

KINGSTON GRAMMAR SCHOOL

England & Wales · Charity number 1078461

Details

Status	Registered
Legal form	Charitable company
Company number	03883748
Registered	1999-12-03
Register	View on the Charity Commission register

Contact

Address	Kingston Grammar School 70 London Road Kingston Upon Thames KT2 6PY
Phone	02089398823
Email	bursary@kgs.org.uk
Website	www.kgs.org.uk

Activities

Objects: The objects of the Charity (Objects) are the advancement of education generally and in particular through the provision and conduct of schools including (but not exclusively) in or near the Royal Borough of Kingston upon Thames.

Activities: The advancement of education generally and in particular through the provision and conduct of schools in or near the Royal Borough of Kingston upon Thames. The provision of education in Kingston upon Thames for boys and girls in its school Kingston Grammar School. To administer bursaries, grants and awards in support of the education of pupils at Kingston Grammar School.

Classification

- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People, The General Public/mankind

Geography

- **Area of benefit:** SURREY
- Hammersmith And Fulham
- Hounslow
- Kingston Upon Thames
- Merton
- Richmond Upon Thames
- Surrey
- Wandsworth

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£24,495,000	£22,620,000	£29,111,000	239
2024-07-31	£22,071,000	£19,796,000	£26,694,000	223
2023-07-31	£19,219,000	£17,915,000	£23,755,000	220
2022-07-31	£19,400,000	£16,810,000	£22,473,000	215
2021-07-31	£16,540,000	£14,787,000	£19,862,000	201

Trustees

Name	Role	Appointed
Beatrijs Lelyveld		2022-12-06
Craig Walker		2024-08-12
Diana Breeze		2024-09-01
Ed Bowyer		2021-09-23
Jatinder Singh Harchowal		2018-12-04
Lara Mott		2024-12-10
Liz Dux		2019-03-19
MARK WEATHERITT		2023-10-11
Oliver Canning		2024-06-20
Peter Kelk		2022-09-22
Sally Bryce		2024-12-10
Simon Jones		2025-09-01
Sophie Cavanagh		2023-12-12

Linked charities

- KINGSTON GRAMMAR SCHOOL FOUNDATION (1078461-1)

Accounts

Registered company number: 3883748
Registered charity number: 1078461
Registered VAT number: 423470321

KINGSTON GRAMMAR SCHOOL



KINGSTON
GRAMMAR SCHOOL

FOUNDED 1561

(A CHARITABLE COMPANY LIMITED BY GUARANTEE)

**REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**



**KINGSTON GRAMMAR SCHOOL
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

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**KINGSTON GRAMMAR SCHOOL
GOVERNORS, DIRECTORS & OFFICERS
FOR THE YEAR ENDED 31 JULY 2025**

GOVERNORS, DIRECTORS & OFFICERS

Under the Articles the Governors are the charity trustees and are also the directors and members of the Company. The Governors of Kingston Grammar School who served during the year are:

<u>Name</u>	<u>Committee membership and roles</u>
Robert O'Dowd (Chair to 9 th December 2024) ¹	S&R; I ; F&GP
Catherine Chevallier ²	S&R; F&GP; N&G
Liz Dux	M&A ; E&S; N&G; S&R
Andrew Evans ³	F&GP; AR&C; I; S&R
Jatinder Harchowal (Chair from 10 December 2024)	N&G; E&S; F&GP; I; S&R
Diana Rose ⁴	E&S
Na'eem Ahmed ⁵	M&A
Ed Bowyer	M&A; S&R
Nicholas Cole	E&S
	F
Peter Kelk	F&GP; I; AR&C; S&R
Beatrijs Lelyveld	E&S; AR&C; M&A
Mark Weatheritt	E&S; F&GP
Sophie Cavanagh	E&S
Oliver Canning	F&GP; AR&C
Craig Walker ⁶	F&GP; I; AR&C
Diana Breeze ⁷	S&R; N&G
Sally Bryce ⁸	E&S
Lara Mott ⁹	AR&C; M&A

Resignation / Retirement

Basis of, and changes in, appointment

<u>Committees</u>	
Staffing and Remuneration	S&R
Education & Safeguarding	E&S
Finance & General Purposes	F&GP
Investment	I
Marketing & Admissions	M&A
Nominations & Governance	N&G
Audit, Risk & Compliance	AR&C

¹ Retired as Governor on 9 December 2024

² Retired as Governor on 9 December 2024

³ Retired as Governor on 9 December 2024

⁴ Retired as Governor on 9 December 2024

⁵ Retired as Governor on 11 August 2024

⁶ Appointed as Governor on 12 August 2024

⁷ Appointed as Governor on 1 September 2024

⁸ Appointed as Governor on 10 December 2024

⁹ Appointed as Governor on 10 December 2024

OFFICERS

Head Master	Stephen Lehec
Director of Finance & Operations	David Leen
Deputy Head Development, Outreach & Partnerships	Sarah Humphrey
Deputy Head Academic	William Cooper
Clerk to the Governors	Dinah Coomes

**KINGSTON GRAMMAR SCHOOL GOVERNORS
ADVISERS, REGISTRATION NUMBERS & WEBSITE
FOR THE YEAR ENDED 31 JULY 2025**

ADVISERS, REGISTRATION NUMBERS & WEBSITE

Auditor:	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers:	Barclays Bank plc Level 27, 1 Churchill Place Canary Wharf London E14 5HP
Investment Advisers:	Close Brothers Asset Management B4 Endeavour Place 11 Coxbridge Business Park Alton Road Farnham GU10 5EH
Solicitors:	Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA
Pension Advisers:	Moore Kingston Smith 9 Appold Street London EC2A 2AP
Insurance Brokers:	S Ellis Consulting Ltd 28 Park Road North Leigh Witney Oxfordshire OX29 6RX on behalf of AON UK Limited
Principal Address & Registered Office:	70 London Road Kingston upon Thames Surrey KT2 6PY
Website:	www.kgs.org.uk
Registered Charity Number	1078461
Registered Company Number	3883748
Registered VAT Number	423470321

**KINGSTON GRAMMAR SCHOOL
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2025**

The Governors present their Annual Report for the year ended 31 July 2025. This is prepared in accordance with the Companies Act 2006 and the Charities Act 2011 and includes the Directors' Report and Strategic Report, together with the audited Financial Statements for the year. The Governors confirm that the latter comply with the requirements of the Companies Act 2006, the Company's Articles of Association and the Charities SORP 2019.

DIRECTORS' REPORT

CONSTITUTION AND OBJECTS

The Charity, Kingston Grammar School Foundation, was founded in 1561. On 22 November 1999 Kingston Grammar School was incorporated as a charitable company, limited by guarantee, registered in England No. 3883748, and is registered with the Charity Commission under Charity No. 1078461. The company is the corporate trustee of the Kingston Grammar School Foundation. The governing document is the Articles, last amended on 11 October 2023.

The objects of the Charity are the advancement of education generally and in particular through the provision and conduct of schools including (but not exclusively) in or near the Royal Borough of Kingston upon Thames.

In furtherance of these objects for the public benefit, the Charity has established and administers fee assistance/bursaries, grants, awards, and other benefactions, and acts as the trustee and manager of property, endowments, bequests, and gifts given or established in pursuance of these Objects.

VISION, AIMS AND OBJECTIVES

At Kingston Grammar School, our mission is to live out our motto of 'Work well & be happy', balancing achievement with wellbeing, in all that we do, throughout our lives.

We aim to inspire and enable all our young people to have both the will and ability to go out into the world and make it a better place for everyone. We envisage that our students will become a global community of alumni who are empowered with the knowledge, skills and values to lead with compassion, innovate with purpose and collaborate across cultures to build a just and sustainable future for all.

We believe in achieving excellence with integrity, without compromising on individual wellbeing or our values.

- We encourage and foster personal ambition alongside the development of social conscience.
- We promote commitment and determination in all areas of school life, while highlighting the importance of care for oneself and others in striving for one's goals.
- We provide support to each individual, whilst developing their own sense of self-reliance.
- Most importantly, we aspire for our students to become the leaders of a better, kinder world.

Each of these aims is underpinned by our core values of aspiration, integrity, respect, and engagement. It is in this way that we can 'Work well & be happy' and truly know what that means for ourselves and for others.

