

REGISTERED CHARITY NUMBER: 517907

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021
FOR
THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

Harwoods
(Statutory auditor)
1 Trinity Place
Midland Drive
Sutton Coldfield
West Midlands
B72 1TX

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

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FOR THE YEAR ENDED 31 AUGUST 2021**

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**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES	Mrs J L Davis Mr A O'Brien (resigned 12.10.2020) Mr D Carter Chairman Mr P Arkinstall (resigned 12.10.2020) Mr R Baizley (resigned 12.10.2020) Mr P Sheriff (resigned 12.10.2020) Mrs A Wesson (resigned 12.10.2020) Mr I Myatt (resigned 12.10.2020) Mrs R Heitmar (resigned 12.10.2020) Mr M Qureshi (resigned 12.10.2020) Mr M Maybury (resigned 12.10.2020) Mr D Robson Mr A Robinson (appointed 12.10.2020) Mr M King (appointed 12.10.2020) Mr R Bhandal (appointed 7.9.2020) (resigned 12.10.2020)
PRINCIPAL ADDRESS	Lichfield Road Sutton Coldfield West Midlands B74 2NH
REGISTERED CHARITY NUMBER	517907
AUDITORS	Harwoods (Statutory auditor) 1 Trinity Place Midland Drive Sutton Coldfield West Midlands B72 1TX
SOLICITORS	Eddows Perry Osbourne 46 High Street Sutton Coldfield B72 1UL Browne Jacobson Victoria Square House Victoria Square Birmingham B2 4BU
ADVISERS	Quilter Cheviot Two Snowhill Birmingham B4 6GA

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the Foundation Charity are:

After payment of any expenses of administration, the net income of the Foundation shall be applied by the Trustees in one or more of the following ways:

- (a) the provision of a site in Sutton Coldfield for the School.
- (b) in providing special benefits for the School of a kind not normally provided by public funds.
- (c) in awarding to pupils who are attending or who have attended the School, exhibitions tenable at the school or at any training college for teachers, university or other institution of further (including professional and technical) education approved by the Trustees.
- (d) in providing financial assistance, outfits, clothing, tools, instruments or books to enable pupils and former pupils of the School, on leaving the School or other educational institution to prepare for, or to assist in their entry into a profession, trade or calling.
- (e) in otherwise promoting the education including social and physical training of pupils and former pupils of the school.

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

OBJECTIVES AND ACTIVITIES

Significant activities

(a) The Foundation Charity owns the land and buildings on Lichfield Road which are occupied by the Academy. The Foundation Charity have supported the proposed new Learning Resource Centre having resolved to allocate up to £300,000 of income funds to the project. £220,539 of income funds have been used to date to support the early stages of the project and further income funds will be used to support further pre construction costs and fees. The Charity had also initially gained approval from the Charity Commission to use up to £1,500,000 of permanent endowment funds to support the development.

The construction phase of the Learning Resource Centre Project will start before 2023 as additional funds will have to be raised. The Charity has now agreed to allocate both income and permanent endowment funds to support the new interim infrastructure plans associated with expansion of the Academy. This has included making an application to the Charity Commission to use up to £400,000 of the permanent endowment funds if required.

The Charity donated £200,000 towards the cost of a new Food Technology Room, a new Biology Science Laboratory, development of a new classroom, a refurbished Computer Rich Classroom and a Study Support Room. These were funds specifically donated by parents and alumni to the Inspiration and Excellence Fund.

(b)(i) The Foundation Charity maintains the Inspiration and Excellence Fund which receives regular donations from pupils' families and other supporters of the school.

During a normal year, the Inspiration and Excellence Fund support a range of activities including:

- Out of hours' extra-curricular activities such as music, rugby and school trips
- Hockey and netball coaching
- Supporting continued development of school rowing
- Supporting further development of Vesey Music

Unfortunately, due to the covid-19 pandemic extra-curricular activities have been subject to relevant restrictions in the last academic year.

(b) (ii) The Foundation Charity makes £2,500 available each year to support staff welfare; In 2019-20 £2,801 was spent on the BHSF Rise Support Package and a small gift for all staff as a recognition of additional work undertaken during the Pandemic. The Charity also provides £15,000 of funding from its Inspiration and Excellence Fund for the 'Staff Reward Scheme' which provides funding to staff who are supporting extra-curricular activities on and off-site. In 2020-21 the Foundation Charity donated £7,500 to the Enrichment Fund for the Academy to support clubs and activities undertaken by students. The Foundation Charity also donated £4,240 for a range of workshops across the school for Personal, Social, Health, and Economic (PHSE) Education.

