

Charity registration number 1015449

Company registration number 02739356 (England and Wales)

DERBY GRAMMAR SCHOOL TRUST LIMITED

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 JULY 2021

DERBY GRAMMAR SCHOOL TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees, directors and governors	Mr A Gentles Mr J Pugh-lewis Mrs M Viles Mr I Louch Mrs D M Cadman Mrs N K Virk
Secretary	Mrs C Cook
Charity number	1015449
Company number	02739356
Registered office and business address	Rykneld Hall Rykneld Road Littleover Derby Derbyshire DE23 4BX
Auditor	HSKS Greenhalgh 18 St Christopher's Way Pride Park Derby DE24 8JY
Bankers	Barclays Bank PLC Derby
Solicitors	Flint Bishop LLP
Patron	Sir Nigel Rudd
Head	Mr P Logan

DERBY GRAMMAR SCHOOL TRUST LIMITED

CONTENTS

	Page
Trustees' report	1 - 8
Statement of trustees' responsibilities	9
Independent auditor's report	10 - 13
Statement of financial activities	14
Summary income and expenditure account	15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18 - 36

DERBY GRAMMAR SCHOOL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2021

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their annual report and financial statements for the year ended 31 July 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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).

Since the company qualifies as small under section 383 of the Companies Act 2006, the strategic report required of medium and large companies, is not required.

Objectives and activities

The charity's principal objective for which the company was established is to educate children in the City of Derby, South Derbyshire and Burton-upon-Trent.

At Derby Grammar School we aim not only to teach, but to inspire a passion for learning that remains with our pupils throughout their lives. Combining intellectual challenge with a real breadth of experience, we encourage each pupil to harness their strengths, work on their weaknesses, and realise their full potential. An education with us provides a strong basis for higher education, for a subsequent career and for a well-rounded life, whilst having fun and being happy in our school environment.

Founded in 1995, our aim is to provide an excellent education for able boys aged 4 to 18 and girls aged 16 to 18 in the East Midlands. Our high quality education allows pupils to flourish in an atmosphere that provides intellectual challenge and celebrates success. Our education extends far beyond the classroom to the sports field, the debating table, the concert hall, the race track, and even the Tanzanian plains. We aim to equip our pupils with a breadth of skills and knowledge which will enable them to perform outstandingly well at school and in later life.

We strive to encourage independent thought, expression and learning, in an environment where learning is fun. Pupils and staff share high expectations and all of our staff are committed to helping and encouraging our pupils to succeed.

The school is fortunate in having staff who are more than willing to devote time to a substantial number of extra-mural activities, designed to give pupils experience over and above the academic curriculum, with the aim that by the time pupils leave the school, they will be confident, articulate, self-assured and well prepared for life after school.

Inspiring a passion for learning that remains with pupils throughout their lives is central to our values and our motto embodies this - 'vita sine litteris mors'; it translates as 'life without learning is death'. Three principles lie at our core: excellence, enrichment and encouragement. We provide superb teaching, incredible opportunities and a supportive, friendly atmosphere. These are the things that make us special. They are the reasons our pupils come into school every day with a smile, eager to learn and expand their minds.

Finally, we aim to increase the number of pupils and further develop links with local state schools, particularly those without their own sixth forms, with a view to being able to offer sixth form places to their pupils; bursaries, the level of which will be means tested, will be made available for this purpose.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

DERBY GRAMMAR SCHOOL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Grantmaking

The Governors of Derby Grammar School are committed to broadening access to the School by offering to eligible parents/guardians means-tested financial support with the payment of the school's fees. Such support is known as a bursary and these may be awarded in the form of a discount of up to 100% on tuition fees payable, depending on the financial, compassionate or other pertinent circumstances of applicants.

Grants and bursaries, all of which are made from unrestricted funds, are subject to repeat testing of parental means each year and may be varied upwards or downwards, depending on parental circumstances.

We also recognise gifted pupils with a wide range of scholarships and exhibitions and assist families of multiple children with sibling discounts.

Achievements and performance

Curriculum

The National Curriculum provides the basis for our Primary School's broad and balanced curriculum, which focuses on developing excellence in literacy and numeracy, whilst encouraging every boy to discover his own individual strengths across many other subject areas. Class sizes are small which means that we carefully track progress and ensure each pupil is suitably challenged and guided to maximise their potential. Trips and residential visits, as well as a variety of school and community-based activities, also stimulate boys' interests and enrich the curriculum further as they're encouraged to explore, enjoy, imagine, create, experience, and achieve to the best of their ability.

In Years 7 to 9, the curriculum is designed to broaden pupils' interests and explore their strengths in a wide range of subjects. A limited number of options are introduced in Years 8 and 9.

As boys progress on to Year 10 the curriculum is divided into core and options which enables each boy to study up to ten subjects to GCSE in Year 11. Individual support and guidance is given to each pupil as they make these important choices.

Pupils choose three A levels to study at Derby Grammar School. The range of 22 subjects we offer ensures a wide curriculum to meet pupils' strengths and aspirations, preparing them for undergraduate study at the best universities. The Extended Project Qualification can also be pursued by pupils in the Sixth Form.

Context to 2021 examination results

The 2021 series of GCSE and A Level examinations had been cancelled in response to the COVID 19 outbreak. Teacher Assessed Grades (TAGs) in each subject replaced the summer examinations. The grades referred to in this report are a result of the school submitted TAGs being awarded by Ofqual as the final GCSE and A Level grade for all pupils.

The TAG process required subject teachers to use existing assessment data for all pupils with the available historical performances for each subject to arrive at TAG for each pupil.

GCSE Subject Headlines

Music – 100% grade 9
History – 100% grade 7-9
Computer Science – 100% grade 7-9
Design & Technology – 75% grade 7-9
English Literature – 75% grade 7-9
Chemistry – 73% grade 7-9
Geography – 73% grade 7-9

GCSE Pupil headlines

Three top scoring candidates achieved 9 grade 9's.
Two further candidates achieved all grades 7-9.

