,164,267
Restricted funds	77,290	84,287	-	161,577
	<u><u>5,548,190</u></u>	<u><u>3,393,651</u></u>	<u><u>4,384,003</u></u>	<u><u>13,325,844</u></u>

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

8. Charitable activities (continued)

Analysis of expenditure in year ended 30 September 2022:

	School of Arts £	School of Conservation £	KLC School of Design £	Total 2022 £
Staff & staff related costs	1,802,886	1,246,378	1,637,035	4,686,299
Visiting tutors & lecturers	538,474	75,272	189,143	802,889
Material & other course costs	308,880	151,120	121,329	581,329
Catering provisions	269,787	102,571	10,782	383,140
Premises costs	435,396	290,381	784,653	1,510,430
Insurance	117,295	117,295	17,148	251,738
Irrecoverable VAT	291,391	105,812	102,335	499,538
Depreciation	211,543	126,137	130,200	467,880
Other charitable expenditure	235,807	207,254	67,717	510,778
	<u>4,211,459</u>	<u>2,422,220</u>	<u>3,060,342</u>	<u>9,694,021</u>
Grant Funding of activities (note 9)	134,200	167,905	-	302,105
Share of support costs (note 10)	<u>898,286</u>	<u>690,091</u>	<u>1,140,643</u>	<u>2,729,020</u>
	<u>5,243,945</u>	<u>3,280,216</u>	<u>4,200,985</u>	<u>12,725,146</u>
Analysis by fund				
Unrestricted funds	5,156,268	3,194,709	4,200,985	12,551,962
Restricted funds	<u>87,677</u>	<u>85,507</u>	<u>-</u>	<u>173,184</u>
	<u>5,243,945</u>	<u>3,280,216</u>	<u>4,200,985</u>	<u>12,725,146</u>

9. Grants payable

	School of Arts £	School of Conservation £	KLC School of Design £	Total 2023 £
Grants to individuals	<u>152,458</u>	<u>197,283</u>	<u>-</u>	<u>349,741</u>
	School of Arts £	School of Conservation £	KLC School of Design £	Total 2022 £
Grants to individuals	<u>134,200</u>	<u>167,905</u>	<u>-</u>	<u>302,105</u>

Grants to individuals include bursaries and scholarships of £48,446 (2022: £19,423) funded internally by the Foundation, together with bursaries and scholarships of £301,295 (2022: £282,682) paid from the West Dean Scholarship Fund.

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Notes to the Financial Statements (continued)
For the year ended 30 September 2023

10. Support costs

	Support costs £	Governance costs £	Total 2023 £	Support costs £	Governance costs £	Total 2022 £	Basis of allocation
Staff costs	1,725,108	112,767	1,837,875	1,554,797	107,161	1,661,958	Staff time and student/delegate days
Depreciation	117,280	-	117,280	101,603	-	101,603	Staff time and student/delegate days
Marketing costs	314,304	-	314,304	372,791	-	372,791	Staff time and student/delegate days
Other costs	450,757	-	450,757	531,025	-	531,025	Staff time and student/delegate days
Audit fees	-	28,559	28,559	-	29,500	29,500	Governance
Accountancy	-	5,940	5,940	-	3,800	3,800	Governance
Legal and professional	-	54,353	54,353	-	27,458	27,458	Governance
Trustee related expenses	-	6,618	6,618	-	885	885	Governance
	<u>2,607,449</u>	<u>208,237</u>	<u>2,815,686</u>	<u>2,560,216</u>	<u>168,804</u>	<u>2,729,020</u>	

11. Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Group during the year.

Expenses totalling £6,618 relating to travel and subsistence were either reimbursed to, or paid directly on behalf of eight Trustees (2022: £885 to three Trustees).

During the year, £3,590 (2022: £3,157) was paid in respect of insurance to:

- Protect the Charity from loss arising from the neglect or defaults of its Trustees;
- Indemnify the Trustees against consequences of any neglect or default on their part.

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

12. Employees

Staff Costs during the year were:

	2023	2022
	£	£
Wages and salaries	6,866,566	6,190,189
Social security costs	582,352	533,935
Other pension costs	297,529	266,529
	7,746,447	6,990,653

Average number of employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Direct education staff	79	83
Other staff	196	185
	275	268

Higher paid employees

Employees receiving benefits (including compensation for loss of office and excluding employer pension contributions) in the following range were:

	2023	2022
	Number	Number
£160,000 - £169,999	1	-
£150,000 - £159,999	-	1
£120,000 - £129,999	1	-
£110,000 - £119,999	-	1
£100,000 - £109,999	1	-
£90,000 - £99,999	-	1
£80,000 - £89,999	1	-
£70,000 - £79,999	2	1
£60,000 - £69,999	6	-
	12	4

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

12. Employees (continued)

Included in above are employees earning a basic salary (before salary sacrifice) of over £100,000 per annum:

	2023	2022
	Number	Number
£150,000 – £154,999	1	-
£140,000 – £144,999	-	1
£125,000 – £129,999	1	-
£115,000 - £119,999	-	1
	<u>2</u>	<u>2</u>

Remuneration of key management personnel

Members of the Foundation's Executive Leadership Team (ELT), which includes the Chief Executive, are considered to be key management personnel. All members of the ELT voluntarily took a temporary pay decrease during summer / autumn 2020 which the Trustees chose to reimburse in a one-off payment in October 2022 (i.e. payment in lieu of previously waived remuneration). The employment costs of those considered to be key management personnel are:

	2023	2022
	£	£
Wages and salaries	461,833	430,949
Benefits	9,721	9,036
Social security costs	54,939	52,465
Other pension costs	31,176	30,976
	<u>557,669</u>	<u>523,426</u>

Remuneration of the Chief Executive

Details of the remuneration package of the Chief Executive, who for Office for Students reporting purposes is the Foundation's Head Provider, are:

	2023	2022
	£	£
Basic Salary	143,097	133,627
Employer's pension contribution	11,602	10,835
Salary sacrifice arrangements	11,602	10,835
Company car	6,533	6,559
Medical insurance	-	658
	<u>172,834</u>	<u>162,514</u>

The Chief Executive, alongside all ELT members, took a temporary pay decrease during summer / autumn 2020 which the Trustees chose to reimburse in a one-off payment in October 2022.

The Chief Executive's basic salary is 6.30 (2022: 5.91) times the median total remuneration of other employees, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the Foundation to its employees.

The Chief Executive's total remuneration is 6.83 (2022: 6.73) times the median total remuneration of other employees, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the Foundation to its employees.

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

13. Net gains / (losses) on investments

	Unrestricted Funds	Restricted Funds	Total 2023
Financial Investments:	£	£	£
Revaluation	(174,928)	27,550	(147,378)
Gain on sale of investments	221,999	-	221,999
Property investments			
Gain on revaluation of investment properties (see note 16)	221,139	-	221,139
	<u>268,210</u>	<u>27,550</u>	<u>295,760</u>

	Unrestricted Funds	Restricted Funds	Total 2022
Financial Investments:	£	£	£
Revaluation	(1,228,305)	(72,591)	(1,300,896)
Gain on sale of investments	70,496	-	70,496
Property investments			
Gain on revaluation of investment properties (see note 16)	1,319,952	-	1,319,952
	<u>162,143</u>	<u>(72,591)</u>	<u>89,552</u>

14. Intangible fixed assets

Group and Charity

	Product design rights £	Software £	Goodwill - KLC School of Design £	Total £
Cost				
At 1 October 2022	10,000	7,469	607,118	624,587
Additions	-	5,130	-	5,130
At 30 September 2023	<u>10,000</u>	<u>12,599</u>	<u>607,118</u>	<u>629,717</u>
Amortisation and impairment				
At 1 October 2022	10,000	-	71,709	81,709
Amortisation charge	-	-	61,467	61,467
At 30 September 2023	<u>10,000</u>	<u>-</u>	<u>133,176</u>	<u>143,176</u>
Carrying Amount				
At 30 September 2023	<u>-</u>	<u>12,599</u>	<u>473,942</u>	<u>486,541</u>
At 30 September 2022	<u>-</u>	<u>7,469</u>	<u>535,409</u>	<u>542,878</u>

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

15. Tangible fixed assets

Group

	Freehold land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Chattels (Collection and archive) £	Total £
Cost						
At 1 October 2022	20,623,292	6,249,421	1,887,395	137,184	12,384,220	41,281,512
Additions	662,508	174,197	70,123	-	537	907,365
At 30 September 2023	<u>21,285,800</u>	<u>6,423,618</u>	<u>1,957,518</u>	<u>137,184</u>	<u>12,384,757</u>	<u>42,188,877</u>
Depreciation and impairment						
At 1 October 2022	1,997,085	3,321,687	1,588,168	119,369	-	7,026,309
Charge for the year	284,236	295,958	113,896	5,236	-	699,326
At 30 September 2023	<u>2,281,321</u>	<u>3,617,645</u>	<u>1,702,064</u>	<u>124,605</u>	<u>-</u>	<u>7,725,635</u>
Carrying Amount						
At 30 September 2023	<u>19,004,479</u>	<u>2,805,973</u>	<u>255,454</u>	<u>12,579</u>	<u>12,384,757</u>	<u>34,463,242</u>
At 30 September 2022	<u>18,626,207</u>	<u>2,927,734</u>	<u>299,227</u>	<u>17,815</u>	<u>12,384,220</u>	<u>34,255,203</u>

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

15. Tangible fixed assets (continued)

Charity

	Freehold land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Chattels (Collection and archive) £	Total £
Cost						
At 1 October 2022	20,623,292	6,036,201	1,887,395	137,184	12,384,220	41,068,292
Additions	662,508	165,204	70,123	-	537	898,372
At 30 September 2023	<u>21,285,800</u>	<u>6,201,405</u>	<u>1,957,518</u>	<u>137,184</u>	<u>12,384,757</u>	<u>41,966,664</u>
Depreciation and impairment						
At 1 October 2022	1,997,085	3,124,565	1,588,168	119,369	-	6,829,187
Charge for the year	284,236	291,576	113,896	5,236	-	694,944
At 30 September 2023	<u>2,281,321</u>	<u>3,416,141</u>	<u>1,702,064</u>	<u>124,605</u>	<u>-</u>	<u>7,524,131</u>
Carrying Amount						
At 30 September 2023	19,004,479	2,785,264	255,454	12,579	12,384,757	34,442,533
At 30 September 2022	<u>18,626,207</u>	<u>2,911,636</u>	<u>299,227</u>	<u>17,815</u>	<u>12,384,220</u>	<u>34,239,105</u>

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

16. Property investments

Group and Charity

	2023	2022
	£	£
Fair value		
At 1 October	103,620,375	103,822,245
Additions	607,732	548,178
Transfer to Freehold land and buildings	-	(2,070,000)
Net gains through fair value adjustment	221,139	1,319,952
At 30 September	<u>104,449,246</u>	<u>103,620,375</u>

Investment property is comprised of the West Dean Estate and is held as part of the Group's charitable activities.