(c) The Foundation Charity provides prizes and trophies for the Main School Presentation evening in July and school Speech Day in December each year. These events celebrate the success of current and former pupils of the Academy. In 2020-21 the actual costs were £2,195. The Foundation Charity also funds the updating and maintenance of the prize boards in school. In 2020-21 the actual costs were £1,740.

(d) The Foundation Charity have not received any applications from pupils or former pupils for this type of funding in the past year.

(e) In addition to the activities funded by the Inspiration and Excellence Fund outline at (b)(i) above, the Academy also operated a Lettings Policy which enables the school facilities to be used by local organisations in return for a fee. The Academy also actively engages with alumni of the school through its dedicated alumni website. Due to the Covid-19 Pandemic the number of Lettings has not yet reached its optimum level however this is increasing and will be achieved in 2021-22.

Public benefit

The Trustees have had due regard to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011 when exercising their powers and duties under the objects of the Foundation Charity.

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The achievement and successes of the Foundation Charity are reflected in the achievement and performance of the Academy. It supports the Academy's vision which is to offer inspiration and excellence through offering 'the Vesey Experience':

- Inspirational teaching and outstanding learning
- Academic excellence, a spirit of enquiry and curiosity
- Enrichment opportunities building leadership, independence and resilience- A warm outward-looking community, celebrating diversity and supporting others.

The Academy is a very special place, providing an outstanding, academically challenging and well-rounded education for able students from Birmingham and across the Midlands since the 16th Century. The Academy's academic profile is comfortably in the top fifty schools nationally: 92% A*-B (A level, 2021), with 79% of all grades at GCSE being achieved as 9-7 (GCSE, 2021) with 100% of students gaining 5 or more GCSE's at Grade 9-4. Just under three quarters of its students leave at 18 to study at the prestigious Russell Group universities. At the same time, its extra-curricular provision is first-rate, wide-ranging and of national renown.

The happiness and safety of every student are of paramount importance to all staff. The Academy takes the time to get to know every student and their individual needs.

The Academy's success is founded on the commitment of very well qualified staff to high standards, outstanding behaviour, outstanding teaching and learning.

Students learn the skills they need to thrive in the 21st Century. The Academy encourages creativity and team-working and promotes intellectual rigour, problem solving and independence.

The Foundation Charity supports the Academy to provide students with exciting and memorable opportunities including national level coaching in singing, hockey, rugby, rowing, tennis and netball. The Academy also benefits from a large team of highly qualified and dedicated peripatetic music teachers. Students are also able to participate in the Duke of Edinburgh scheme.

The Academy is not inward looking and service to others is something the Academy values. The students are endlessly devising ways to raise money for other charities. Whilst the Academy is fun there is no doubting the seriousness of the Academy's moral purpose.

The curriculum provision at the Academy goes significantly beyond the national prescriptions to offer challenge to the Gifted and Talented who are encouraged to pursue their passion for study to reach levels of achievement well- in advance of expected norms.

The Academy has an increasing number of contacts with university departments and seeks to build partnerships to raise aspirations for students who will progress to degree courses at top universities.

The Academy was judged "Outstanding" by Ofsted in October 2014 "Teachers communicated a passion for their subject inspiring their students to want to learn more.... standards are consistently amongst the highest in the country. Students are provided with a wealth of opportunities that enable them to excel" - OFSTED 2014.

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

FINANCIAL REVIEW

Investment policy and objectives

The Permanent Endowment of the Foundation Charity consists of the assets arising from the original endowment from Bishop Vesey in 1527. Over the years, much of the original endowment of land and properties have been sold and the proceeds used to buy the current land and buildings occupied by the Academy and otherwise invested to generate an income which is used to further the objects of the Foundation Charity.

As at 31 August 2021 the assets in the Permanent Endowment and Restricted Fixed Asset funds were:

- The land and buildings occupied by the Academy in Lichfield Road, Sutton Coldfield
- The freehold reversion of 4 houses in Sutton Coldfield (1 freehold sold to the tenant in October 2019) - 21 Acres of farmland at Lindridge Road Sutton Coldfield
- 75 Honeyborne Road (currently occupied by an Academy employee)
- Investments managed as a discretionary portfolio by Quilter Cheviot valued at £3,432,239 which is an increase of £512,393 since August 2020 - Incl Cash Funds of £27,056.