Aspiration

We want to equip our students with the skills and confidence they need to pursue their chosen ambitions and pathways. We understand the importance of having the right 'currency' in the form of examination results and other outcomes, whilst also pursuing excellence in a broad range of co-curricular endeavours as goals in themselves. We enable our students to become future-ready, able to master digital technology and to build interpersonal relationships with people from all walks of life. We also recognise that success can be different for every student and wholeheartedly aim to inspire and support each student in the pursuit of their ambitions.

Integrity

We encourage and develop our students' commitment to strong moral principles and ethical values; being honest with themselves and others. We aim to ensure that our students are confident in admitting when something has gone wrong, and work to find a more positive outcome, either independently or with the support and collaboration of others. This is an integral part of the educational journey at KGS

and a quality that is increasingly important in a world where ‘fake news’ and sections of social media have been used to promote personal, or bespoke, agendas, which may threaten the greater good.

Respect

We hold dear the notion that every member of the KGS community should have respect for themselves, for other people and for the world in which we live whilst embracing the concept of kindness, in all its facets. We demonstrate an absolute understanding of equality and diversity, as well as promoting sustainability at every level. Beyond this, we encourage the practice of self-kindness, learning to balance competing priorities and both developing and maintaining a positive self-image.

Engagement

We actively encourage our students to fully embrace all the opportunities available to them, including those they are familiar with and may well excel in, and those that are new and require a determined effort. We encourage collaboration with peers and adults both within and beyond the school, recognising how much more can be achieved when working in partnership. We invite our students to give back to the communities of which they are a part, through their leadership and service.

Our objectives are set to reflect our educational aims and the vision of the School. In setting our objectives and planning our activities Governors have given careful consideration to the Charity Commission’s general guidance on public benefit and to its supplementary public benefit guidance on fee-charging and advancement of education. The focus of our objectives is on the development of our students, their continued high levels of academic, co-curricular achievement and pastoral wellbeing and to further widen access to the education our School provides. Our key objectives for the year, in line with our three-year School Development Plan are to:

- Plan and deliver exceptional teaching and learning within a curriculum and assessment framework which gives all students the skills and learning disposition to make continuous progress and achieve the currency they need to follow their chosen path beyond KGS.
- Deliver an unrivalled level of pastoral care, alongside a wellbeing and education programme that will enable all KGS students to take responsibility for their personal development and, make well-informed life choices that help to promote a positive and respectful culture for all members of the school and wider community.
- Develop the character of all students through the provision of a range of enriching and engaging opportunities in cocurricular and beyond.
- Prepare students to enter the world beyond school with the credentials to succeed, the confidence to adapt to a fast-changing world, and the leadership skills to create positive change.
- Attract, admit, and retain the students who have the greatest potential to benefit from an education at KGS.
- Recruit and retain the best teaching and support staff who are committed to the School vision and live by the core School values.
- Maintain and grow income to provide optimum investment in the long-term future of the School and to ensure high quality facilities to deliver education to the highest standards.

INSPECTIONS

In December 2024, the ISI inspectorate conducted a routine full inspection under the ISI Inspection Framework 2023. The School met all Standards.

Prior to this, in June 2024, a Material Change inspection was conducted by the ISI pursuant to the school’s application to increase its capacity to 1,100 students over a five-year period. The school met all the Standards inspected.

GOVERNANCE AND MANAGEMENT

Governing Body

Membership of the Governing Body and its Committees is set out on page 2. As noted on page 2, in the year ending 31 July 2025 five Governors have stood down and four new Governors were appointed.

Under the Articles, the Governing Body is composed of no fewer than ten and not more than fifteen individuals appointed by resolution of the Board. The normal term of office is four years. A Governor may serve two consecutive terms after which, in the absence of exceptional circumstances, they are not eligible for re-election until after a year has elapsed.

Recruitment and training of Governors

New members of the Governing Body are appointed in accordance with criteria and procedures set out in an agreed Recruitment and Induction Policy, seeking to maintain an appropriate balance in terms of age, gender, ethnicity, and a range of backgrounds, as well as an appropriate mixture of skills and experience. Under the Policy, the Governing Body will seek to ensure that it includes at least one governor who is a parent of a current student. When the parent is first appointed as governor, at least one who is a former student of the school and at least one Governor who is involved in higher education.

New Governors are inducted into the workings of the Charity and the School, including Governing Body Policy and procedures, at meetings with the Head Master, Director of Operations & Finance, other members of the School Executive and the Clerk to the Governors. Safeguarding training is delivered annually to Governors and an internal training session on a topic of strategy is organised each year. In addition, Governors are encouraged to attend training courses to enhance their skills in areas relevant to their role at the school such as finance, marketing and good governance organised by external organisations. Circulation of briefing notes and newsletters from relevant organisations keep them informed and updated on current issues in the sector and regulatory requirements.

Organisational management

The Governing Body is legally responsible for the overall management and control of the School, and usually meets four times a year. The Governing Body delegates specific duties to committees and may refer particular matters to them from time to time. The committees of the Governing Body currently operate as follows:

The Audit, Risk & Compliance Committee - consists of no more than four Governors. The Chair should not also be the Chair of the Finance and General Purposes Committee. The Committee usually meets twice a year. Its terms of reference are to receive reports from the School's auditors, to agree the form of the annual audit, to recommend to the Governing Body the adoption of the Annual Accounts, to monitor the risk management process and allocate risk management responsibilities to other committees or the Executive, to monitor Health & Safety and to oversee and review compliance generally at the School.

The Education and Safeguarding Committee - consists of up to seven Governors and usually meets three times a year. Its terms of reference are to consider all educational matters (including but not limited to academic, pastoral and co-curricular areas) and all safeguarding matters; proposed developments of the educational and safeguarding provision, to receive reports from relevant members of staff on issues of note concerning the educational provision of the School or raised by any member of the Governing Body, and to monitor and oversee compliance with educational, pastoral and safeguarding requirements.

The Finance and General Purposes Committee consists of up to seven Governors and usually meets four times a year. Its terms of reference are to recommend revenue and capital budgets and fee levels to ensure a sound commercial operation; to monitor the financial position of the School; to explore opportunities for the development, expansion and refurbishment of the School's buildings and property; to submit proposals and to monitor the implementation of major projects; to advise on the financial implications of projects and recommendations from other committees; and to approve or recommend changes to the School's financial policies.

The Investment Committee - meets twice a year and consists of up to four members including the Chair or Vice-Chair of the Governing Body, the Chair of the Finance and General Purposes Committee and a Governor with relevant financial experience. Its terms of reference are to select and appoint advisory and/or discretionary investment managers, to make recommendations on investment policy, to review and monitor investment performance and appropriateness, to take investment advice as

appropriate, to approve transactions recommended by appointed financial advisers and to monitor the appropriate use of the investment funds by the School.

The Marketing and Admissions Committee - consists of up to four Governors and meets twice a year. Its terms of reference are to agree the Admissions policy, to ensure a strategy for marketing and publicity, to review admissions against target and to agree Bursary guidelines.

The Nominations and Governance Committee - consists of up to four Governors including the Vice-Chair of the Governing Body, and meets at least three times a year. Its terms of reference are to lead on matters of succession planning and composition of the Governing Body; to co-ordinate and follow the required process for recruitment of new Governors; to ensure that new Governors receive a proper induction; to integrate and co-ordinate all aspects of governance and legal and regulatory compliance; to keep under review the Governors' register of interests and to advise on conflicts of interest where required.

The Staffing and Remuneration Committee - meets at least twice a year and consists of the Chair of Governors, the Chair of the Finance & General Purposes Committee and not more than three other Governors. Its terms of reference are to review the pay and conditions of all staff including determining the remuneration of the Head Master, the Deputy Heads, the Director of Finance and Operations and Assistant Heads; and to consider other staff related matters.

During the year, there were 24 meetings held of the Governing Body or one of its committees and total average attendance by Governors at these meetings averaged 90%.

All Governors are linked to a member of the School Executive and spend time during the year so that they can experience and understand better how the School operates. Certain Governors fulfil functional roles, relating to Safeguarding, Health & Safety, SEND and EDI to oversee compliance.