The transfer to Freehold land and buildings during the year ended 30 September 2022 relates to properties that were converted from residential properties to student accommodation during the year.

The net gains through fair value adjustment reflects open market values of property investments. These increases are based on annual reports prepared by a Royal Institution of Chartered Surveyors (RICS) Registered Valuer in accordance with RICS Red Book valuation methodology. In preparing the annual reports, the RICS Registered Valuer inspected assets totalling approximately 20% of the portfolio.

The value reflected as at 30 September 2023 and 30 September 2022 includes a barn which suffered significantly fire damage during the year ended 30 September 2021. Although the damage is in the process of being repaired, on the basis that insurers have confirmed that cover is in place to fund the work required to restore it, it has been reflected at the same value as it would have had if the fire had not occurred. As such, neither an impairment nor a debtor for the insurance proceeds has been included in these financial statements at 30 September 2023 or 30 September 2022.

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Notes to the Financial Statements (continued)
For the year ended 30 September 2023

17. Financial investments

Group

	Listed investments
	£
At 1 October 2022	15,640,390
Valuation changes	74,619
Disposal	(3,000,000)
At 30 September 2023	<u>12,715,009</u>
Carrying Amount	
At 30 September 2023	<u><u>12,715,009</u></u>
At 30 September 2022	<u><u>15,640,390</u></u>
Historic Cost	
At 30 September 2023	<u><u>12,267,218</u></u>
At 30 September 2022	<u><u>15,329,570</u></u>

Charity

	Listed investments	Shares in subsidiaries	Total
	£	£	£
At 1 October 2022	15,640,390	923	15,641,313
Valuation changes	74,619	-	74,619
Disposal	(3,000,000)	-	(3,000,000)
At 30 September 2023	<u>12,715,009</u>	<u>923</u>	<u>12,715,932</u>
Carrying Amount			
At 30 September 2023	<u><u>12,715,009</u></u>	<u><u>923</u></u>	<u><u>12,715,932</u></u>
At 30 September 2022	<u><u>15,640,390</u></u>	<u><u>923</u></u>	<u><u>15,641,313</u></u>
Historic Cost			
At 30 September 2023	<u><u>12,267,218</u></u>	<u><u>923</u></u>	<u><u>12,268,141</u></u>
At 30 September 2022	<u><u>15,329,570</u></u>	<u><u>923</u></u>	<u><u>15,330,493</u></u>

Refer to note 32 for details of shareholdings in subsidiaries.

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Notes to the Financial Statements (continued)
For the year ended 30 September 2023

18. Financial instruments

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	1,873,661	1,703,932	1,872,969	1,705,663
Equity instruments measured at fair value	-	-	923	923
Instruments measured at fair value through income and expenditure	<u>12,715,009</u>	<u>15,640,390</u>	<u>12,715,009</u>	<u>15,640,390</u>
Carrying amount of financial liabilities	<u>8,789,935</u>	<u>9,685,220</u>	<u>8,743,721</u>	<u>9,653,286</u>

19. Stocks

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Raw materials and consumables	36,789	39,821	17,187	22,507
Finished goods and goods for resale	<u>30,519</u>	<u>26,333</u>	<u>3,690</u>	<u>20</u>
	<u>67,308</u>	<u>66,154</u>	<u>20,877</u>	<u>22,527</u>

20. Debtors

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Trade debtors	1,829,356	1,635,563	1,828,664	1,637,294
Amounts due from subsidiary undertakings	-	-	27,998	34,943
Other debtors	44,305	68,369	44,305	68,364
Prepayments and accrued income	<u>931,536</u>	<u>1,552,780</u>	<u>931,189</u>	<u>1,552,118</u>
	<u>2,805,197</u>	<u>3,256,712</u>	<u>2,832,156</u>	<u>3,292,719</u>

As explained in note 2.2.1, KLC School of Design operates Open Learning courses for which students have up to two years to complete a course. This therefore results in a significant level of accrued income.

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Notes to the Financial Statements (continued)
For the year ended 30 September 2023

21. Creditors: amounts falling due within one year

		Group	Group	Charity	Charity
		2023	2022	2023	2022
	Notes	£	£	£	£
Loans and overdraft ⁽¹⁾	24	326,228	317,587	326,228	317,587
Trade creditors		811,135	1,076,844	785,840	1,055,361
Amounts due to subsidiary undertakings		-	-	920	920
Other taxation and social security		284,509	271,517	263,016	281,858
Other creditors		289,932	312,111	288,157	308,752
Accruals		386,957	704,947	366,038	694,496
Deferred income	25	3,909,769	5,472,612	3,901,222	5,467,499
		<u>6,008,530</u>	<u>8,155,618</u>	<u>5,931,421</u>	<u>8,126,473</u>

⁽¹⁾ As at 30 September 2023, the Group and Charity had an unutilised overdraft facility for £1,000,000 (2022: £nil) in place.