The Academy does not pay any rent or licence fee for the use of the Land and Buildings in recognition of the School's objective of being established for the public benefit.

The investments held with Quilter Cheviot were overseen by the Foundation Charity's Income and Investments Committee at the start of 2020-21 who had a moderate to high risk appetite and policy for investment in order to maximise the return on the investments. The Board of Trustees now oversees the investments. The Board has maintained its target of generating an annual income of £100,000, which was slightly under-achieved by an income of £97,610 in the year ending 31 August 2021. This income is unrestricted income and is expended by the Trustees in pursuance of the objects of the Charity.

Stem Block Funding

The School initiated the Growing Vesey Growing Minds Campaign in 2014 to build a new STEM Block. Fundraising totalled £1,010,233 in 2014/15 and the school was also successful with a Condition Improvement Fund Bid to the ESFA for £2,000,000. The construction of the new STEM Block for the Academy was completed in 2016 and has contributed significantly to the teaching of STEM subjects in the Academy and has facilitated the space required in accordance with the Academy's expansion plans set out in 2015. Due to project delay and variation there was an unavoidable overspend of £259,174. The Trustees of the Foundation Charity agreed to fund this overspend and in April 2018 the Charity Commission gave the Foundation Charity permission to spend up to £300,000 of the Permanent Endowment to fund this. £259,174 was transferred to the Academy from cash funds reserved for this purpose and the remaining £40,826 was held in reserve against any shortfall in donors not fulfilling their fundraising covenants.

The overspend of £259,174 was funded by the sale of the freehold of a house (£24,500), the accrued returned funds from the cashflow facility (£109,826) and endowment funds held as cash (£124,848) so investments held with Quilter Cheviot did not need to be accessed and the unrestricted income from the investments is unaffected.

Donors continued to pay their donations into the STEM Block fund until July 2020. As at 31 August 2021 £14,753 was outstanding and the shortfall was £14,753. This shortfall is comfortably covered by the £40,826 held in reserve above.

All monies received into this fund are treated as restricted and will be transferred to the Permanent Endowment invested with Quilter Cheviot to repay the £250,000 cashflow facility which was provided by the Trustees in July 2016.

No further donations are to be received and the Bank Account for this funding was closed on 31st March 2021.

Property income

The rental income from the houses and the Farmland is minimal (£913) as the houses have been let on long leases governed by the Leasehold Reform Act 1957. This income is likely to decrease over time as freeholds are sold to the tenants upon request. Any funds generated by the sale of the house freeholds or the Farmland are treated as Endowment Funds and will be added to the portfolio with Quilter Cheviot in order to generate further income for the Charity. No Freeholds were sold in 2020-21.

Inspiration and Excellence Fund

Donations from parents and supporters of the school continue each year and the fund received £72,777 in 2020-21. Expenditure from the fund on charitable activities was £218,306.

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

FINANCIAL REVIEW

Reserves policy

The trustees review the reserve levels of the Foundation Charity annually. This review takes into account the total amount of uncommitted funds available together the current and future forecast levels of income and expenditure. The current Reserves Policy requires a minimum of £50,000 of unrestricted funds (from Investment income and from Inspiration and Excellence Funds) to be held as contingency in reserve.

The Foundation Charity was holding free reserves at 31st August 2021 of £261,072 which represented an excess of reserves. Up to £300,000 has been allocated to support the Learning Resource Centre which will substantially reduce the reserves held by the Foundation Charity in future years to a level in line with the Reserves Policy. Surplus reserves will be made available to provide financial support for the future plans of the school outlined below, thus reducing the demand on the use of Permanent Endowment Funds.

The amount of restricted reserves are £1,783,444

The amount of endowment funds are £3,475,850

The total funds held are £5,520,366.

FUTURE PLANS

The Foundation Charity will continue to support the vision and ethos of the Academy to help it achieve its ambitions set out in its School Development Plan each year.