All Governors give their time freely and no remuneration was paid in the year. Where Governors have children who are students at the school there are no special arrangements in respect of the fees payable. Governor's children are eligible for means-tested fee assistance or scholarships in accordance with normal school policies and practice. Governors do not participate in decisions regarding awards of fee assistance or scholarships insofar as their own children are involved.

The day-to-day running of the School is delegated to the Officers, known collectively as the School Executive, who attend relevant meetings of the above governors' committees. The School's Executive comprises: Stephen Lehec (Head Master), David Leen (Director of Finance & Operations), Will Cooper (Senior Deputy Head - Academic), Sarah Humphrey (Deputy Head - Development, Outreach & Partnerships), Alison Williams (Deputy Head - Pastoral), Deborah Sherwood (Director of International), Adam House (Director of Marketing and Admissions) and Nicola Sloan (Director of Human Resources), Andy Beard (Assistant Head), Anoushka Lett (Assistant Head) and Oliver Garner (Assistant Head).

The framework for remuneration of the School staff is set by the Governing Body and is reviewed annually, including reference to comparisons with other independent schools to ensure the School remains sensitive to the broader issues of pay and employment conditions in the local area.

The School has developed a HMC Teacher Training programme to offer professional development to support wider education with well trained teachers in all areas. It brings an outlook of modern teaching methods at the School and provides community benefit as teachers exchange with their state school counterparts. Delivery of the School's charitable vision and purpose is primarily dependent on our key staff and their costs are the largest single element of our charitable expenditure.

Employment Policy

The School actively supports the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards.

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with

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employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the School.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

Company law requires the Governors to prepare Financial Statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group and charitable company for that period. In preparing these financial statements, the Governors are required to:

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

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the Group and school's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

STRATEGIC REPORT

MISSION STATEMENT

Kingston Grammar School aims to provide the best and broadest educational opportunities possible, in a caring and supporting environment where all are instilled with the virtues of regard, integrity and aspiration. The School also encourages all staff and students to be engaged in productive partnerships whilst fostering a high degree of independence, both now and in future life.

FEE ASSISTANCE OBJECTIVES

To promote high academic standards and broaden access, the School has the following specific policies:

- **Scholarships** - Our scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to our co-curricular activities. Scholarship awards are normally set at 10% but do range from honorary awards up to 40% remission of full fees at 11+, 13+ and 16+, allowing the School to provide further resources to means-tested fee assistance, whilst not increasing the burden on fee-paying parents. Where further assistance is required, scholarship awards may be supplemented by a means-tested bursary, up to a total of 100%.
- **Fee Assistance (formerly Bursaries)** - Our means-tested fee assistance, up to 100% of full fees, are used to make places available for deserving students from families who might otherwise not be able to afford school fees or to those students whose education may be at risk due to financial hardship. We also make additional awards when necessary to pay for co-curricular activities, school trips, lunches and uniform.
- **Assistance for staff** - As part of our emphasis on attracting and retaining high calibre staff, we offer a discount scheme where staff members choose to educate their children at the School.

The Governors' policy is to offer the School's educational provision to as many children as possible, regardless of means, whilst continuing to promote high academic standards. Our aim is to allow at least 35 students at any one time to be in receipt of free places or a greater number in receipt of lower levels of support. We actively promote the availability of fee assistance and scholarships in our promotional material and at all events and activities designed to recruit and attract prospective students.

We welcome students from all backgrounds and seek to ensure access to the education we offer is not restricted to those who can afford our fees as we believe our students benefit from learning within a diverse community. To be admitted to the School, we need to be satisfied that we will be able to educate and develop a prospective student to the best of their potential and in line with the general standards achieved by their peers. In addition to the sitting of entrance examinations, we interview all those prospective students where, on the evidence of their written papers, there is a possibility that we might make an offer of a place, to satisfy ourselves and parents that potential students can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion, or disability do not form part of our assessment.

Our fees are set at a level to ensure the financial viability of the School, at a level that is consistent with our aims of providing a first-class education to boys and girls, and at a level that balances the aim of providing wide access with the needs of full fee-paying parents.

ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Principal activities of the year

This year has again been a successful year, the School's student population averaged 916 students (2024: 878). The ratio of boys to girls was 50%:50% (2024 50%:50%).

The level of interest in joining the School remains high, as witnessed by attendance at open events and applications.

Governors' scholarships and fee assistance

Since the School has limited specific fee assistance or scholarship funds the provision of such grants is made in part from the School's general funds. In funding our awards, we are mindful to ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child or children's

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education, and those benefiting from the awards. During the year, grants totalled £2,607k (2024: £2,223k) representing 11.4% of our gross fees (2024: 10.7%). This amount comprised:

- £748k (2024: £667k) to provide scholarships for Academic studies, Music, Art, Design & Technology, Drama and Sport to 188 students (2024: 173 students), with awards ranging from 10% to 40% (2024: 10% to 40%);
- Fee assistance awarded to those in need of financial assistance at the time they entered the School totalled £878k (2024: £953k) to 43 students (2024: 47 students) with awards ranging from 40% to 100% (2024: 40% to 100%), including: 23 students (2024: 28 students) with fee assistance awards of 100%;
- Hardship fees assistance awards totalled £204k (2024: £214k);
- Other fee remissions accounted for £776k (2024: £389k); and

In 2024-25 the KGS Foundation supported 2 students with 100% fee assistance. Additionally, the RD Finlay Bursary Fund supported 4 students, KGS Bursaries Fund supported 1 student, and the new TW11 Fund also supported 1 student all at 100% fee assistance. This was the final year of the KGS College Fund which supported a further student with 100% support.

Academic achievements

Academic success is the main priority at KGS. Throughout the School we strive to provide flexibility and a personalised learning programme for each student. Aspiring to, and achieving, excellence is at the heart of everything we do, and this year's examination results deservedly reflect the hard work of the students and teachers.

At GCSE in 2025, students produced the school's best ever set of results, higher even than those achieved from CAGs and TAGs in 2020 and 2021. Overall, 92% were at grade 9-7 (2024: 85%), including 75% at grades 9-8 (2024: 66%). 10 students gained grade 9 in all their subjects, and over 95% of students achieved at least one 9/8 grade. Impressive results were achieved by individuals; five students with 11 x 9's, and five students with 10 x 9's.

Results at A Level also surpassed all previous achievements by KGS students with 35.2% (2024: 31.8%) of all grades at A* and 40% (2024: 43%) at A, giving a combined 75.4% (2024: 74.8%) A*-A. Of the students achieving at least an A grade in three or more subjects, 18 achieved 3 A*s or higher (2024: 18). This marks a continued positive trend in A Level results going back to 2019 with A* at 28.1%.

This year an impressive 84% (2024: 87%) of the students gained a place at their first-choice university of which 75% (2024: 84%) were Russell Group universities - the slight dip this year being largely due to the high number of students taking up places at Bath which is not part of the Russell Group. The most popular destinations were Bath (15) Manchester (9) Bristol (9) Durham (8) Nottingham (7) Leeds (7) Southampton (7) York (6) Exeter (6) UCL (6) Imperial (4) Edinburgh (4) KCL (3) Cambridge (3) Oxford (2) LSE (1).

In total 5 students won places at Oxford and Cambridge colleges with 4 going off to study overseas, including 2 on sports scholarships in the US.

Community & Partnership Programme

KGS continued to maintain strong relationships with local primary and secondary state schools over the last year.

The School worked extensively with two of its closest state primary schools, St John's and St Joseph's, maintaining many long-running projects, most of which were supported by our Lower Sixth Volunteers, such as supervised reading and maths, as well as homework and chess clubs run by our students. Taster classes delivered by Third Year Language Leaders were a particular highlight, resulting in over 500 pupils at St Joseph's, St John's and King Athelstan receiving lessons in French, German, Spanish and Italian in the Summer Term.

Teachers and students from the Mathematics department worked with 16 talented pupils from four local schools, preparing them for the demands of the Junior Maths Challenge. Local primary school pupils were invited to see the Junior Play, while others attended an exciting Science workshop, hosted at the School, called 'Energy Live' delivered by the Royal Institution. A day of design and engineering was provided to

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teams of students from six local schools by the Faraday Challenge in June. Training in Youth Mental Health First Aid was also provided to teachers from local schools.