DERBY GRAMMAR SCHOOL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

A Level Trends

An increase in A* grades in Summer 2021 compared with Summer 2020, from 15% to 26%

An increase in A*-A percentage in Summer 2021 compared to Summer 2020, from 36% to 54%

An increase in A*-B percentage in Summer 2021 compared to Summer 2020, from 68% to 82%

Value-added analysis showed significant positive value-added at A Level.

A Level Pupil Headlines

3 pupils achieved three A* grades

6 pupils achieved 3 or more A-A* grades

41% of pupils with university destinations gained places at Russell Group universities

A Level Subject Headlines

Music, Music Technology, Religious Studies, German - 100% A*

The House System

Inter-house competitions have largely been reinstated after Covid lockdown, involving all pupils in sports, curricular and co-curricular activities. Sporting House Competitions during 2020/21 and on into 2021/22 have included football, rugby, cross-country running, tug-of-war, cricket and athletics. In addition, there have been House Competitions in art, chess and writing. A few other competitions remain difficult to organise, for example House music and drama, but the aim is to reinstate these during spring and summer 2022. During summer term 2021 the annual school play was completed and viewable online, having been in production since autumn 2020. A modern comedy adaption of Chaucer's 'Knight's Tale' (written by Karen Watson Head of English) was filmed, scene by scene with pupils appropriately bubbled and socially distanced throughout.

Music and Co-curricular

Weekly co-curricular opportunities across the school have increased since September 2020. For the Primary School clubs (excluding music and sport) include:- Street Dance, Three Bears Cookery Club, Soccer Stars UK, Monday Morning Mile, Fiction Library, Art and Craft, Science Club, Junior School Magazine, Authorfy, Go Noodle and Gardening Club.

Senior School clubs for 2020-21 (excluding music and sports) include:- Foreign Languages Film Club, Arts and Crafts Club, iDEA (Inspiring Digital Enterprise Award), Year 7 Film Club, Senior Forest School, Senior Chess Club, Y7-9 Science Club, Magic Club, Table Tops Games Club, Warhammar, Formula 24, Psychology Club, European Youth Parliament Debating, Archery and Code Club.

During the 2020 Covid lockdown the House Competition included House Photography, House Construction and House Comedy Competitions. The House Competition remains restricted, but during 2020-21 has nevertheless included House Football, Hockey, Art, Cricket and Athletics Competitions.

Music continues to be a strength of Derby Grammar School, despite ongoing COVID restrictions. Choirs, bands and jazz ensembles have rehearsed when guidance has allowed and several performances have been recorded for online viewing (for example for our Harvest, Remembrance and Christmas Assemblies). The jazz ensemble 'GCHQ' performed at the Derbyshire County Youth Orchestra's summer play day BBQ. Instrumental lessons have been delivered in person for the majority of the year and remotely during Covid. Three Y12/13 pupils have obtained performance diplomas while other pupils have undertaken grade examinations, from Grade 1 to 8 in a wide range of instruments.

The Duke of Edinburgh Award programme has engaged large numbers of pupils. During the summer term of 2021 all pupils in Year 9 and 10 took part in Bronze expeditions (Y10 having been delayed for a year due to Covid). There has also been notable success at Silver and Gold level with a record breaking nine pupils and ex pupils achieving Gold Awards during 2021.

DERBY GRAMMAR SCHOOL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Pupils have continued to enjoy success in regional and national competitions, including the UK Mathematics Challenge at all levels. The Formula 24 team has raced at Goodwood, Aintree and Castle Combe.

Co-curricular trips during Activities Week in summer 2021 saw pupils in Years 7-12 sailing, canoeing and climbing and at the start of the autumn term Year 7 enjoyed an outdoor education residential at Whitemoor Lakes,

Speech and Drama

Speech and Drama lessons remain a popular peripatetic lesson choice, with over 40 pupils participating from Years 3 to 13. LAMDA exams are taken in house at the end of each term

Charitable support

Tanzania

Our partnership with Gedeli B (Ibeshi) School in Mwanza, Tanzania and orphanages in the vicinity is now in its 10th year. We continue to raise money for the project in school (over £2000 in this year's School Charities Week) but due to the impact of COVID pupils have been unable to visit Tanzania since 2019.

YMCA

Our Harvest Festival and Christmas Shoebox appeals provided food, provisions, toiletries and gifts for homeless young people in the Derby area. Donations for the October 2020 Harvest Festival exceeded all previous years, despite the pandemic.

During 2021 the school has also raised money for Children in Need and the Derby Hospital Children's Ward.

Sport

The School continues to benefit from having a dedicated Sports Department of trained PE teachers, delivering PE and Games lessons to all students both in the Junior and Senior parts of the School. This provision is continued within the co-curricular offer and ensures pupils receive excellent input from qualified physical educators. The quality of provision in the PE department is being supplemented by a partnership with Loughborough University that now welcomes trainee teachers into school to complete their Initial Teacher Training.

Pupils test their progress in inter-school matches against other local schools and having smaller year groups means that there are frequent opportunities for school representation in a competitive environment. Mr Smyth has further developed the scholarship programme, which gives invaluable input to our sports scholars on a myriad of topics including:- health and fitness, target setting, nutrition, relaxation, sleep, planning, amongst other things. This both attracts and retains gifted and talented pupils.

The School focuses on rugby, hockey and cricket as its main sports and is well resourced in terms of practice and playing facilities, both on site and at its sports facility at Rykneld. Both indoor and outdoor cricket nets, an artificial wicket, floodlit astro turf, multiple rugby pitches and beautiful grounds inspire our young people to be active and improve their skills and fitness. Pupils in our Primary School receive swimming tuition throughout the academic year, whilst our athletes have access to a tartan running track to further develop their potential.