The Foundation Charity support proposals by the Academy to refurbish existing buildings and develop new spaces to accommodate the school expansion over the next few years. The Trustees have agreed to support these projects with a donation of £270,000 from the Inspiration and Excellence Fund and have applied to the Charity Commission to use up to £400,000 of Permanent Endowment Funds to support the projects.

The Trustees have taken on board the learning from the development of the STEM Block (and its consequent overspend) and have ensured that the Academy is fully supported by professionals at every stage of the process.

The Foundation Charity will continue to use the Inspiration and Excellence Fund to support Academy initiatives including:

- The continuing development of ICT within the Music Department supporting Curriculum bids from individual departments.
- Supporting Student Seminars for Mental Health and Drugs Awareness- Supporting Student First Aid Courses.
- The Foundation Charity will continue to provide financial support to pupils affected by disadvantage.

The Trustees will continue to review the governance of the Academy and the Foundation Charity to ensure that each organisation is compliant with the principles of good governance set out in guidance from the Charity Commission.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

On 1 May 1957 the Minister for Education established a new scheme for the Foundation and its endowment and this scheme forms the Governing Document of the Foundation Charity.

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

Bishop Vesey's Grammar School was founded in 1527 by John Harman (otherwise known as Vesey) a native of Sutton Coldfield. Vesey was Bishop of Exeter and was a close advisor to King Henry VIII. In the original Foundation Deed, Vesey gave the yearly rent of £7 payable out of some properties and land in Sutton Coldfield to 21 private trustees to pay a fit person to teach grammar and rhetoric to local boys. Over the years the school evolved and became a Voluntary Aided School within the City of Birmingham supported by the assets and endowment held by the Foundation Charity of the same name.

The Foundation Charity was registered with the Charity Commission on 8 September 1986.

The School became an Academy on 1 April 2012. Academy status gives the Governors of the School more flexibility in deciding the School curriculum, the number of pupils admitted to the School in different years and the terms of employment of staff (subject to Employment Law). The Government funds the day to day running of the School, including the payment of salaries, books, equipment, heating, internal repairs etc. These monies are kept entirely separate from the Foundation Charity's funds and do not form part of these accounts.

The 1957 Order establishing the scheme was modified by a new Order dated 1 April 2012 to take account of the School's new status as an Academy.

Until October 2020, The Academy and the Foundation Charity were both known as Bishop Vesey's Grammar School. In order to distinguish between the two, the Charity changed its name in October 2020 to 'The Foundation Charity of Bishop Vesey's Grammar School' and its governance structure was changed to demonstrate its independence from the management of the School.

Recruitment and appointment of new trustees

In accordance with clause 4 of the 1957 Order (as amended by the 2012 Order and the resolution dated 12 October 2020), the number of Trustees shall be not less than 5. The head teacher and Chair of Governors of the Academy are automatically appointed ex-officio. Trustees of the Foundation Charity are otherwise appointed by the Trustees for the time being. The Board has regard to the regular skills analysis carried out by the Board when making these appointments and seeks to fill any gaps in its skills or knowledge.

Organisational structure

The Board of Trustees is responsible for all major decisions about the Foundation Charity and for setting all policies for the Charity.

Decision making

The Trustees meet as a board at least once per term and have established an Income and Investments Committee to oversee the management of the assets of the Foundation Charity and the expenditure of its income. The Income and Investments Committee meets once per term and reports to the Full Board of Trustees.

The management of the site occupied by the Academy, the STEM Block Building Fund and the Inspiration and Excellence Fund and any associated fundraising have been delegated to the Academy and the Trustees receive regular reports from the School Finance Director.

Induction and training of new trustees

The Charity has an induction programme for all new Trustees, led by the Clerk to the Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Related parties

The Foundation Charity is established to support the Academy known as Bishop Vesey's Grammar School, a company limited by guarantee, registration number 7986921. The objects and activities of the Foundation Charity are aligned with the objects and activities of the Academy which are:

- To advance for the public benefit education in the United Kingdom, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.
- Promoting facilities for recreation or other leisure time occupation in the interests of social welfare and improving the condition of life for the inhabitants of Sutton Coldfield.