We continued to foster our links with local secondary schools, mainly Kingston Academy (TKA) but also others such as Tiffin Boys and Tiffin Girls. The Director of Careers and Universities at KGS visited TKA fortnightly to conduct one-to-one meetings with their Upper Sixth students, supporting them as they made decisions about higher education or their journey into the workplace. Multiple Mini Interview Practice supported TKA students applying to university, and other workshops, such as Thinking Skills and mock interviews, were aimed at TKA's Oxbridge applicants. Another staff member provided guidance about applications to US Universities. We also hosted an event to mark CyberFirst, a national competition aimed at encouraging girls to study computer science and consider a career in cybersecurity. We invited 35 Year 9 students from 5 local secondary schools.

The PE department continued to offer significant support for Sport in the Borough and to individual primary schools. At Ditton Field, KGS hosted the Borough's Primary School Cross Country, Cricket and Netball competitions. Coaching was provided in a number of schools, such as King Athelstan, St John's, St Paul's, St Joseph's and St Andrew's and St Mark's. We continued to support our wider community by organising Food and Hygiene Bank collections, supporting the Christmas fundraising activities of the Salvation Army and sending Christmas cards to children staying in hospital over the festive period. A group of our Sixth Formers volunteered throughout the year at BRITE Box, a local charity supplying recipe boxes to families at risk of food poverty. Another group of Lower Sixth students volunteered at Kingston Church Action on Homelessness, cooking healthy and nutritious meals for residents of the Winter Night Shelter. We raised over £15,000 for charity which was split between BRITE Box, KCAH, Young Minds, Comic Relief, Macmillan Cancer Support and Save The Children.

Co-curricular achievements

In Music and Drama

- 2 groups of students made it through to the semi-finals of the Pro Corda Chamber Music Festival
- The Autumn Term Concert, the Carol Service, Jazz Night, Spring Term Concert, House Music and various Lovekyn Chapel Recitals all took place.
- 80 parents and friends of the school took part in the KGS Choral Society Concert performing Benjamin Britten's 'Rejoice in the Lamb'.
- 15 students performed at the Pheasantry, Chelsea in April.
- The Junior, Middle & Senior productions were: 'Little Shop of Horrors', 'Antigone' and 'After Life'
- Record numbers of students participated in the House Dance & House Drama events.
- One student has gone to study at the Oxford School of Drama.
- Various masterclasses and workshops throughout the year including Frantic Assembly and Gecko.

Cricket

- The U15 Girls' Cricket team won the National Schools' 20:20 Cup, as well as the National Indoor title (at Lords), the Surrey U15 Cup and reached the National Hundred Final.

Rowing

- At the National Schools' Regatta, KGSBC won gold in three events.
- The girls' 1st VIII raced at the Henley Royal Regatta.
- KGSBC won the Victor Ludorum at the Molesey Regatta, winning 6 events in one day.
- Five students represented Great Britain in the GB vs France Match in July.

Boys' Hockey

- U13 ISHC National Plate Winners.
- The U14B team won the Regional Tier 2A Final.
- The U16A team finished as National Tier 1 Plate Finalists.
- The 1st XI won the St George's 6s Plate.
- 3 students represented England, 1 at U16 and 2 at U18 including 1 student captaining the side.

Girls' Hockey

- The U16 Girls' won the Tier 1 National Plate.
- Both the U12 and U13 A and B teams reached the London Finals.
- 6 students were selected for the England Hockey Talent Academy Festival.

Other sports

- The U12 Girls' Football team won the Surrey County Cup.
- Netball saw 24 teams play 144 fixtures, with the U16s reaching the Surrey finals, and Borough podium finishes occurring across all age groups.
- Golf enjoyed a landmark year with 1 student qualifying for the English Schools Championship and the School Team reaching the National Schools' Plate Final.
- The Boys' U16 Tennis Team reached the semi-finals of the Tier 1 Surrey Schools' Tennis Festival.

Other achievements

- Combined Cadet Force cadets provided event support to the Commonwealth War Graves Commission Carol Service at the Guards Chapel in London.
- 60 cadets supported the Kingston Crown Court's Annual Service of Thanksgiving (also marks the opening of the Crown Court for the year) at the All Saints' Church.
- 60 cadets took place in this year's Kingston Service of Remembrance
- 11 students undertook their Duke of Edinburgh Gold Award.
- 198 students undertook their Duke of Edinburgh Bronze Award.
- The KGS Young Enterprise Company, 'Laetari' won the Marketing Award at the Kingston Company of the Year Awards.

FINANCIAL REVIEW

Results for the year

The School endeavours to ensure financial stability and continuing solvency year on year so that it can pursue its educational aims and objectives. 2024-25 was a year filled with change; the expansion of the school including opening the new KGS Sixth Form Centre; the imposition of VAT on school fees from January 2025; and from April 2025, the increase in TPS Contributions from 23.6% to 28.6%, Employers National Insurance from 13.8% to 15.0% and the loss of the 80% mandatory rates relief for the school. These changes have all caused significant shifts in the financials and should be considered when comparing result versus 2023-24.

The consolidated income for the year £24,495k (2024: £22,071k). Fee rates increased by 6.00% prior to the imposition of VAT. 2025 income benefitted from £540k by a former KGS student who has pledged \$3.5M over a 5-year period to the conversion of the Fairfield Building into a modern science centre; an additional £100k donation to the TW11 fund restricted for bursaries alongside other donations income. The income from KGS International was £340k (2024: £367k).

Group expenditure was £22,620k (2024: £19,796k) an increase of 14.3%. Staff costs increased by £1,514k, up 11.9% to support the growth in pupil numbers alongside the annual cost-of-living and pay-spine increases and amounts to 63.1% (2024: 64.4%) of total expenditure.

The net operating surplus before investment gains was £1,875k including donations of £790k (2024: surplus: £2,275k, donations: £784k). The results for the year include an unrealised investment gain of £542k (2024: £664k gain).

The Group net operating surplus for the year totals £2,417k (2024: £2,939k) and, as a result, total funds have increased from £26,694k to £29,111k. Details of the Charity's funds are given in notes 15 to 17 in these Financial Statements.

**KINGSTON GRAMMAR SCHOOL
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2025**

During the year, capital expenditure was £7,258k (2024: £1,431k) including land plots for the estates strategy and the new KGS Sixth Form Centre. At the balance sheet date, the Group's borrowings with Barclays Bank totalled £3,660k (2024: £4,726k). Details of the Charity's borrowings are given in note 12.

Through effective financial planning and sensible cost control measures, we have been able to end the year with a strong surplus, all of which will be reinvested in the School. Student numbers remained strong.

KGS International Limited

In autumn 2021 the School, operating through its 100%-owned trading company KGS International Limited, signed a long-term agreement with the Mountain Education Group in China. This is working in an advisory capacity, supporting educational delivery with a new school based in Suzhou which opened in September 2022. These activities are overseen by the International Steering Group which reports into the Governing Body. The financial activities of KGS International Limited are consolidated into these financial statements, including note 8 to the accounts. The surpluses from this activity will support fees assistance at KGS.

Fundraising performance

The Alumni and Development office has continued to make substantial headway thanks in part to the continuing generous donations from the Kingstonians - former students, parents and staff, Governors past and present and friends of the School.

Overall, in our financial year to 31 July 2025, fundraising income of £790k was received, including £100k to the TW11 fund (designed to fund student bursaries), a further £540k for the renovation of the existing Fairfield building, £78k for the Appeal Fund, £38k of royalty income and donations towards the RC Sherriff Fund, £25k for the College Bursary Fund, £9k for Prizes and Other Restricted Donations.

The Governors would like to thank all donors for their generosity which is hugely appreciated, and which will make a real difference in shaping the future of the School.

No professional fundraisers conducted any fundraising activities on behalf of the School during the year. The School is formally registered with the Fundraising Regulator demonstrating our commitment to 'good fundraising practices' and adheres to the Code of Fundraising Practice. There are no instances to report of the School failing to comply with fundraising standards or schemes for fundraising regulation. No complaints were received in the year ended 31 July 2025.