Unlike many state schools Derby Grammar maintains (within the curriculum) a sporting provision for its co-educational Sixth Form. There are a plethora of opportunities available to both our boys and girls, in addition to the main 3 sports, including basketball, football, table tennis, badminton and fitness, with free choice available to engage our young people in purposeful physical activity to sit alongside their academic study, to encourage and embed exercise into the normal working week.

DERBY GRAMMAR SCHOOL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

School Trips

Our commitment to trips and visits to enrich pupils' education continues to be important. During 2021 Primary School visits have included Year 6 to Hollowford Centre for outdoor education, Year 3 and 4 to Derby Cathedral, Bikability Week for various Year groups and Activities Week visits to Cadbury's World and the Sea Life Centre in Birmingham. In the Senior School the priority has been to support academic studies with GCSE Geography fieldwork at Cannock Chase and in Stafford and A Level Geography field work in Cheshire. History fieldwork has seen GCSE pupils visit Hadrian's Wall and A Level Psychology pupils have spent time in Shrewsbury Prison.

Rykneld Sports Centre

At Rykneld Sports Centre investment in new changing facilities has benefited the pupils. The astro turf is swept on a regular basis and is annually 'refreshed', with the addition of sand to the base. This has not only benefited our pupils but also improved school-club links have resulted in external clubs now using the facility as an additional venue for their senior and junior hockey teams.

Unfortunately, COVID has meant that the Sports Centre has remained closed to the general public for much of the year. We look forward to working with the local community and sports clubs to maximise its use once facilities are fully operational.

Financial review

Business Review

The Trustees are satisfied with the results achieved for the year, in what can only be described as quite exceptional trading conditions, as a consequence of the Global Pandemic.

Due consideration has been given to the impact this has had on both the operations and finances of the School for a second year.

The principal focus of our attention has been on the quality of educational provision throughout in order to minimise the impact on our pupils' learning and welfare.

The Trustees would like to register their thanks and appreciation to the Head, Senior Leadership Team and teaching staff for their tireless efforts, desire and willingness to adapt to these difficult conditions.

Once again, pursuant of its charitable objectives the School has continued to support families directly affected by the pandemic with the introduction of structured payment plans and where necessary direct bursarial awards. To a large extent these additional costs to the School were offset by a variety of Government initiatives, including, in particular, the Coronavirus Job Retention Scheme.

As previously reported the School has continued to restructure its operating cost base which now more accurately reflects the education provision and curriculum. Particular attention has been given to the realignment of the marketing and promotional activity to promote the School "Brand Values" with the resultant benefit clearly seen in enquiry levels.

Pupil numbers have remained constant during this period, but unfortunately, we have not felt the full benefit of the investment in our EYFS facilities given the difficulty in arranging tours of the building, and not being able to welcome parents to enjoy an insight into the School through our exciting programme of Open and Taster Days.

The restrictions surrounding COVID directly impacted the Sports Centre which for a large period we were unable to open to the general public, with the resultant impact on revenue. Investment has been made in a dedicated Sports Centre Manager which has already resulted in a significant upturn in occupancy and enquiry levels moving forward.

Finally, The Trustees are extremely grateful for the ongoing support of its benefactors, past Governors and former teachers for their indication of and willingness to support The School in what has to be acknowledged as a challenging period.

DERBY GRAMMAR SCHOOL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Reserves Policy

The balance sheet presents the assets and liabilities of the various funds by type. Note 22 presents the various trusts of the charity and summarises the movements for the year on each fund.

The Trustees believe that a reasonable level of reserves should equate to two term's expenses. There remains much work to do in this respect, which will be achieved by stimulating local demand for the School, in order to attain higher sustainable numbers of pupils attending, and by general purpose appeals from time to time.

The Trustees have continued to keep the secured overdraft under review to ensure that, whilst reserves remain less than ideally required, it remains adequate to cover the school's working capital requirements.

Principal risks and uncertainties

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Where risks are identified, any required action is delegated to the Senior Leadership Team or other appropriate school personnel to implement, with appropriate oversight by the Governors to ensure any required action is undertaken.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

In the Trustee's opinion, the principal areas of risk to which the School is exposed are:

The market in which the School operates is highly competitive and the ongoing uncertainty in relation to the economy and the government's policies with regard to education means that maintaining and increasing the level of pupil numbers remains a key focus. Pupils achieve excellent results and the School continues to be placed as one of the top performing schools in the East Midlands. We constantly monitor the educational standards of our School in order to attract and retain pupils and we are increasing our marketing effort to ensure that our success is more widely known.

As for any school, the level of regulation and compliance is high. Specifically, the safeguarding of pupils and the health and safety of staff and pupils remains a key priority. Significant investment in the School's protective measures has been made recently to ensure high levels of compliance during the COVID-19 pandemic. This has included enhanced cleaning regimes and the implementation of the government-advised system of controls.

To ensure any risks are considered and addressed the School has appropriate risk assessments, policies and procedures in place. Staff undertake appropriate and regular training with accredited training providers. Consultation is sought where necessary from external expert agencies, particularly with regards to Health and Safety and safeguarding training.

The Board of Governors is a member of AGBIS which gives expert advice and training to ensure the Governors are suitably trained to oversee the School in this regard. There are sufficient members of the Board to specialise in their sub-committee structure.

DERBY GRAMMAR SCHOOL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Plans for future periods

With the recent opening of provision for Reception, Year 1 and Year 2 the trustees are embarking upon an ambitious phase of growth. The Primary School will go fully co-educational from September 2022 and the Senior School from September 2023. Links with local nurseries, pre-schools and Primaries are being reinstated, with community events planned for 2022, including stay and play and forest school events.