Any Governors of the Academy who are also a Trustee of the Foundation Charity disclose any pecuniary or other interests which may be connected with the Academy or the Foundation Charity.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the Foundation Charity's auditor is unaware, and
- the trustees, having made enquiries of fellow trustees and the Foundation Charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the board of trustees on 19 May 2022 and signed on its behalf by:



Mr D Carter - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

Opinion

We have audited the financial statements of The Foundation Charity of Bishop Vesey's Grammar School (the 'charity') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

Our responsibilities for the audit of the financial statements

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

It is the primary responsibility of the trustees to ensure that the charity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the charity, including the legal and regulatory frameworks that the charity operates in and how the charity is complying with the legal and regulatory frameworks;
- enquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are the FRS 102, the Charities SORP and the Charities Act 2011. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements, which included:

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and assessing whether the judgements made in making accounting estimates are indicative of potential bias.
- Enquiring of management around actual and potential litigation and claims.
- Enquiring of charity's staff in compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of management.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

Use of our report

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



Harwoods
(Statutory auditor)
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West Midlands
B72 1TX

19 May 2022

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies		87,594	6,589	-	94,183	157,791
Investment income	3	124	-	105,837	105,961	100,778
Other income		-	-	-	-	29,658
Total		87,718	6,589	105,837	200,144	288,227
EXPENDITURE ON Charitable activities						
Charitable activities		261,616	44,944	21,767	328,327	131,600
Other expenditure		1,150	-	1	1,151	-
Total		262,766	44,944	21,768	329,478	131,600
Net gains/(losses) on investments		-	-	443,472	443,472	(176,813)
NET INCOME/(EXPENDITURE)		(175,048)	(38,355)	527,541	314,138	(20,186)
Transfers between funds	12	64,691	38,131	(102,822)	-	-
Net movement in funds		(110,357)	(224)	424,719	314,138	(20,186)
RECONCILIATION OF FUNDS						
Total funds brought forward		371,429	1,783,668	3,051,131	5,206,228	5,226,414
TOTAL FUNDS CARRIED FORWARD		261,072	1,783,444	3,475,850	5,520,366	5,206,228

The notes form part of these financial statements

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**BALANCE SHEET
31 AUGUST 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	7	1,783,444	1,805,742
Investments			
Investments	8	3,432,239	2,919,846
Social investments		-	-
		<u>5,215,683</u>	<u>4,725,588</u>
CURRENT ASSETS			
Debtors	9	11,499	6,532
Cash at bank and in hand		301,948	484,661
		<u>313,447</u>	<u>491,193</u>
CREDITORS			
Amounts falling due within one year	10	(8,764)	(10,553)
		<u>304,683</u>	<u>480,640</u>
NET CURRENT ASSETS		<u>304,683</u>	<u>480,640</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,520,366</u>	<u>5,206,228</u>
NET ASSETS		<u>5,520,366</u>	<u>5,206,228</u>
FUNDS	12		
Unrestricted funds		261,072	371,429
Restricted funds		1,783,444	1,783,668
Endowment funds		3,475,850	3,051,131
TOTAL FUNDS		<u>5,520,366</u>	<u>5,206,228</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 19 May 2022 and were signed on its behalf by:



Mr D Carter - Trustee

The notes form part of these financial statements

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. LEGAL STATUS OF THE CHARITY

The Foundation Charity Of Bishop Vesey's Grammar School is a Charitable unincorporated Organisation and is registered at the Charity Commission in England and Wales under charity number 517907.

The address of the charity's registered office and principal place of business can be found in the charity's information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Planned giving receivable under gift aid is recognised on when received: Income tax recoverable on gift aid donations is recognised when the income is received.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Other income includes the conversion of endowment funds into income which arises when capital funds are released to an income fund from expendable endowments. It also includes other income such as gains on disposals of tangible fixed assets.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property - 2% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

2. ACCOUNTING POLICIES - continued

Fund accounting

Endowment funds represent those assets which must be held permanently by the charity, principally leasehold properties and investments. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between the sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of financial activities in the period of disposal.