22. Creditors: amounts falling due after more than one year

		Group	Group	Charity	Charity
		2023	2022	2023	2022
	Notes	£	£	£	£
Bank loans	24	<u>7,265,615</u>	<u>7,585,842</u>	<u>7,265,615</u>	<u>7,585,842</u>

23. Provisions for liabilities and charges

Group and charity

	2023	2022
	£	£
At 1 October	34,327	81,254
Utilised during the year	(34,327)	(46,927)
At 30 September	<u>-</u>	<u>34,327</u>

As at 30 September 2023, the Group and Charity recognised a provision of £nil (2022: £34,327) in respect of an enhanced credit for Short Course cancellations.

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

24. Loans and overdrafts

Group and charity

	2023	2022
	£	£
Bank Loans	<u>7,591,843</u>	<u>7,903,429</u>
Payable within one year	326,228	317,587
Payable within two to five years	1,379,995	1,340,283
Payable after five years	<u>5,885,620</u>	<u>6,245,559</u>

Details of the bank loans and amounts outstanding at the reporting date are:

Security (Land Registry Title number)	Interest rate	Status	2023 £	2022 £
VVSX265408	3.28% - 3.62%	Repayable March 2036	2,066,370	2,196,555
VVSX265296 (part of)	2.29%	Repayable August 2030	5,525,473	5,706,874

As at 30 September 2023, the Group and Charity had an unutilised overdraft facility for £1,000,000 (2022: £nil) in place.

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

25. Deferred income

Group

	2023	2022
	£	£
Arising from grants	189,200	177,116
Arising from course and diploma fees received in advance	3,712,022	5,290,383
Arising from conference and event deposits	8,547	5,113
	<u>3,909,769</u>	<u>5,472,612</u>
Movement in deferred income		
Deferred income at 1 October	5,472,612	5,584,683
Released to statement of financial activities in the year	(5,472,612)	(5,584,683)
New deferred income in the year	3,909,769	5,472,612
Deferred income at 30 September	<u>3,909,769</u>	<u>5,472,612</u>

Charity

	2023	2022
	£	£
Arising from grants	189,200	177,116
Arising from course and diploma fees received in advance	3,712,022	5,290,383
	<u>3,901,222</u>	<u>5,467,499</u>
Movement in deferred income		
Deferred income at 1 October	5,467,499	5,552,988
Released to statement of financial activities in the year	(5,467,499)	(5,552,988)
New deferred income in the year	3,901,222	5,467,499
Deferred income at 30 September	<u>3,901,222</u>	<u>5,467,499</u>

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

26. Retirement benefit schemes

Defined contribution schemes

The Group operates defined contribution pension schemes for all qualifying employees. The assets of these schemes are held separately from those of the Group in independently administered funds.

The Charity contributes to defined contribution pension schemes administered by Scottish Widows, Legal & General and the National Employment Savings Trust Corporation ('NEST'). Depending on the scheme, the employer makes contributions proportionate to those made by employees up to a maximum of 7.5%. Contributions payable by the Charity amounted to £297,529 (2022: £266,529). £47,595 (2022: £48,089) was unpaid at the year end.

Defined benefit scheme

The employer operates a defined benefit pension scheme in the UK "The Edward James Foundation Final Salary Pension Scheme". This is a separate trustee administered fund holding the pension scheme asset to meet long term pension liabilities.

Valuation

A full actuarial valuation is carried out by a qualified actuary, independent of the scheme's sponsoring employer, every three years. The most recent full actuarial valuation was carried out as at 30 September 2021. This actuarial valuation showed a defined benefit pension surplus of £765,000 and there have been no subsequent updates. The surplus has been restricted to £nil (2022: £nil) in these financial statements via adjustment to actuarial gains. The major assumptions shown below are those used in the full actuarial valuation as at 30 September 2021 rolled forward to 30 September 2022 by a qualified actuary.

Funding policy

The employer had agreed with the Trustees that it would pay monthly contributions of £4,167 from 1 April 2019 to 31 December 2021 and £nil thereafter. The best estimate of contributions to be paid by the employer to the scheme for the period commencing 1 October 2023 is therefore £nil. In addition and in accordance with the actuarial valuation, the employer has agreed with the Trustees that it will meet expenses of the scheme and levies due to the Pension Protection Fund.

The amounts included in the balance sheet arising from the Group's obligations in respect of defined benefit plans are as follows:

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

26. Retirement benefit schemes (continued)

Movements in the present value of defined benefit obligations:

	2023	2022
	£	£
Liabilities at 1 October	11,470,000	17,241,000
Benefits paid and expenses	(685,000)	(548,000)
Actuarial (losses) / gains	(1,051,000)	(5,544,000)
Experience gain and losses	258,000	(18,000)
Interest cost	579,000	339,000
At 30 September	10,571,000	11,470,000

The defined benefit obligations arise from plans which are wholly or partly funded.