The school has expanded its sports provision through the opening of a gym and weights room. This is open to the public and offered free to staff at certain times to enhance well-being. Additions to the programme of girls' games have been well received, and we are looking to embed and develop this further as the school attracts increasing numbers of girls into the co-educational Sixth Form and Primary School.

Plans for the development of a new library and independent study facility, particularly for Sixth Form use, in the main school building have borne fruit, and we will be looking at further enhancements of facilities.

The trustees are seeking to further develop the IT facilities and infrastructure of the School. Investment has been made in in-class technology, purchasing the latest SMART interactive white boards for a number of subject areas, with more or better alternatives to be installed in 2022. As a Google Education Suite School, more Chromebooks have been bought to enable further IT-based learning, independent learning and research skills to be developed. In addition, a new rolling programme of external and internal redecoration has begun.

Having rolled out a successful online learning programme for pupils during the COVID pandemic, investment has been made in new hardware, such as in-class webcams and visualisers, new educational software, staff training and virtual educational platforms such as Microsoft Teams, to enhance this provision. Any future necessity of online education is therefore fully resourced.

Structure, governance and management

The charity is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs S Flear	(Resigned 22 April 2022)
Mr A Gentles	
Mr J Pugh-lewis	
Mrs M Viles	
Mr I Louch	
Mrs D M Cadman	
Mrs N K Virk	
Mr S D Richardson	(Resigned 21 September 2020)
Mr I D Beardmore	(Resigned 21 September 2020)

The company's Articles of Association allow for Trustees to serve for a three year term. Trustees must retire at the annual general meeting following their completion of three years' service but may stand for re-election.

The Board has the power at any time, and from time to time, to appoint any person to be a Trustee, either to fill a casual vacancy or as an addition to the existing Trustees, subject to the total number of Trustees at any time not exceeding sixteen. Any Trustee appointed holds office only until the next following annual general meeting, and then becomes eligible for re-election.

New Trustees are generally found from the contacts and networking of existing Trustees to provide for the school a wide range of skills.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

DERBY GRAMMAR SCHOOL TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

The Board of Trustees administers the charity. The Board meets four times a year, as do the Governors, and there are sub-committees covering education, finance, property, health and safety and safeguarding which also meet at least four times a year.

The Head, appointed by the Trustees, manages the day to day operations of the school.

Induction and training of new Trustees

The school follows the guidelines in respect of this matter issued by the Independent Schools Association and AGBIS.

Related parties

Derby Grammar School Foundation (DGSF) (Charity Number 1078193) is a connected charity within the meaning of the Statement of Recommended Practice, by virtue of the majority of its Trustees also being Trustees of this company.

An amount of £41k remains as an interest free loan to the school with no fixed date for repayment.

The Trustees are grateful to DGS Foundation for its continuing support.

Auditor

In accordance with the company's articles, a resolution proposing that HSKS Greenhalgh be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



.....
Mr A Gentles
Trustee

Date: 8/7/22

DERBY GRAMMAR SCHOOL TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2021

The trustees, who are also the directors of Derby Grammar School Trust 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

DERBY GRAMMAR SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DERBY GRAMMAR SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of Derby Grammar School Trust Limited (the 'charity') for the year ended 31 July 2021 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 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 Companies Act 2006.

Basis for opinion

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

DERBY GRAMMAR SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DERBY GRAMMAR SCHOOL TRUST LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

DERBY GRAMMAR SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DERBY GRAMMAR SCHOOL TRUST LIMITED

We considered the nature of the Charitable Company's activities and its control environment. We also enquired of management about their identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework in which the Charitable Company operates and identified key laws and regulations that:

- Had a direct effect on the determination of material amounts and disclosures in the financial statements, which included the Companies Act 2006, tax legislation and payroll legislation; and
- Did not have a direct effect on the financial statements but compliance with which may be fundamental to the Charitable Company's ability to operate.

We discussed among the audit engagement team the opportunities and incentives that may exist within the organisation for fraud and how / where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of accounting adjustments and journal entries, assessed whether accounting estimates were reasonable and accurate and reviewed the accounting records for any significant and unusual transactions. In addition, our procedures to respond to the risks identified included:

- Reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify any unusual or unexpected variances that may indicate risks of material misstatement due to fraud;
- Enquiring of management about any instances of non-compliance with laws and regulations and any instances of known or suspected fraud; and
- Reviewing minutes of meetings of those charged with governance.

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 are less likely to become aware of instances of non-compliance. This 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

DERBY GRAMMAR SCHOOL TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DERBY GRAMMAR SCHOOL TRUST LIMITED

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Philip Handley FCA (Senior Statutory Auditor)
for and on behalf of HSKS Greenhalgh

8th July 2022
.....

Chartered Accountants
Statutory Auditor

18 St Christopher's Way
Pride Park
Derby
DE24 8JY

DERBY GRAMMAR SCHOOL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 JULY 2021

	Notes	Unrestricted funds 2021 £	Endowment funds 2021 £	Total Unrestricted funds 2021 £	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
Income from:							
Donations and legacies	3	244,048	-	244,048	308,995	-	308,995
Charitable activities	4	2,821,194	-	2,821,194	2,824,216	-	2,824,216
Investments	5	715	-	715	1,287	123	1,410
Total income and endowments		3,065,957	-	3,065,957	3,134,498	123	3,134,621
Expenditure on:							
Charitable activities	6	2,933,047	-	2,933,047	2,939,561	-	2,939,561
Other	10	19,410	-	19,410	19,990	-	19,990
Total expenditure		2,952,457	-	2,952,457	2,959,551	-	2,959,551
Net incoming resources		113,500	-	113,500	174,947	123	175,070
Other recognised gains and losses							
Revaluation of tangible fixed assets		52,610	-	52,610	-	-	-
Net movement in funds		166,110	-	166,110	174,947	123	175,070
Fund balances at 1 August 2020		1,439,042	10,722	1,449,764	1,264,095	10,599	1,274,694
Fund balances at 31 July 2021		1,605,152	10,722	1,615,874	1,439,042	10,722	1,449,764