Investment Policy, Performance & Total Return Accounting

Details of the School's investment policy are given in note 1 to these Financial Statements. In preparing these Financial Statements, the Governors, having duly considered the benefits to the School of so doing, have resolved to adopt a Total Returns Accounting approach to all endowed funds that are put into investments. The School retains investment securities and recorded an unrealised market value gain of £542k (2024 gain: £664k). These investments continue to be closely monitored by the Investment Committee to ensure they are able to meet their funding requirements.

Reserves policy

The Governors regularly review the level and nature of the School's reserve funds.

The School continues to invest substantial sums into new and upgraded buildings and for the provision of educational equipment. There are no free reserves and the majority of funds are invested in the tangible fixed asset properties. The Governors continue to be satisfied that cash holdings and the opportunity to obtain external financial facilities provide an additional and adequate safety net, if it should be required.

Funds total for the Group is £29,111k at 31 July 2025 (2024: £26,694k) made up of £5,445k endowment capital, £1,867k restricted funds and £21,799k unrestricted funds which are largely designated to the fixed asset fund.

Future Plans

The Governing Body and School's management are pursuing an expansion strategy alongside maintaining strong cost control, while ensuring that the School continues to deliver first class education and pastoral care and the requirement to meet student needs and parent requirements through major facility developments. In setting our future plans, which are financed primarily from fee income and from our reserves, Governors have tried to maintain an equitable balance ensuring our current students benefit whilst, at the same time, ensuring a sound infrastructure and financial base are preserved for the next generation of students in the same way as our current students benefit today from the investment made in the past.

The objectives of the School's Strategic Plan 2025-28 set out below are designed to support the 4 pillars of life at KGS: Academic success, Personal Wellbeing, Opportunities, and Service.

Curriculum Development, Learning & Outcomes

To provide a curriculum and assessment framework in which all students are able to make continuous progress in working towards the highest aspirations. Teaching and Learning must foster and develop independence and self-reliance, with an appropriate balance of challenge and tailored support.

Staff Recruitment, Development and Retention

To create a positive, engaging and inclusive environment that attracts, develops, and retains high calibre staff, through a robust hiring process to identify the best candidates. The development plan objectives ensure continuous improvement through observations, feedback, and a comprehensive CPD program to support employee growth.

Student Engagement & Development Opportunities

For all students to participate in activities and opportunities that build their character, virtues, and skills, enabling them to thrive both within and outside the school community, and make a positive impact at KGS and in their life beyond the school.

Marketing and Admissions Delivery

To grow the student body to 1,100 by September 2028 by attracting, converting and retaining students of great potential who will thrive at KGS.

Development: Alumni & Fundraising

To create and maintain a highly involved and engaged alumni body, comprised of former students, staff and parents. All of whom can participate in and contribute to a wide array of activities within school, helping to enhance both the facilities and experiences of current students, and supporting the development of our students once they leave KGS so that they too might give back in the future.

ESG & Partnership & Outreach

To support the 4th pillar of KGS - a Service of Culture. To ensure our students are aware of and participate in the wider aspects of school life, to benefit both themselves, the wider community and the school. To ensure KGS fulfils its obligations around the ESG agenda and investigates innovative new ways to develop and grow in this area; to effectively utilise staff and alumni to help fulfil the necessary areas of development.

Student Wellbeing & Progress

To recognise and celebrate KGS' second 'pillar' - wellbeing. To champion our environment in which every child feels safe and secure, and in which students' positive mental wellbeing enables them to achieve best outcomes, both academic and co-curricular.

International Development

To achieve a sustainable income to support fee assistance at the home school; to help increase revenue by generating income and contributing to support fee assistance so that current parental income is not diverted.

Financial Health & Development

To deliver the financial strategy, set against a challenging external environment including the imposition of VAT on fees, to enable the School to deliver its strategic aims.

Estates Management & Development

To deliver the next phase of the School's Estates Strategy alongside the ongoing investment to maintain and

**KINGSTON GRAMMAR SCHOOL
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2025**

enhance the current space and amenities in order to provide the right quantity and quality of facilities in support of the strategic aims.

GOING CONCERN

The Governors have assessed the School's ability to continue as a going concern. The Governors have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements including the budget for 2025-26 and the projection for 2026-27 and beyond and a consideration of key risks.

The trustees therefore have a reasonable expectation that the school has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

RISK MANAGEMENT

The Governors annually consider the principal areas of the School's operations and consider the major risks faced in each of these areas. Utilising a Risk Management matrix, the School Executive and appropriate Committees identify new risks and monitor control over existing risks throughout the year. A formal review of the risk management process is undertaken by the School Executive and the Audit & Risk Management Committee on an annual basis.

The Governors are satisfied that the major risks identified have been adequately mitigated where necessary, recognising that systems can only provide reasonable, but not absolute assurance that risks have been adequately managed.

The principal risks identified are:

<u>Risk</u>	<u>Mitigation</u>
Effectiveness of the safeguarding policy	Appointment of Designated Safeguarding Lead; regular training of staff and governors; regular reporting to School Executive and Governors
Cyber-attack or hacking of data	Robust Acceptable Use Policy; regular backups; external testing; insurance backed disaster recovery plans
Parents experiencing financial difficulty and unable to afford the fees	Availability of some hardship funding. Intention to grow bursary funds

OUR COMMUNITY

The School and Governing Body greatly appreciate the important and valuable support given to the School in so many ways by the whole KGS Community, including all students, current and former parents, Old Kingstonians, and many other friends of the School. Above all, the Governing Body remains deeply grateful to the entire staff, both teaching and support, whose unstinting hard work and loyalty have enabled the School to achieve its major objectives reflected in the ISI report. We are grateful to all for their commitment, generous and continuing support, and their efforts.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of Kingston Grammar School on 16th March 2026 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

Jatinder Harchowal
Chair



11/3/26

Liz Dux
Vice-Chair



11/3/26
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**KINGSTON GRAMMAR SCHOOL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2025**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KINGSTON GRAMMAR SCHOOL

Opinion

We have audited the financial statements of Kingston Grammar School ('the charitable company') and its subsidiary ('the group') for the year ended 31 July 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the KGS Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 July 2025 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006. Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

**KINGSTON GRAMMAR SCHOOL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2025**

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the 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 and proper accounting records have not been; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to

**KINGSTON GRAMMAR SCHOOL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2025**

provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including financial reporting legislation and the Charities SORP (FRS 102) and tax regulations. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be necessary to the charitable group's ability to operate or to avoid a material penalty. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We also considered the opportunities and incentives that may exist within the group for fraud. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to this risk included enquiries of management and the Audit, Risk & Compliance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Vincent Marke
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor - London
Date: 20.03.2026

KINGSTON GRAMMAR SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2025

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Notes:	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2025 £'000	2024 £'000
Income and endowments from:						
Charitable activities						
- School fees receivable	2	20,547	-	-	20,547	18,717
- Other charitable income	3a	1,854	-	-	1,854	1,378
Activities for raising funds:						
- Donations	3b	-	790	-	790	784
- Ancillary trading	3c	560	-	-	560	549
- Investment income	3d	739	-	-	739	609
Other activities - Other income & Grants	3e	5	-	-	5	34
Total income		23,705	790	-	24,495	22,071
Expenditure on:						
Raising funds						
- Financing	5	(326)	-	-	(326)	(402)
- Fundraising & Development	5	(91)	(4)	(44)	(139)	(135)
		(417)	(4)	(44)	(465)	(537)
Charitable activities						
- Education and grant making	5, 15, 16	(21,919)	(111)	(125)	(22,155)	(19,259)
Total expenditure		(22,336)	(115)	(169)	(22,620)	(19,796)
Net income before transfers and investment (losses) / gains		1,369	675	(169)	1,875	2,275
Net (losses) / gains on investments	8	-	57	485	542	664
Transfers between funds	15, 18	982	(102)	(880)	-	-
Net income / (expenditure)		2,351	630	(564)	2,417	2,939
Fund balances brought forward at 1 August 2024		19,448	1,237	6,009	26,694	23,755
FUND BALANCES CARRIED FORWARD AT 31 JULY 2025		21,799	1,867	5,445	29,111	26,694

All the Group operations represent continuing activities.

There were no recognised gains or losses other than those shown above.

A copy of the Statement of Financial Activities for the year ended 31 July 2024 is provided in note 25.