Unrealised gains and losses represent the movements in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

3. INVESTMENT INCOME

	2021	2020
	£	£
Rents received	2,494	913
Investment income	103,342	98,816
Deposit account interest	125	1,049
	<u>105,961</u>	<u>100,778</u>

4. AUDITORS' REMUNERATION

	2021	2020
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	5,160	5,040
	<u>5,160</u>	<u>5,040</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2021 nor for the year ended 31 August 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	125,324	32,467	-	157,791
Investment income	1,047	2	99,729	100,778
Other income	158	-	29,500	29,658
Total	<u>126,529</u>	<u>32,469</u>	<u>129,229</u>	<u>288,227</u>
EXPENDITURE ON				
Charitable activities				
Charitable activities	65,742	44,794	21,064	131,600
Net gains/(losses) on investments	-	-	(176,813)	(176,813)
NET INCOME/(EXPENDITURE)	<u>60,787</u>	<u>(12,325)</u>	<u>(68,648)</u>	<u>(20,186)</u>

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued	Unrestricted funds £	Restricted funds £	Endowment fund £	Total funds £
Transfers between funds	(173,219)	35,173	138,046	-
Net movement in funds	(112,432)	22,848	69,398	(20,186)
RECONCILIATION OF FUNDS				
Total funds brought forward	483,861	1,760,820	2,981,733	5,226,414
TOTAL FUNDS CARRIED FORWARD	<u>371,429</u>	<u>1,783,668</u>	<u>3,051,131</u>	<u>5,206,228</u>
 7. TANGIBLE FIXED ASSETS				
				Freehold property £
COST				
At 1 September 2020				2,458,270
Additions				22,496
At 31 August 2021				<u>2,480,766</u>
DEPRECIATION				
At 1 September 2020				652,528
Charge for year				44,794
At 31 August 2021				<u>697,322</u>
NET BOOK VALUE				
At 31 August 2021				<u>1,783,444</u>
At 31 August 2020				<u>1,805,742</u>
 8. FIXED ASSET INVESTMENTS				
				Listed investments £
MARKET VALUE				
At 1 September 2020				3,096,659
Additions				1,556,415
Disposals				(1,487,494)
At 31 August 2021				<u>3,165,580</u>
PROVISIONS				
At 1 September 2020				176,813
Revaluation adjustments				(443,472)
At 31 August 2021				<u>(266,659)</u>
NET BOOK VALUE				
At 31 August 2021				<u>3,432,239</u>
At 31 August 2020				<u>2,919,846</u>

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

8. FIXED ASSET INVESTMENTS - continued

Represented by:-

listed investments	3,432,239	2,919,846
	3,432,239	2,919,846

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other debtors	11,499	6,532
	11,499	6,532

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other creditors	8,764	10,553
	8,764	10,553

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Endowment fund £	2021 Total funds £	2020 Total funds £
Fixed assets	-	1,783,444	-	1,783,444	1,805,742
Investments	-	-	3,432,239	3,432,239	2,919,846
Current assets	266,111	-	47,336	313,447	491,193
Current liabilities	(5,039)	-	(3,725)	(8,764)	(10,553)
	261,072	1,783,444	3,475,850	5,520,366	5,206,228

12. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	99,534	(28,243)	43,572	114,863
Inspiration and excellence - designated	271,895	(146,805)	21,119	146,209
	371,429	(175,048)	64,691	261,072
Restricted funds				
Stem Block	(22,074)	6,439	15,635	-
Restricted fixed asset	1,805,742	(44,794)	22,496	1,783,444
	1,783,668	(38,355)	38,131	1,783,444
Endowment funds				
Permanent endowment	3,051,131	527,541	(102,822)	3,475,850
	5,206,228	314,138	-	5,520,366

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

12. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	17,469	(45,712)	-	(28,243)
Inspiration and excellence - designated	70,249	(217,054)	-	(146,805)
	<u>87,718</u>	<u>(262,766)</u>	<u>-</u>	<u>(175,048)</u>
Restricted funds				
Stem Block	6,589	(150)	-	6,439
Restricted fixed asset	-	(44,794)	-	(44,794)
	<u>6,589</u>	<u>(44,944)</u>	<u>-</u>	<u>(38,355)</u>
Endowment funds				
Permanent endowment	105,837	(21,768)	443,472	527,541
TOTAL FUNDS	<u><u>200,144</u></u>	<u><u>(329,478)</u></u>	<u><u>443,472</u></u>	<u><u>314,138</u></u>