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

DERBY GRAMMAR SCHOOL TRUST LIMITED

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2021

	Unrestricted funds 2021 £	2020 £
Gross income	3,065,957	3,134,498
Total expenditure from income funds	2,952,457	2,959,551
Net income for the year	113,500	174,947

DERBY GRAMMAR SCHOOL TRUST LIMITED

BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12	2,627,000		2,552,043	
Investments	13	28,337		28,337	
		<u>2,655,337</u>		<u>2,580,380</u>	
Current assets					
Stocks	14	1,385		2,810	
Debtors	15	108,160		143,863	
Cash at bank and in hand		27,514		196,155	
		<u>137,059</u>		<u>342,828</u>	
Creditors: amounts falling due within one year	18	<u>(1,026,666)</u>		<u>(425,109)</u>	
Net current liabilities			<u>(889,607)</u>		<u>(82,281)</u>
Total assets less current liabilities			1,765,730		2,498,099
Creditors: amounts falling due after more than one year	19		<u>(149,856)</u>		<u>(1,048,335)</u>
Net assets			<u>1,615,874</u>		<u>1,449,764</u>
Capital funds					
Endowment funds - general	21	10,722		10,722	
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		1,552,542		1,439,042	
Revaluation reserve		52,610		-	
		<u>1,605,152</u>		<u>1,439,042</u>	
		<u>1,615,874</u>		<u>1,449,764</u>	

The financial statements were approved by the Trustees on 8/7/22

Mr A Gentles
Trustee

Company Registration No. 02739356

DERBY GRAMMAR SCHOOL TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	25		40,872		(225,066)
Investing activities					
Purchase of tangible fixed assets		(200,332)		(253,957)	
Investment income received		715		1,410	
Net cash used in investing activities			(199,617)		(252,547)
Financing activities					
Proceeds from borrowings		-		806	
Repayment of bank loans		(8,723)		(24,389)	
Payment of obligations under finance leases		(1,173)		(7,036)	
Net cash used in financing activities			(9,896)		(30,619)
Net decrease in cash and cash equivalents			(168,641)		(508,232)
Cash and cash equivalents at beginning of year			196,155		704,387
Cash and cash equivalents at end of year			27,514		196,155

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Charity information

Derby Grammar School Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Rykneld Hall, Rykneld Road, Littleover, Derby, Derbyshire, DE23 4BX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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 £1.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets which are included at market value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The Board of Trustees has considered the impact of the ongoing global pandemic on the School operations and finances. Notably the pandemic has had a significant financial impact on its ability to let the sports facility, which has been closed to the public under government guidelines. However, the School has mitigated the impact of that closure through support packages provided by the government and cost reductions. However, the relatively small size of the School means that the ability to pursue any support packages through furlough or cost reductions are limited. The School's aim through the pandemic has been to ensure that the delivery of excellent academic provision is not compromised, whilst protecting the financial position of the School in these challenging times.

The School has traditionally met its day to day working capital requirements through an overdraft facility of £500k. Fees are only paid by parents on a termly basis and as such that there is considerable variation in the timing of cashflow. However, the School did not have to use the overdraft facility during the year to 31 July 2021.

The School has prepared cash flow forecasts for the period to 31 July 2023 and continues to closely monitor the impact of the pandemic on finances.

As at 31 July 2021 the Trust had net assets of over £1.6m which has increased on the prior year. The Board of Trustees acknowledges that net current liabilities are £890k at the balance sheet date. However, included in creditors are bank loans of £718k that based on the final repayment date have significantly increased the value of net current liabilities this year. The bank loan facility has since been successfully renewed. Further details are given in note 23.

The School also has key benefactors who have signified their willingness to continue to support the School, although there is no expectation that this will be required based on forecast information.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

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

The endowment fund is in respect of funds for prizes awarded on Speech Day every year. Further explanation of each fund is detailed in note 21.

1.4 Income

Income is recognised when the charity 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 charity 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 charity 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 and other grants are recognised in the Statement of Financial Activities in the period to which they relate when there is a reasonable assurance that the charity will comply with conditions attaching to them and the grants will be received.

School fees receivable represent invoiced fees for education supplied and are recognised in the year to which they relate. School fees recognised are reported net of any scholarships, bursaries or other allowances granted by the charity.

Income from other trading activities, including non-ancillary trading income is recognised as it is earned from any services supplied.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1.5 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 reasonably.

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.

Grants and bursaries, all of which are made from unrestricted funds, are treated as a deduction from fee amounts billed. More details with regards to the charity's bursary programme can be found in the Trustees' report.

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, 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, or if held under a finance lease, over the lease term, whichever is the shorter, on the following bases:

Freehold land and buildings	straight line over varying numbers of years
Plant and equipment	at varying rates on cost
Motor vehicles	25% on cost

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 the statement of financial activities.

The charity has adopted the revaluation model for properties where fair value can be measured reliably. The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by qualified valuers. Revaluation gains and losses are recognised in other Statement of Financial Activities and accumulated funds.

1.7 Fixed asset investments

Fixed asset 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. Surpluses and deficiencies arising on sale are reflected in the year of disposal.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible 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 any).

1.9 Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 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.

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

1.11 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

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 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.

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 payments 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 method.

Derecognition of financial liabilities

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

1.12 Taxation

The charity is exempt from corporation tax on its charitable activities, but can reclaim income tax on certain voluntary income.

1.13 Employee benefits

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

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

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

1.14 Retirement benefits

The charity participated in a multi employer pension scheme, the Governments' Teachers Pension Defined Benefits Scheme, for its teaching staff until 31 December 2019. The pension liability is the responsibility of the Teachers Pension scheme. As a result it is not possible to identify the assets and liabilities of the scheme that are attributable to the charity. Accordingly, under Section 28 of FRS 102 the scheme is accounted for as if it were a defined contributions scheme.