Movements in the fair value of plan assets:

	2023	2022
	£	£
Fair value of assets at 1 October	11,470,000	17,241,000
Interest income	718,000	387,000
Return on plan assets (excluding amounts included in net interest)	(1,383,000)	(5,269,000)
Benefits paid and expenses	(685,000)	(548,000)
Contributions by the employer	-	13,000
Surplus not recognised	521,000	(354,000)
Administrative expenses paid from plan assets	(70,000)	-
At 30 September	10,571,000	11,470,000

Amounts recognised in the Consolidated statement of financial activities:

	2023	2022
	£	£
<i>Recognised within Income and expenditure account:</i>		
Contributions (paid) by the employer	-	(13,000)
	2023	2022
	£	£
<i>Recognised within Other gains and losses:</i>		
Actual return on scheme assets	(1,383,000)	(5,269,000)
Actuarial changes related to obligations	1,314,000	5,208,000
	(69,000)	(61,000)

The actual return on the scheme assets over the year ending 30 September 2023 was a £665,000 decrease (2022: £4,882,000 decrease).

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

26. Retirement benefit schemes (continued)

The fair value of plan assets at the reporting date was as follows:

	2023	2022
	£	£
Cash	299,000	326,000
Equity instruments	781,000	1,059,000
Debt instruments	5,091,000	5,525,000
Other	6,597,000	7,278,000
	<u>12,768,000</u>	<u>14,188,000</u>

None of the fair values of the assets shown above include any of the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

Key assumptions

	2023	2022
	%	%
Discount rate	5.7	5.2
Expected rate of salary increases	3.5	3.8
Inflation (RPI : CPI)	<u>3.5 : 2.5</u>	<u>3.8 : 2.8</u>

Mortality assumptions

The mortality assumptions adopted at 30 September imply the following life expectancies on retirement at age 65:

	2023	2022
	Years	Years
Retiring today		
Males	22.1	22.8
Females	<u>24.0</u>	<u>24.6</u>
Retiring in 20 years		
Males	23.7	24.5
Females	<u>25.5</u>	<u>26.1</u>

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

27. Restricted funds

Group and Charity

	Balance at 1 October 2022 £	Incoming resources £	Resources expended £	Transfers £	Revaluations gains and losses £	Balance at 30 September 2023 £
Movement in funds						
West Dean Scholarship Fund	1,559,527	229,586	(161,577)	-	27,550	1,655,086
Other	303,357	-	-	(10,777)	-	292,580
	<u>1,862,884</u>	<u>229,586</u>	<u>(161,577)</u>	<u>(10,777)</u>	<u>27,550</u>	<u>1,947,666</u>

	Balance at 1 October 2021 £	Incoming resources £	Resources expended £	Transfers £	Revaluations gains and losses £	Balance at 30 September 2022 £
Movement in funds						
West Dean Scholarship Fund	1,619,199	186,103	(173,184)	-	(72,591)	1,559,527
Other	307,970	869	-	(5,482)	-	303,357
	<u>1,927,169</u>	<u>186,972</u>	<u>(173,184)</u>	<u>(5,482)</u>	<u>(72,591)</u>	<u>1,862,884</u>

West Dean Scholarship Fund

The Fund was established to provide bursaries and scholarships for students attending courses at West Dean College. The Fund's capital is invested in quoted investments and its income is derived from this source, as well as from donations, grants and legacies. The Fund is analysed between Restricted and Designated funds, according to whether the use of the original income was specifically restricted by the donor or whether it was determined by the Trustees of the Foundation.

Other restricted funds

Other restricted funds comprise grants and donations received for specific purposes other than to provide bursaries and scholarships for students attending courses at West Dean College. Such grants and donations are held as restricted funds until the terms of the original restriction are satisfied, following which a transfer to unrestricted or designated funds (as appropriate) takes place.

The Edward James Foundation Limited
(a company limited by guarantee; Company Registration No. 06689362)

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

28. Unrestricted funds

Group

	Balance at 1 October 2022 £	Incoming resources £	Movement in funds			Balance at 30 September 2023 £
			Resources expended £	Gains/ (losses) £	Transfers £	
General unrestricted funds	8,100,000	14,193,514	(17,064,767)	27,199	3,529,054	8,785,000
Pension reserve (note 26)	-	-	-	-	-	-
	<u>8,100,000</u>	<u>14,193,514</u>	<u>(17,064,767)</u>	<u>27,199</u>	<u>3,529,054</u>	<u>8,785,000</u>
Designated funds						
Freehold property (charitable use)	17,360,002	-	-	-	-	17,360,002
Chattels (charitable use)	12,364,220	-	-	-	-	12,364,220
Investment properties	100,378,575	-	-	221,139	(3,518,277)	97,081,437
Quoted investments	204,134	-	-	19,872	-	224,006
West Dean Scholarship Fund	1,187,074	-	(142,417)	-	-	1,044,657
Vision 2030	5,573,875	-	(269,572)	-	-	5,304,303
	<u>137,067,880</u>	<u>-</u>	<u>(411,989)</u>	<u>241,011</u>	<u>(3,518,277)</u>	<u>133,378,625</u>
Total	<u>145,167,880</u>	<u>14,193,514</u>	<u>(17,476,756)</u>	<u>268,210</u>	<u>10,777</u>	<u>142,163,625</u>