**KINGSTON GRAMMAR SCHOOL
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2025**

CONSOLIDATED BALANCE SHEET

	Notes:	2025 £'000	2025 £'000	2024 £'000
FIXED ASSETS				
- Tangible fixed assets	7		24,902	18,817
- Investments	8		6,899	6,665
			<u>31,801</u>	<u>25,482</u>
CURRENT ASSETS				
- Debtors	9	1,811		1,219
- Cash and short-term deposits		10,392		24,708
		<u>12,203</u>		<u>25,927</u>
CREDITORS: due within one year	10	<u>(11,683)</u>		<u>(14,919)</u>
NET CURRENT ASSETS			<u>520</u>	<u>11,008</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>32,321</u>	<u>36,490</u>
CREDITORS: due after one year	11		<u>(3,210)</u>	<u>(9,796)</u>
TOTAL NET ASSETS			<u><u>29,111</u></u>	<u><u>26,694</u></u>
THE FUNDS OF THE CHARITY				
ENDOWED FUNDS	15		5,445	6,009
RESTRICTED FUNDS	16		1,867	1,237
UNRESTRICTED FUNDS	17			
- Fixed assets fund		21,587		19,222
- Other designated funds		120		120
- KGSi		<u>92</u>		<u>106</u>
TOTAL UNRESTRICTED FUNDS			<u>21,799</u>	<u>19,448</u>
TOTAL CHARITY FUNDS			<u><u>29,111</u></u>	<u><u>26,694</u></u>

Approved and authorised for issue by the Governors on 16th March 2026 and signed on their behalf by:

Jatinder Harchowal
Chair



Liz Dux
Vice-Chair



**KINGSTON GRAMMAR SCHOOL
BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2025**

KGS SCHOOL BALANCE SHEET

	Notes:	2025 £'000	2025 £'000	2024 £'000
FIXED ASSETS				
- Tangible fixed assets	7		24,902	18,817
- Investments	8		6,899	6,665
			<u>31,801</u>	<u>25,482</u>
CURRENT ASSETS				
- Debtors	9	1,811		1,248
- Cash and short-term deposits		10,353		24,543
		<u>12,164</u>		<u>25,791</u>
CREDITORS: due within one year	10	<u>(11,736)</u>		<u>(14,889)</u>
NET CURRENT ASSETS			<u>428</u>	<u>10,902</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>32,229</u>	<u>36,384</u>
CREDITORS: due after one year	11		<u>(3,210)</u>	<u>(9,796)</u>
TOTAL NET ASSETS			<u><u>29,019</u></u>	<u><u>26,588</u></u>
THE FUNDS OF THE CHARITY				
ENDOWED FUNDS	15		5,445	6,009
RESTRICTED FUNDS	16		1,867	1,237
UNRESTRICTED FUNDS	17			
- Fixed assets fund		21,587		19,222
- Other designated funds		<u>120</u>		<u>120</u>
TOTAL UNRESTRICTED FUNDS			<u>21,707</u>	<u>19,342</u>
TOTAL CHARITY FUNDS			<u><u>29,019</u></u>	<u><u>26,588</u></u>

Exemption has been taken from presenting the unconsolidated profit and loss account under section 408 of Companies Act 2006. For the year ended 31 July 2025, the unconsolidated profit was £2,431k.

Approved and authorised for issue by the Governors on 16th March 2026 and signed on their behalf by:

Jatinder Harchowal
Chair



Liz Dux
Vice-Chair



KINGSTON GRAMMAR SCHOOL
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2025

CONSOLIDATED STATEMENT OF CASH FLOWS

	2025	2024
	£'000	£'000
Cash flows from operating activities:		
Net income for the reporting period	2,417	2,939
Elimination of non-operating cash flows:		
- (Profit)/Loss on sale of tangible fixed assets	(5)	148
- Interest charged on loans and overdraft	326	402
- Investment income and bank interest received	(739)	(609)
Unrealised (gains)/losses on investments added back	(542)	(664)
Depreciation charges added back	1,173	964
(Increase)/Decrease in Debtors	(592)	(235)
Increase/(Decrease) in Creditors	86	513
Increase/(Decrease) in Parent Deposits held	168	107
Increase/(Decrease) in Fees in Advance Scheme	(9,010)	14,834
Net cash (used in) / generated from operating activities	(6,718)	18,399
<i>Cash flows from investing activities</i>		
- Payments for tangible fixed assets	(7,258)	(1,431)
- Disposal of tangible fixed assets	-	177
- (Profit)/Loss on sale of tangible fixed assets	5	(148)
- Investment income and bank interest received	739	609
- Purchase of investments and investment costs	(52)	(1,495)
- Disposal of investments	360	-
Net cash used in investing activities	(6,206)	(2,288)
Cash flows from financing activities:		
- Interest paid on loans	(326)	(402)
- Repayment of borrowings	(1,066)	(992)
Net Cash used in financing activities	(1,392)	(1,394)
Change in cash and cash equivalents in the reporting period	(14,316)	14,717
Cash and cash equivalents as at 1 August 2024	24,708	9,991
Cash and cash equivalents as at 31 July 2025	10,392	24,708

ANALYSIS OF CASH AND CASH EQUIVALENTS

Cash and cash equivalents	10,392	24,708
Total cash and cash equivalents	10,392	24,708

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their account in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2019.

The functional currency of the school is GBP because that is the currency of the primary economic environment in which the school operates.

The Financial Statements are drawn up on the historical cost accounting basis except investment assets that are carried at market value.

Kingston Grammar School Foundation was founded in 1561 and was registered by the Charity Commission for England and Wales under a scheme dated 14 September 1978 (Charity number 1078461). Under the Charity Commission Scheme made on 30 December 1999 the running of the School, together with all the Foundation's assets and all its liabilities were transferred to the Kingston Grammar School as corporate and trust funds, while the permanently endowed School premises remained with the Foundation.

The school is a public benefit entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 31 December 1999 (Company number 3883748).

The activities of the school's wholly owned subsidiary company, KGS International Limited, are immaterial to those of the school and consolidated accounts have, therefore, not been prepared.

1.1 Going Concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the Schools future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff. The Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date the sign-off of these accounts.

1.2 Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affected current and future periods. In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

1.3 Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, fee assistance granted by the school against those fees, but including contributions from restricted funds are accounted for in the period in which the service is provided.

1.4 Investment Income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accrual basis.

1.5 Donations, legacies, grants, and other voluntary income

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified

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and the economic benefit to the school is considered probable. Voluntary income for the school's general purposes is accounted for as unrestricted and is credited to the General reserves. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not. Gifts in kind are valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption, or at value to the school in the case of donated services or facilities.

1.6 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the items of expenditure to which it relates.

Governance costs comprise of the costs of complying with constitutional and statutory requirements.

Termination payments are recognised on communication of intention to pay and are accounted for as staff costs.

1.7 Tangible Fixed Assets

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £10k together with any purchases of vehicles, IT equipment, boats and boat club equipment, office, admin or teaching equipment costing over £2k, with a life expectancy of over two years, are capitalised and carried in the balance sheet at historical cost.

Assets Under Construction are capital projects that are not yet complete and therefore not yet available for use. Expenditure directly attributable to bringing the asset into its intended operational condition is capitalised at cost. These assets are not depreciated until they are ready for use, at which point they are transferred to the appropriate fixed asset category and depreciation begins. Assets under construction are reviewed for indicators of impairment at each reporting date.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal instalments over their expected useful economic lives typically as follows: -

Freehold buildings	2%
Artificial Pitch	10%
Boats and Boat Club equipment	15%
Motor vehicles	20%
Field equipment and tractors	20%
Computers, teaching, kitchen, cleaning, office equipment	20% - 33%
Plant, Fittings & Refurbishment	3% - 20%

Note: Each asset is assessed on acquisition for appropriate useful life

Land is not depreciated.

1.8 Investments

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of the investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund accordingly to the ownership of the underlying assets.

1.9 Fund Accounting

The charitable trust funds of the school are accounted for as unrestricted and restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted income belongs to the school's reserves, spendable at the discretion of the governors either to

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further the school's objectives or to benefit the school itself. Where the Governors decide to set aside any part of these funds to be used in the future for a specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income comprises gifts, legacies, and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanently endowed funds represent amounts donated to the School where the donor has specified that the capital is to be retained and only the income arising thereon may be spent. The School has adopted total return accounting for all permanently endowed funds which results in all returns on the underlying investments whether dividends or gains being allocated to the fund and being available for application by the Governors. The Governors will decide each year on the level of application of any unapplied total return which is recorded in the Statement of Financial Activities.