From 1 January 2020 the charity has operated a defined contribution scheme for teaching staff.

The charity also operates a money purchase scheme for non teaching staff.

Contributions to all schemes are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Assets held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

1.16 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

1.17 Concessionary loans

Concessionary loans are initially measured at the amount received or paid.

In subsequent years the carrying amount of concessionary loans will be adjusted to reflect any accrued interest payable or receivable, where such interest is charged.

1.18 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

2 Critical accounting estimates and judgements

In the application of the charity'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.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	217,358	308,425
Government grants	26,500	-
Gift aid	190	570
	<u>244,048</u>	<u>308,995</u>

Further details on amounts included within donations and gifts are given in note 11.

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

4 Charitable activities

	Education	Welfare	Support	Total	Education	Welfare	Premises	Support	Total
	2021	2021	2021	2021	2020	2020	2020	2020	2020
	£	£	£	£	£	£	£	£	£
School fees	2,555,969	103,101	-	2,659,070	2,489,966	85,816	-	-	2,575,782
Registration fees	4,841	-	-	4,841	4,170	-	-	-	4,170
Performance related grants	118,972	-	-	118,972	121,663	-	-	-	121,663
Rents received	6,721	-	-	6,721	7,690	-	-	-	7,690
Other income	12,272	-	19,318	31,590	85,024	44	3,999	25,844	114,911
	2,698,775	103,101	19,318	2,821,194	2,708,513	85,860	3,999	25,844	2,824,216

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

5 Investments

	Unrestricted funds	Unrestricted funds	Endowment funds general	Total
	2021	2020	2020	2020
	£	£	£	£
Other investment income	715	-	-	-
Interest receivable	-	1,287	123	1,410
	<u>715</u>	<u>1,287</u>	<u>123</u>	<u>1,410</u>
	<u><u>715</u></u>	<u><u>1,287</u></u>	<u><u>123</u></u>	<u><u>1,410</u></u>

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

6 Charitable activities

	Education	Welfare	Premises	Support	Finance	Total 2021	Total 2020
	2021 £	2021 £	2021 £	2021 £	2021 £	£	£
Staff costs	1,912,744	99,418	35,896	209,487	-	2,257,545	2,265,860
Depreciation and impairment	-	-	(49,023)	68,877	-	19,854	59,225
Hire of plant and machinery	-	-	-	22,519	-	22,519	14,855
Rates and refuse collection	-	-	26,971	-	-	26,971	24,812
Insurance	-	-	35,505	-	-	35,505	32,549
Utilities	-	-	63,248	-	-	63,248	80,622
Telephone	-	-	-	3,917	-	3,917	4,958
Postage and stationery	-	-	-	7,089	-	7,089	8,264
Marketing	-	-	-	51,475	-	51,475	47,060
Sundry expenses	501	-	-	30,629	-	31,130	14,777
Motor expenses	6,392	2,196	-	-	-	8,588	5,530
Repairs and maintenance	-	(85)	66,286	73,435	-	139,636	118,664
Legal and professional fees	-	-	-	56,976	-	56,976	46,037
Bank charges	-	-	-	-	5,308	5,308	5,741
Other school operating costs	89,303	46,313	15,729	24,148	-	175,493	206,724
Bad debts	13,658	-	-	-	-	13,658	(8,178)
	<u>2,022,598</u>	<u>147,842</u>	<u>194,612</u>	<u>548,552</u>	<u>5,308</u>	<u>2,918,912</u>	<u>2,927,500</u>
Share of governance costs (see note 7)	-	-	2,485	11,650	-	14,135	12,061
	<u>2,022,598</u>	<u>147,842</u>	<u>197,097</u>	<u>560,202</u>	<u>5,308</u>	<u>2,933,047</u>	<u>2,939,561</u>

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

6 Charitable activities

(Continued)

For the year ended 31 July 2020

	Education	Welfare	Premises	Support	Finance	Total 2020
	£	£	£	£	£	£
Staff costs	1,938,424	71,884	60,545	195,007	-	2,265,860
Depreciation and impairment	-	-	-	59,225	-	59,225
Hire of plant and machinery	-	-	-	14,855	-	14,855
Rates and refuse collection	-	-	24,812	-	-	24,812
Insurance	-	-	32,549	-	-	32,549
Utilities	-	-	80,622	-	-	80,622
Telephone	-	-	-	4,958	-	4,958
Postage and stationery	-	-	-	8,264	-	8,264
Marketing	-	-	-	47,060	-	47,060
Sundry expenses	-	-	810	13,967	-	14,777
Motor expenses	5,530	-	-	-	-	5,530
Repairs and maintenance	-	2,510	63,081	53,073	-	118,664
Legal and professional fees	-	-	-	46,037	-	46,037
Bank charges	-	-	-	-	5,741	5,741
Other school operating costs	121,602	41,660	16,940	26,522	-	206,724
Bad debts	(8,178)	-	-	-	-	(8,178)
	<u>2,057,378</u>	<u>116,054</u>	<u>279,359</u>	<u>468,968</u>	<u>5,741</u>	<u>2,927,500</u>
Share of governance costs (see note 7)	-	-	2,028	10,033	-	12,061
	<u>2,057,378</u>	<u>116,054</u>	<u>281,387</u>	<u>479,001</u>	<u>5,741</u>	<u>2,939,561</u>
Analysis by fund						
Unrestricted funds	<u>2,057,378</u>	<u>116,054</u>	<u>281,387</u>	<u>479,001</u>	<u>5,741</u>	<u>2,939,561</u>

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Audit fees	-	8,720	8,720	-	8,580	8,580
Accountancy	-	2,930	2,930	-	1,453	1,453
Insurance	-	2,485	2,485	-	2,028	2,028
	-	14,135	14,135	-	12,061	12,061
Analysed between Charitable activities	-	14,135	14,135	-	12,061	12,061

8 Trustees

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

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
School	48	51
Catering	6	6
Administration	8	7
Property	8	8
Marketing	1	1
Sports Centre	3	3
Total	74	76

Employment costs

	2021 £	2020 £
Wages and salaries	1,752,441	1,755,892
Social security costs	226,758	166,017
Other pension costs	278,346	343,951
	2,257,545	2,265,860

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

9 Employees

(Continued)

The charity participated in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff until 31 December 2019. The pension charge for the year includes contributions payable to the TPS of £518 (2020- £120,274) and at the year-end £nil (2020- £nil) was accrued in respect of contributions to this scheme.