	Balance at 1 October 2021 £	Incoming resources £	Movement in funds			Balance at 30 September 2022 £
			Resources expended £	Gains/ (losses) £	Transfers £	
General unrestricted funds	7,750,000	13,084,649	(15,399,844)	-	2,665,195	8,100,000
Pension reserve (note 26)	-	-	-	-	-	-
	<u>7,750,000</u>	<u>13,084,649</u>	<u>(15,399,844)</u>	<u>-</u>	<u>2,665,195</u>	<u>8,100,000</u>
Designated funds						
Freehold property (charitable use)	15,290,002	-	-	-	2,070,000	17,360,002
Chattels (charitable use)	12,364,220	-	-	-	-	12,364,220
Investment properties	103,788,336	-	-	1,319,952	(4,729,713)	100,378,575
Quoted investments	1,256,860	-	-	(1,052,726)	-	204,134
West Dean Scholarship Fund	1,401,655	-	(109,498)	(105,083)	-	1,187,074
Vision 2030	6,167,039	-	(593,164)	-	-	5,573,875
	<u>140,268,112</u>	<u>-</u>	<u>(702,662)</u>	<u>162,143</u>	<u>(2,659,713)</u>	<u>137,067,880</u>
Total	<u>148,018,112</u>	<u>13,084,649</u>	<u>(16,102,506)</u>	<u>162,143</u>	<u>5,482</u>	<u>145,167,880</u>

The Edward James Foundation Limited
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Notes to the Financial Statements (continued)
For the year ended 30 September 2023

28. Unrestricted funds (continued)

Charity

	Balance at 1 October 2022 £	Incoming resources £	Resources expended £	Gains/ (losses) £	Transfers £	Balance at 30 September 2023 £
Movement in funds						
General unrestricted funds	8,076,455	14,193,514	(17,064,767)	27,199	3,529,054	8,761,455
Pension reserve (note 26)	-	-	-	-	-	-
	<u>8,076,455</u>	<u>14,193,514</u>	<u>(17,064,767)</u>	<u>27,199</u>	<u>3,529,054</u>	<u>8,761,455</u>
Designated funds						
Freehold property (charitable use)	17,360,002	-	-	-	-	17,360,002
Chattels (charitable use)	12,364,220	-	-	-	-	12,364,220
Investment properties	100,378,575	-	-	221,139	(3,518,277)	97,081,437
Quoted investments	204,134	-	-	19,872	-	224,006
West Dean Scholarship Fund	1,187,074	-	(142,417)	-	-	1,044,657
Vision 2030	5,573,873	-	(269,572)	-	-	5,304,301
	<u>137,067,878</u>	<u>-</u>	<u>(411,989)</u>	<u>241,011</u>	<u>(3,518,277)</u>	<u>133,378,623</u>
Total	<u>145,144,333</u>	<u>14,193,514</u>	<u>(17,476,756)</u>	<u>268,210</u>	<u>10,777</u>	<u>142,140,078</u>

	Balance at 1 October 2021 £	Incoming resources £	Resources expended £	Gains/ (losses) £	Transfers £	Balance at 30 September 2022 £
Movement in funds						
General unrestricted funds	7,726,455	13,084,649	(15,399,844)	-	2,665,195	8,076,455
Pension reserve (note 26)	-	-	-	-	-	-
	<u>7,726,455</u>	<u>13,084,649</u>	<u>(15,399,844)</u>	<u>-</u>	<u>2,665,195</u>	<u>8,076,455</u>
Designated funds						
Freehold property (charitable use)	15,290,002	-	-	-	2,070,000	17,360,002
Chattels (charitable use)	12,364,220	-	-	-	-	12,364,220
Investment properties	103,788,336	-	-	1,319,952	(4,729,713)	100,378,575
Quoted investments	1,256,860	-	-	(1,052,726)	-	204,134
West Dean Scholarship Fund	1,401,655	-	(109,498)	(105,083)	-	1,187,074
Vision 2030	6,167,039	-	(593,166)	-	-	5,573,873
	<u>140,268,112</u>	<u>-</u>	<u>(702,664)</u>	<u>162,143</u>	<u>(2,659,713)</u>	<u>137,067,878</u>
Total	<u>147,994,567</u>	<u>13,084,649</u>	<u>(16,102,508)</u>	<u>162,143</u>	<u>5,482</u>	<u>145,144,333</u>

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

28. Unrestricted funds (continued)

Freehold property (charitable use)

The fund represents those freehold properties which are essential for the provision of the Foundation's charitable activities. The transfer during the year represents net capital expenditure predominantly on the roof project which forms part of Vision 2030.

Chattels (charitable use)

The fund represents the artworks which are considered essential to the provision of the Foundation's charitable activities.

Investment property

The fund represents investment assets essential for the generation of investment income required to support the charitable activities. Transfers in the year ended 30 September 2022 represented refurbishments to cottages across the estate which forms part of Vision 2030.

Quoted investments

The fund represents the quoted investments which are essential for the generation of investment income required to support the charitable activities.

West Dean Scholarship Fund

The fund was established to provide bursaries and scholarships for students attending courses at West Dean College. The Fund's capital is invested in quoted investments and its income is derived from this source, as well as from donations, grants and legacies. The Fund is analysed between Restricted and Designated funds, according to whether the use of the original income was specifically restricted by the donor or whether it was determined by the Trustees of the Foundation. When awards are made, a transfer to unrestricted funds takes place.

Vision 2030

The fund was established in 2016/17 in anticipation of major capital expenditure arising from Vision 2030. It comprises proceeds from the disposal of financial investments, chattels and land and buildings. When Vision 2030 expenditure is incurred, a transfer between funds takes place. Transfers in the year ended 30 September 2022 related to expenditure on the roof project (within Freehold property) and cottage refurbishments (within Investment property).