Expendable endowed funds represent capital expenditure on the School buildings on the permanently endowed land up to the date of the 1978 Scheme, subject to annual depreciation.

1.10 Financial instruments

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

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2. SCHOOL FEES	2025	2024
	£'000	£'000
The School's fee income comprised:		
Gross fees	22,927	20,740
Less : Total fee assistance, grants and scholarships	<u>(2,607)</u>	<u>(2,223)</u>
	20,320	18,517
 Add back Bursaries paid for by RD Finlay Fund	100	100
Add back Bursaries paid for by KGS Bursaries Fund	25	25
Add back Fee Assistance paid for by KGS Fundraising	50	50
Add back Fee Assistance paid for by TW11	25	-
Add back Fee Assistance paid for by College Bursary	<u>27</u>	<u>25</u>
	<u>20,547</u>	<u>18,717</u>
 3. OTHER INCOME		
a) Charitable activities		
- Registration	214	203
- School meals (students)	678	599
- School trips income	655	576
- Exam Income (*)	181	-
- Extras	<u>126</u>	<u>-</u>
	<u>1,854</u>	<u>1,378</u>
b) Resources from raising funds (donations)		
- Appeal fund donations for general purposes	-	30
- Donations/royalties received for specific purposes	<u>790</u>	<u>754</u>
	<u>790</u>	<u>784</u>
c) Activities for raising funds (ancillary trading)		
- Lettings	53	14
- Rent from properties occupied by School staff	59	90
- KGS International Income	340	367
- Other trading income	<u>108</u>	<u>78</u>
	<u>560</u>	<u>549</u>
d) Investment income		
- Bank interest	<u>739</u>	<u>609</u>
	<u>739</u>	<u>609</u>
e) Other Activities		
- Sundry Income	<u>5</u>	<u>34</u>
	<u>5</u>	<u>34</u>
 4. NET INCOME IS STATED AFTER RECOGNISING		
Auditor's remuneration - Audit	34	38
Auditor's remuneration - Tax Advice	11	6
(Profit) / Loss on disposal of fixed assets	(5)	148
Depreciation - Owned assets	<u>1,173</u>	<u>964</u>

* Exam income and expenditure were netted off in prior year accounts. They have been separated into income and expenditure lines this year. The associated costs are shown in Note 5 within Teaching Costs: Other. The comparable income that was netted off expenditure in 2023-24 was £165k.

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5. ANALYSIS OF TOTAL RESOURCES EXPENDED

2025	Staff Costs	Other	Depreciation	Total
	£'000	£'000	£'000	£'000
Charitable Activities				
- Teaching Costs	10,802	1,323	73	12,198
- Education Support	748	1,942	33	2,723
- Premises	825	2,018	1,066	3,909
- Admin Support	1,847	1,467	1	3,315
School Operating Costs	14,222	6,750	1,173	22,145
- (Profit)/Loss on disposal of FA	-	(5)	-	(5)
- Grant Awards Prizes	-	15	-	15
	14,222	6,760	1,173	22,155
Raising Funds				
- Ancillary Trading	-	-	-	-
- Financing	-	326	-	326
- Fund-Raising	46	93	-	139
Total	14,268	7,179	1,173	22,620
2024	Staff Costs	Other	Depreciation	Total
	£'000	£'000	£'000	£'000
Charitable Activities				
- Teaching Costs	9,864	1,106	166	11,136
- Education Support	711	1,626	19	2,356
- Premises	674	1,344	778	2,796
- Admin Support	1,513	1,294	1	2,808
School Operating Costs	12,762	5,370	964	19,096
- (Profit)/Loss on disposal of FA	-	148	-	148
- Grant Awards Prizes	-	15	-	15
	12,762	5,533	964	19,259
Raising Funds				
- Ancillary Trading	-	-	-	-
- Financing	-	402	-	402
- Fund-Raising	-	135	-	135
Total	12,762	6,070	964	19,796

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6. STAFF COSTS	2025	2024
	£'000	£'000
Total staff costs comprise:		
- Wages and Salaries	10,791	9,761
- Social Security costs	1,253	1,066
- Pension contributions	2,179	1,842
- Other Pay Related Costs	45	85
	14,268	12,754

The average number of employees (full time & part time) during the year

- Teaching staff (Teachers, Sports Coaches, Technicians)	146	140
- Educational Support staff (Nurse, Library, Admin)	24	24
- Premises staff (Facilities Manager, Maintenance, Cleaning)	37	31
- Admin Support staff (other secretarial & Support staff)	32	28
	239	223

Key Management Personnel

	2025	2024
	£'000	£'000
Those holding a position within the school's Executive		
Aggregate employee-benefits of key management personnel	1,992	1,754

Headcount of higher salary bandings

£60,000 - £70,000	25	19
£70,000 - £80,000	23	23
£80,000 - £90,000	4	3
£90,000 - £100,000	2	4
£100,000 - £110,000	2	0
£110,000 - £120,000	1	1
£120,000 - £130,000	2	2
£150,000 - £160,000	1	0
£300,000 - £310,000	0	1
£380,000 - £390,000	1	0
	61	53

51 of the above employees are in a defined benefit scheme, the TPS. 10 of the above employees are in a defined contribution pension scheme. (Note that one employee moved from defined benefit to defined contribution and is therefore disclosed in both).

During the year there were no redundancy payments and no termination payments (2024: 23.0k).

Governors	2025	2024
	£'000	£'000
Governor Expenses	8	2

No Governor received any remuneration during either the current or previous year.

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7. TANGIBLE FIXED ASSETS (GROUP AND COMPANY)

	Freehold Land and Buildings	Boat Club Equipment	Equipment and Motor Vehicles	Assets Under Construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 August 2024	23,876	762	7,087	771	32,496
Additions	6,610	96	203	349	7,258
Disposals	-	(6)	-	-	(6)
Transfers	723	-	48	(771)	-
At 31 July 2025	31,209	852	7,338	349	39,748
Depreciation					
At 1 August 2024	8,403	656	4,620	-	13,679
Charge for the Year	717	28	428	-	1,173
Disposals	-	(6)	-	-	(6)
Adjustment					
At 31 July 2025	9,120	678	5,048	-	14,846
Net book value					
At 31 July 2025	22,089	174	2,290	349	24,902
At 1 August 2024	15,473	106	2,467	771	18,817

The School's tangible assets are all held for use by the School. The Governors are confident the market values of those assets currently in use are in excess of the value reflected in these Financial Statements.

Finance costs that are directly attributable to the construction of tangible fixed assets are capitalised as part of those assets.

Assets Under Construction

£349k relates to the redevelopment of the Fairfield building.

The transfer of £723k relates to the completed construction of 100 London Road and £48k to the completed installation of emergency lighting.

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8. INVESTMENTS	2025	2024
	£'000	£'000
Stocks and Shares		
At 1 August 2024	6,665	4,506
Additions at cost (*)	100	1,531
Disposals (**)	(360)	-
Management Fees (***)	(48)	(36)
Unrealised gains/(losses) (****)	542	664
Market value at 31 July 2025	6,899	6,665

The Governors' investment powers are governed by the Company's Memorandum and Articles of Association.

Investments comprise:	2025	2024
	£'000	£'000
Equities	4,641	4,454
Fixed Interest	1,074	1,168
Alternative	312	331
Commodity	256	195
Property	152	174
Other	69	63
Cash and Near Cash	395	280
Market value at 31 July 2025	6,899	6,665

* Additions are solely new donations invested in the funds in year.

** Disposals represent the value of the disposed investments transferred to the school as cash to pay for bursaries.

*** These management fees represent those charged directly to the investment portfolio.

**** Net investment gains/losses show the in-year gain/losses of the fund.

On the 4th March 2025, at the request of the School, the Charities Commission authorised the release of the permanent endowment restrictions on the permanently endowed investment fund and the transfer of their value to the trustee to spend on supporting the acquisition of an additional freehold site for the development of Kingston Grammar School. The value of the permanently endowed investment as at 31st July 2025 was £868k and will be disposed of in 2025-26.