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

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

Had the charity not left the scheme on 31 December 2019 this employer rate would have been payable until the outcome of the next actuarial valuation which was due to be prepared as at 31 March 2020, with any resulting changes to the employer rate expected to take effect from 1 April 2023. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

In October 2019 the charity commenced a defined contribution scheme with Aviva which became the sole scheme for teaching staff from 1 January 2020. The cost for the year represents the charity's contributions to this scheme of £231,652 (2020- £177,308).

The school also administers an auto enrolment scheme, The People's Pension, for its non-teaching staff. The cost for the year represents the charity's contributions to the auto enrolment scheme of £19,889 (2020- £25,460).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2021 Number	2020 Number
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-

Pension contributions made in respect of higher paid employees totalled £15,260 (2020- £17,226).

10 Other

	Unrestricted funds 2021	Unrestricted funds 2020
Financing costs	19,410	19,990
	19,410	19,990

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

11 Exceptional items

Included within donations and gifts receivable of £217,358 (2020- £308,425) is an amount of £206,848 (2020- £250,000) relating to donations from a related charity, Derby Grammar School Foundation. This donation was effected on 9 July 2021 (2020- 3 May 2020) via the release from an obligation to repay loan funding received in previous years. Further details relating to this related charity are shown in note 24.

12 Tangible fixed assets

	Freehold land and buildings £	Plant and Motor vehicles equipment £	£	Total £
Cost or valuation				
At 1 August 2020	2,939,362	1,168,994	63,830	4,172,186
Additions	9,971	32,230	-	42,201
Revaluation and impairment	101,633	-	-	101,633
At 31 July 2021	3,050,966	1,201,224	63,830	4,316,020
Depreciation and impairment				
At 1 August 2020	524,164	1,042,676	53,303	1,620,143
Depreciation charged in the year	19,965	40,385	8,527	68,877
At 31 July 2021	544,129	1,083,061	61,830	1,689,020
Carrying amount				
At 31 July 2021	2,506,837	118,163	2,000	2,627,000
At 31 July 2020	2,415,198	126,318	10,527	2,552,043

The school's properties were independently valued on an operating unit basis on 17 March 2022 by Jonathan Barnett BSc (Hons) MRICS of Lambert Smith Hampton at a total valuation of £2,625,000 of which £2,100,000 is attributable to the school and £525,000 to the sports centre. Of these valuations respective amounts of £1,992,157 and £514,680 are attributable to land and buildings with the remaining balances being the net book values of respective plant and equipment assets.

Although these valuations were carried out in March 2022 the trustees' are of the opinion that the values provided are a fair valuation of these assets as at the balance sheet date.

At 31 July 2021, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £2,454,227 (2020 - £2,415,196).

Revaluation and impairment included in cost or valuation consists of £94,122 reversal of prior year impairment plus £52,610 revaluation surplus, both in respect of the sports centre, less £45,099 impairment of school buildings. These values are all recognised in the Statement of Financial Activities with the net impairment income of £49,023 recognised as a negative cost attributable to property as detailed in note 6.

All freehold land and buildings have been pledged to secure the bank borrowings of the charity.

The net book value of tangible fixed assets includes £nil (2020- £ 10,527) in respect of assets held under hire purchase contracts. These assets are also the security held by the lender in respect of associated hire purchase liabilities.

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

13 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 August 2020 & 31 July 2021	28,337
Carrying amount	
At 31 July 2021	28,337
At 31 July 2020	28,337

There were no investment assets outside the UK.

The unrestricted fund investments comprise historic assets donated to the charity.

14 Stocks

	2021 £	2020 £
Stocks	1,385	2,810

15 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	40,943	34,230
Other debtors	12,571	11,054
Prepayments and accrued income	54,646	98,579
	108,160	143,863

16 Loans and overdrafts

	2021 £	2020 £
Bank loans	717,833	726,556
Other loans	85,701	304,459
	803,534	1,031,015
Payable within one year	762,878	67,976
Payable after one year	40,656	963,039

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

16 Loans and overdrafts

(Continued)

There is in place an overdraft facility of £500,000, which was renewed in May 2019.

This facility carries interest at a variable rate set at 2.25% above the base rate of Barclays Bank Plc.

Barclays Bank holds the following security for its loan and overdraft facilities:

- a first legal charge over the charity's buildings and certain property
- a debenture over the charity's other assets
- a first legal charge over Rykneld Sports Centre

The bank loan of £717,833 (2020- £726,556) funded the purchase of Rykneld Sports Hall.

The bank loan is repayable over a period of 5 years in the first instance, repayments having started in May 2017. The bank have the right to ask for immediate repayment of the whole of the loan outstanding if any of the terms and conditions of the loan are breached.

The bank loan carries interest at a variable rate set at 2.3% above the base rate of Barclays Bank plc.

Other loans comprise a concessionary loan of £40,656 (2020- £249,144) and a benefactor loan of £45,045 (2020- £55,315).