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

29. Analysis of net assets between funds

Analysis of net assets between funds

	2023	2023	2023
	Unrestricted	Restricted	Total
	funds	funds	funds
	£	£	£
Fund balances at 30 September 2023 are represented by:			
Intangible assets	486,541	-	486,541
Tangible assets	34,443,242	20,000	34,463,242
Property investments	104,449,246	-	104,449,246
Financial investments	11,763,289	951,720	12,715,009
Net current (liabilities) / assets	(1,713,078)	975,946	(737,132)
Creditors > 1 year	(7,265,615)	-	(7,265,615)
	<u>142,163,625</u>	<u>1,947,666</u>	<u>144,111,291</u>

Analysis of net assets between funds

	2022	2022	2022
	Unrestricted	Restricted	Total
	funds	funds	funds
	£	£	£
Fund balances at 30 September 2022 are represented by:			
Intangible assets	542,878	-	542,878
Tangible assets	34,235,203	20,000	34,255,203
Property investments	103,620,375	-	103,620,375
Financial investments	14,716,220	924,170	15,640,390
Net current (liabilities) / assets	(326,627)	918,714	592,087
Creditors > 1 year	(7,585,842)	-	(7,585,842)
Provisions for liabilities	(34,327)	-	(34,327)
	<u>145,167,880</u>	<u>1,862,884</u>	<u>147,030,764</u>

30. Capital commitments

At 30 September, the Group had capital commitments, contracted for but not provided in the Financial statements, as follows:

	2023	2022
	£	£
Relating to insurance claims	154,041	-
Software	12,825	-
Conversion / refurbishment of student accommodation	-	263,599
	<u>166,866</u>	<u>263,599</u>

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Notes to the Financial Statements (continued)
For the year ended 30 September 2023

31. Commitments under operating leases

Lessee

At 30 September, the Group and Charity had future minimum lease payments under non-cancellable operating leases:

	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£	£	£	£
Not later than 1 year	508,479	591,459	508,479	591,459
Later than 1 year and not later than 5 years	36,979	502,580	36,979	502,580
	545,458	1,094,039	545,458	1,094,039

Lessor

At 30 September, the Group and Charity had future minimum lease payments under non-cancellable operating leases relating to residential investment properties:

	2023	2022
	£	£
Not later than 1 year	208,633	222,035

The Group and Charity also leases out commercial investment properties however, due to the rental income derived from these being linked to various market factors, they are deemed to be contingent rents and so excluded from the above.

32. Subsidiaries

These consolidated Financial statements include the results of the Group's wholly owned subsidiaries:

Name of undertaking	Country of incorporation or residency	Nature of business	Class of shareholding	% held 2023		% held 2022	
				direct	indirect	direct	indirect
West Dean Limited	England	Gardens shop and restaurant; conference and event management	Ordinary £1	100.00	-	100.00	-
KLC Limited	England	Prior to acquisition by the Group on 31 July 2021, it operated a school of design.	Ordinary £1	100.00	-	100.00	-

The trading activities of West Dean Limited utilise spare capacity in the Charitable company's land and buildings to generate profits which can then be donated to the Charitable company to support its objects. The Charitable company holds 3 shares representing the 100% holding.

Notes to the Financial Statements (continued)
For the year ended 30 September 2023

32. Subsidiaries (continued)

A summary of the results is given below:

West Dean Limited

	2023	2022
	£	£
Income/Gains	1,411,755	1,013,622
Expenditure	(1,114,145)	(925,207)
Net income	<u>297,610</u>	<u>88,415</u>
 Total funds brought forward	 <u>23,544</u>	 <u>23,544</u>
Total funds carried forward	<u><u>23,544</u></u>	<u><u>23,544</u></u>

	2023	2022
	£	£
Paid to The Edward James Foundation Limited	89,132	102,286
Owed from The Edward James Foundation Limited	<u><u>27,998</u></u>	<u><u>34,943</u></u>

KLC Limited

KLC Limited did not generate any income or incur any costs since being acquired by The Edward James Foundation Limited on 31 July 2021.

	2023	2022
	£	£
Owed from The Edward James Foundation Limited	920	920

The Edward James Foundation Limited
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Notes to the Financial Statements (continued)
For the year ended 30 September 2023

33. Cash flows from operating activities

	2023	2022
	£	£
Net expenditure for the year	(2,850,473)	(2,853,517)
Adjustments for:		
Gain on disposal of investments	(221,999)	(70,496)
Revaluation of investments	(73,761)	(19,056)
Depreciation and impairment of tangible fixed assets	699,326	619,345
Amortisation of Goodwill	61,467	61,465
Surplus on disposal of tangible fixed assets	-	(49,267)
Movement on defined pension scheme recognised in the Statement of financial activities	(69,000)	(61,000)
Movements in working capital:		
(Increase) / decrease in stocks	(1,154)	11,329
Decrease / (increase) in debtors	451,515	(169,373)
(Decrease) / increase in creditors	(2,155,727)	155,562
(Decrease) in provisions	(34,327)	(46,927)
Cash used by operations	<u>(4,194,133)</u>	<u>(2,421,935)</u>

34. Analysis of cash and cash equivalents

As at 30 September, the Group held cash and cash equivalents:

	2023	2022
	£	£
Cash in hand	2,398,893	5,424,839
Total cash and cash equivalents	<u>2,398,893</u>	<u>5,424,839</u>

35. Analysis of changes in net debt

	Balance at 1 October 2022 £	Cash-flows £	Balance at 30 September 2023 £
Cash	5,424,839	(3,025,946)	2,398,893
	<u>5,424,839</u>	<u>(3,025,946)</u>	<u>2,398,893</u>
Loans falling due within one year	(317,587)	(8,641)	(326,228)
Loans falling due after more than one year	(7,585,842)	320,227	(7,265,615)
Total	<u>(2,478,590)</u>	<u>(2,714,360)</u>	<u>(5,192,950)</u>

36. Events after the end of the reporting period

In the period between 30 September 2023 and the date these financial statements were signed, the Charity served notice to terminate the lease on a property it rents in Chelsea Harbour (London) and entered into a new 15 year lease for a property in Bloomsbury (London). As a result, rent related payments are expected to be lower over each of the next five years than those incurred during the year ended 30 September 2023.

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Notes to the Financial Statements (continued)
For the year ended 30 September 2023

37. Comparative consolidated statement of financial activities

	Unrestricted Fund £	Restricted Fund £	Total 2022 £
Income from:			
Donations and legacies	17,760	176,777	194,537
Income from charitable activities	9,140,527	-	9,140,527
Income from trading activities	1,277,410	-	1,277,410
Investment income			
- Properties	2,423,624	-	2,423,624
- Financial investments	225,328	10,195	235,523
Total income	13,084,649	186,972	13,271,621
Expenditure on			
Raising funds			
- Fundraising cost	74,353	-	74,353
- Trading costs	1,667,659	-	1,667,659
- Property investment management	1,713,894	-	1,713,894
- Financial investment management	33,638	-	33,638
Charitable activities	12,551,962	173,184	12,725,146
Total resources expended	16,041,506	173,184	16,214,690
Net gain / (loss) on investments	162,143	(72,591)	89,552
Net outgoing resources before transfers	(2,794,714)	(58,803)	(2,853,517)
Transfers between funds	5,482	(5,482)	-
Net expenditure for the year	(2,789,232)	(64,285)	(2,853,517)
Other recognised gains and losses			
Actuarial loss on defined benefit pension schemes	(61,000)	-	(61,000)
Net movement in funds	(2,850,232)	(64,285)	(2,914,517)
Fund balances at			
1 October	148,018,112	1,927,169	149,945,281
Fund balances at			
30 September	145,167,880	1,862,884	147,030,764

The Edward James Foundation Limited
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Reference and administrative information
For the year ended 30 September 2023

Charity name and number

The Edward James Foundation Limited:
Registered Charity Number 1126084, Company Number 6689362

Registered office

Estate office
West Dean
Chichester
West Sussex
PO18 0QZ

Trustees

The following Trustees served during the period under report:

Professor Paul O'Prey CBE ^{1 2 3 4 5 6}	(Chair)
Dr Ghazwa Alwani-Starr ²	Appointed 9 December 2022
Martin Ashley MVO RIBA ³	
Naomi Davenport ²	Appointed 9 December 2022
Kevin Edgeley CFA	Appointed 7 December 2023
Caroline Griffith ^{1 4 6}	
Professor Nigel Llewellyn PhD FSA ^{2 5 6}	(Deputy Chair)
Mike McCart ^{3 5 6}	
Francis Plowden FCA ^{1 2 3 4 5 6}	(Deputy Chair)
Alison Richmond ACR FIIC ⁷	Retired 19 October 2023
Yen-Yen Teh RIBA	Appointed 7 December 2023

¹ Member of Finance and Audit Committee

² Member of Education Committee

³ Member of Estate Committee

⁴ Member of Remuneration Committee

⁵ Member of Urgent Situations Committee

⁶ Member of Nominations & Governance Committee

⁷ Member of Equality, Diversity and Inclusivity Steering Committee

Chief Executive

Alexander Barron ACA FRSA

The Edward James Foundation Limited
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Professional advisers
For the year ended 30 September 2023

Legal	Stone King LLP 13 Queen Square, Bath, Somerset. BA1 2HJ Withers LLP 16 Old Bailey, London. EC4M 7EG Shakespeare Martineau LLP Bridgeway House, Bridgeway, Stratford upon Avon. CV37 6YX
Bankers	National Westminster Bank 5 East Street, Chichester, West Sussex. PO19 1HH Santander UK plc 2 Triton Square, Regent's Place, London. NW1 3AN
Auditors	Moore Kingston Smith 9 Appold Street, London. EC2A 2AP
Insurance brokers	Willis Towers Watson The Anchorage, 34 Bridge Street, Reading. RG1 2LU
Investment managers/advisers	Mercer Limited 1 Tower Place West, Tower Place, London. EC3R 5BU
Estate managers	Savills Exchange House, Petworth, West Sussex, GU28 0BF Tod Anstee Limited The Old Coach House, 14 West Pallant, Chichester, West Sussex, PO19 1TB
Pensions administrators	Mercer Tower Place, London, EC3R 5BU Scottish Widows Plc 15 Dalkeith Road, Edinburgh, EH16 5BU National Employment Savings Trust Corporation ("NEST") Riverside House, Southwark Bridge Road, London, SE1 9HA Legal and General One Coleman Street, London. EC2R 5AA