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.20 £
Unrestricted funds				
General fund	255,124	(10,220)	(145,370)	99,534
Inspiration and excellence - designated	228,737	71,007	(27,849)	271,895
	<u>483,861</u>	<u>60,787</u>	<u>(173,219)</u>	<u>371,429</u>
Restricted funds				
Stem Block	(69,574)	32,470	15,030	(22,074)
Restricted fixed asset	1,830,394	(44,795)	20,143	1,805,742
	<u>1,760,820</u>	<u>(12,325)</u>	<u>35,173</u>	<u>1,783,668</u>
Endowment funds				
Permanent endowment	2,981,733	(68,648)	138,046	3,051,131
TOTAL FUNDS	<u><u>5,226,414</u></u>	<u><u>(20,186)</u></u>	<u><u>-</u></u>	<u><u>5,206,228</u></u>

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

12. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	21,090	(31,310)	-	(10,220)
Inspiration and excellence - designated	105,439	(34,432)	-	71,007
	<u>126,529</u>	<u>(65,742)</u>	<u>-</u>	<u>60,787</u>
Restricted funds				
Stem Block	32,470	-	-	32,470
Restricted fixed asset	(1)	(44,794)	-	(44,795)
	<u>32,469</u>	<u>(44,794)</u>	<u>-</u>	<u>(12,325)</u>
Endowment funds				
Permanent endowment	129,229	(21,064)	(176,813)	(68,648)
	<u>129,229</u>	<u>(21,064)</u>	<u>(176,813)</u>	<u>(68,648)</u>
TOTAL FUNDS	<u><u>288,227</u></u>	<u><u>(131,600)</u></u>	<u><u>(176,813)</u></u>	<u><u>(20,186)</u></u>

a) Unrestricted funds

These funds can be spent for any charitable purposes of a charity

b) Designated funds - Inspiration and excellence

The aim of the Inspiration and Excellence Fund is to enrich and support the school's breath-taking, extra-curricular programme, which does so much to develop student confidence, independence and resilience.

c) Restricted funds - Stem Block

These funds are used towards the build costs of the STEM block.

d) Endowment funds

These funds are invested in an investment fund which has been established for the charity. The income from investment portfolio is used to help cover the running costs of the charity.

The STEM block building fund was in deficit at 31 August 2020. This was recovered in the year to 31 August 2021, as the charity has confirmed it covered this from other funds.

13. RELATED PARTY DISCLOSURES

The trustees of the charity are also trustees of Bishop Vesey's Grammar School. During the year the following transactions took place: -

Inspiration and Excellence contribution to sports coaching £5,314 (2020 - £5,314)

Contribution to Staff Reward Scheme £0 (2020 - £15,000)

Inspiration and Excellence contribution to administration £- (2020 - £0)

Inspiration and Excellence contribution to enrichment £10,890 (2020 - £8,733)

General funds contribution to staff salaries £18,341 (2020 - £17,601)

Inspiration and Excellence contribution to school curriculum £- (2020 - £0)

Contribution made towards costs of Learning Resource Centre £20,142 (2020 - £20,142)

At the balance sheet date £- (2020 - £0) was due to Bishop Vesey's Grammar School.

**THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	71,943	128,272
Gift aid	22,240	29,519
	94,183	157,791
Investment income		
Rents received	2,494	913
Investment income	103,342	98,816
Deposit account interest	125	1,049
	105,961	100,778
Other income		
Sale of freehold reversions	-	29,500
Other income	-	158
	-	29,658
Total incoming resources	200,144	288,227
EXPENDITURE		
Charitable activities		
Insurance	1,161	-
Sports coaching	5,314	5,314
School Enrichment Fund	10,890	8,733
Staff Reward Scheme	-	15,000
Vesey music, chess club, 6th Form	-	385
Prizes and exhibitions	1,740	3,514
Investment managers charges	21,767	21,064
Clerk's salary	18,341	17,601
Retirement and leaving gifts	67	39
Administration	428	769
Miscellaneous expenses	3,115	2,094
Training	-	112
Mental health support	-	5,000
Donations to school	213,461	-
Freehold property	44,794	44,794
	321,078	124,419
Support costs		
Governance costs		
Auditors' remuneration	5,160	5,040
Legal fees	3,240	2,141
	8,400	7,181
Total resources expended	329,478	131,600
Net (expenditure)/income before gains and losses	(129,334)	156,627

This page does not form part of the statutory financial statements

THE FOUNDATION CHARITY OF BISHOP VESEY'S
GRAMMAR SCHOOL

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	443,472	(176,813)
Net income/(expenditure)	<u>314,138</u>	<u>(20,186)</u>

This page does not form part of the statutory financial statements