The concessionary loan advanced to Derby Grammar School Trust Limited by Derby Grammar School Foundation was for the purpose of furthering the objectives of the public benefit entity, is interest free and has no fixed repayment date.

Loans from benefactors carry interest at a variable rate set at 1% above the base rate of Barclays Bank plc, with the exception of loans totalling £45,045 (2020- £55,315) which remain interest free. Loans from benefactors have no fixed date for repayment.

17 Finance lease commitments

Future minimum lease payments due under finance leases:

	2021 £	2020 £
Within one year	-	1,173

Hire purchase contracts are secured on the funded asset.

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

18 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	16	717,833	12,661
Obligations under finance leases	17	-	1,173
Other borrowings		45,045	55,315
Other taxation and social security		42,021	41,536
Payments received on account		52,301	54,514
Trade creditors		81,184	20,397
Other creditors		59,665	54,729
Accruals and deferred income		28,617	184,784
		<u>1,026,666</u>	<u>425,109</u>

19 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	16	-	713,895
Other borrowings		40,656	249,144
Other creditors		109,200	85,296
		<u>149,856</u>	<u>1,048,335</u>

20 Secured debts

Information about secured debts is given in notes 12 and 16.

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

21 Endowment funds

Endowment funds represent assets held by the charity to fund prizes awarded on Speech Day each year. Further details of each fund are given below.

	Balance at 1 August 2019	Movement in funds					Movement in funds					Balance at 31 July 2021
		Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 1 August 2020	Incoming resources	Resources expended	Transfers	Revaluations gains and losses		
	£	£	£	£	£	£	£	£	£	£	£	
Permanent endowments												
Prize funds	10,599	123	-	-	-	10,722	-	-	-	-	10,722	
	10,599	123	-	-	-	10,722	-	-	-	-	10,722	

The Caroline Booth Memorial Prize Funds of £2,196 (2020- £2,196) were established in 1997 by J H Booth in memory of his mother to fund music prizes.

The Dr W R C Chapman Prize Fund of £1,075 (2020- £1,075) was established in 1999 by Sir Nigel Rudd in memory of a past headmaster of Bemrose School, Derby to fund a mathematics prize.

The Duke of Devonshire Prize Fund of £2,082 (2020- £2,082) was established in 2000 by His Grace the Duke of Devonshire to fund a prize for natural sciences.

The Dermot Murray Prize Fund of £2,658 (2020- £2,658) was established to promote interest in science and to encourage the formal presentation of short papers on matters of scientific interest.

The MacMillan Prize Fund of £1,216 (2020- £1,216) was established in 2004 by Mr John Blackton in memory of Mr H B MacMillan to fund a senior mathematics prize.

The Thomas Dakin Prize Fund of £972 (2020- £972) was established in 2004 by Mr S Critchell-Ward to fund the Esprit de Corps prize.

The Roger Waller Fund of £523 (2020- £523) was established in 2008 by a former headmaster to fund a chemistry prize.

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

22 Analysis of net assets between funds

	Unrestricted funds	Endowment funds	Total	Unrestricted funds	Endowment funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 July 2021 are represented by:						
Tangible assets	2,627,000	-	2,627,000	2,552,043	-	2,552,043
Investments	27,609	728	28,337	27,609	728	28,337
Current assets/ (liabilities)	(941,897)	9,994	(889,607)	(134,571)	9,994	(82,281)
Long term liabilities	(107,560)	-	(149,856)	(1,006,039)	-	(1,048,335)
	<u>1,605,152</u>	<u>10,722</u>	<u>1,615,874</u>	<u>1,439,042</u>	<u>10,722</u>	<u>1,449,764</u>

23 Events after the reporting date

The bank loan facility was renewed on 6 March 2022 for an amount of £750,000 repayable over 10 years at a fixed rate of interest of 4.79%.

24 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

Loans amounting to £nil (2020- £806) were received from a charitable organisation, with which the charity is affiliated, as noted in the Report of the Trustees. During the year the charity was released from the obligation to repay loans to a total of £206,848 (2020- £260,000) as referred in note 11. As at the balance sheet date amounts owed to the affiliated charitable organisation, as noted in the Report of the Trustees, totalled £40,656 (2020- £249,144).

At the year end the charity owed £45,045 (2020- £55,315) to former trustees. During the year loans amounting to £10,270 (2020- £20,110) were forgiven by these individuals and are reflected in donations and gifts in the statement of financial activities.

Four governors have children who attend the School. No fee discounts or benefits are provided to those families due to their positions on the Board of Trustees.

DERBY GRAMMAR SCHOOL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

25	Cash generated from operations	2021 £	2020 £		
	Surplus for the year	113,500	175,070		
	Adjustments for:				
	Investment income recognised in statement of financial activities	(715)	(1,410)		
	Depreciation and impairment of tangible fixed assets	19,854	59,225		
	Movements in working capital:				
	Decrease in stocks	1,425	147		
	Decrease/(increase) in debtors	35,703	(56,685)		
	(Decrease) in creditors	(128,895)	(401,413)		
	Cash generated from/(absorbed by) operations	40,872	(225,066)		
26	Analysis of changes in net (debt)/funds				
	At 1 August 2020	Cash flows	Other non-cash changes	At 31 July 2021	
	£	£	£	£	
	Cash at bank and in hand	196,155	(168,641)	-	27,514
	Loans falling due within one year	(67,976)	8,723	(703,625)	(762,878)
	Loans falling due after more than one year	(963,039)	-	922,383	(40,656)
	Obligations under finance leases	(1,173)	1,173	-	-
		(836,033)	(158,745)	218,758	(776,020)

Document Activity Report

Document Sent

Wed, 13 Jul 2022 08:32:46 GMT

Document Activity History

Document history shows most recent activity first

Date

Activity

You can verify that this is a genuine Portal document by uploading it to the following secure web page:

<http://hsksg.accountantspace.co.uk/messages/VerifyDocument>