All investments above are held by the charity KGS Limited.

The investments above include the School's £100 investment in the share capital of each of Kingston Grammar School International Limited and KGS International Limited (note 21).

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9. DEBTORS

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Tuition fees from parents & trade debtors	265	217	265	214
Prepayments and sundry debtors	1,018	483	1,018	422
Recoverable income tax	28	19	28	19
HM Loan (note 22)	500	500	500	500
KGS International	-	-	-	93
	<u>1,811</u>	<u>1,219</u>	<u>1,811</u>	<u>1,248</u>

All debtors are due within one year, except for £500k for HM Loan, which is due after more than one year.

10. CREDITORS: Due within one year:

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Bank Loans (see Note 12)	3,660	1,066	3,660	1,066
Fees paid in advance	196	503	196	503
Parental deposits	2,191	2,023	2,191	2,023
Trade creditors	551	875	550	860
PAYE/other taxation and social security	317	265	317	265
Pensions creditor	264	248	264	248
Sundry creditors	236	174	236	174
Accruals	861	274	853	259
Fees in advance scheme	3,407	9,491	3,407	9,491
KGS International	-	-	62	-
	<u>11,683</u>	<u>14,919</u>	<u>11,736</u>	<u>14,889</u>

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11. CREDITORS: Due after more than one year (Group and Company)	2025 £'000	2024 £'000
From one to two years:		
- Bank loans (see Note 12)	-	1,145
- Fees in advance scheme	1,549	3,000
	<u>2,778</u>	<u>4,145</u>
From two to five years:		
- Bank loans (see Note 12)	-	2,515
- Fees in advance scheme	1,588	2,763
	<u>2,874</u>	<u>5,278</u>
More than five years		
- Bank loans (see Note 12)	-	-
- Fees in advance scheme	73	373
	<u>73</u>	<u>373</u>
Total	<u>3,210</u>	<u>9,796</u>

Fees in Advance scheme

Parents may enter into a contract to pay the school up to the equivalent of five years' tuition fees in advance. The money may be returned subject to specific conditions on receipt of one term's notice. Advance fees have been applied assuming students remain in the school. The balance represents the accrued liability under the contracts. Amounts received under the school's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

The movements during the year were:

	2025 £'000	2025 £'000	2024 £'000
At 1 August		15,626	792
Funds received during the year		552	15,389
Funds refunded to FIA leavers during the year		(64)	-
Amounts utilised in payment of fees:			
- Prior year funds	9,498		414
- Current year funds	-		141
		<u>(9,498)</u>	<u>(555)</u>
At 31 July		<u>6,616</u>	<u>15,626</u>

12. LOAN REPAYMENT SCHEDULES (Group and Company)

The bank agreed to some minor technical revisions to the loan covenant to acknowledge fees received in advance. Whilst this was agreed in year, the formal documentation was received post year end. Regrettably, accounting policies dictate that the full value of the loan must be shown as a current liability as shown on the balance sheet and in notes 10 and 11. However, the bank loan repayment schedule remains unchanged as shown below.

	2025	2024
	£'000	£'000
Due within five years by instalments:		
- within one year	1,145	1,066
- from one to two years	1,229	1,145
- from two to five years	1,286	2,515
- more than five years	-	-
	3,660	4,726

In 2004 the Charity entered into long term arrangements to finance the development of the Queen Elizabeth II building. These arrangements provided a fixed loan totalling £12.4 million commencing in May 2010 and lasting 18 years. The loan covered £10.4 million of costs with the capitalisation of £2 million of interest arising between May 2004 and May 2010. Loan repayments commenced in November 2010. Interest is payable at a rate of 7.3%.

During the year ended 31 July 2025 the loan schedule provided for total payments of £1,253k against this loan (2024: £1,253k). At 31 July 2025 the balance on this loan was £3,322k (2024: £4,279k).

In June 2006 the Charity entered into an agreement to replace an existing variable loan facility, which was expiring in October 2010, with a fixed loan totalling £2.4 million, at a fixed interest rate of 6.61% and repayment over 18 years starting in November 2010. In October 2010 the Charity drew £1.4 million of this fixed loan, terminating £1.0 million of the facility at a break cost of £174k. For the year ended 31 July 2025 the loan schedule provided for total payments of £136k (2024: £136k). At 31 July 2025 the balance on this loan was £338k (2024: £447k).

All the loans are secured on certain freehold land and buildings of the School.

13. TAXATION

No taxation liability arises on the results for the year due to the charitable status of the School.

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14. ALLOCATION OF NET ASSETS BETWEEN FUNDS

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

2025	Fixed Assets	Investments	Net Current Assets / (Liabilities)	Long Term Liabilities	Total
	£'000	£'000	£'000	£'000	£'000
<i>Endowed Funds</i>					
- Permanent endowment	-	5,329	-	-	5,329
- Expendable endowment	116	-	-	-	116
<i>Restricted Funds</i>	-	702	1,165	-	1,867
<i>Unrestricted Funds</i>	24,786	868	(644)	(3,210)	21,800
	<u>24,902</u>	<u>6,899</u>	<u>521</u>	<u>(3,210)</u>	<u>29,112</u>

2024	Fixed Assets	Investments	Net Current Assets / (Liabilities)	Long Term Liabilities	Total
	£'000	£'000	£'000	£'000	£'000
<i>Endowed Funds</i>					
- Permanent endowment	-	6,091	(210)	-	5,881
- Expendable endowment	128	-	-	-	128
<i>Restricted Funds</i>	-	574	663	-	1,237
<i>Unrestricted Funds</i>	18,689	-	10,555	(9,796)	19,448
	<u>18,817</u>	<u>6,665</u>	<u>11,008</u>	<u>(9,796)</u>	<u>26,694</u>

15. ENDOWED FUNDS

The School has five classes of Endowed Funds: the Permanent Endowment, the Expendable Endowment, the Permanent Bursary Endowment, the RD Finlay Bursary Fund and the KGS Bursary Fund.

The Permanent Endowment was created under a Charity Commission Scheme of 14 September 1978, when the School became independent, and which has subsequently been amended by a Charity Commission Scheme of 30 December 1999 when the School was incorporated as a charitable company Limited by guarantee. The endowment comprises the endowed School land at £nil value and the invested proceeds of subsequent land disposals.

The Expendable Endowment represents capital expenditure on the School buildings on the permanently endowed land up to the date of the 1978 Scheme, subject to annual depreciation.

The Permanent Bursary Endowment is comprised of three permanent Bursary endowed funds. Of these funds, the Governors have resolved to apply a total return accounting policy to two of the funds: the RD Finlay Bursary Fund and the KGS Bursary Fund.

The RD Finlay Bursary Fund was established as at 29 June 2017 when Mr RD Finlay gave the School £2,000k in cash; the initial value of the funds trust for investments. At that date the value of the Fund's unapplied total return was £nil. Since inception, further donations of £1,218k have been received and added to the total trust for investments.

The KGS Bursary Fund was established as at 1 November 2017 when the School received a donation in cash of £532k; the initial value of the funds trust for investments. At that date the value of the Fund's unapplied total return was £nil. Since inception, further donations of £198k have been received and added to the total trust for investments.

It is the object of both the RD Finlay and KGS Bursary Fund to fund the provision of bursaries and fee assistance for students of the School who satisfy the Fund's Bursary Policy and the Governors consider that this object is best served by maximising the capacity of the Fund to finance these bursaries and fee assistance. Consequently, it is currently the Governors policy to make annual transfers of the unapplied total return arising on the Funds trust for investment to the Funds trust for application. The resulting cash and investments held within the trust for application are subject to the same investment as apply to the trust investment.

On the 4th March 2025, the Charities Commission authorised the release of the permanent endowment restrictions on the following assets - the permanently endowed investment fund and the property 34 Caversham Road (held within the expendable endowment) - and the transfer of their value to the trustee to spend on supporting the acquisition of an additional freehold site for the development of Kingston Grammar School. As at 4th March 2025 the value of the endowed investment was £835k and at 31st July 2025 it was valued at £868k. The net value of the endowed property was £0.

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15. ENDOWED FUNDS

The movements on the Endowed Funds not accounted for under a total return policy during the year are as follows:

2025	Permanent endowment	Expendable endowment	Permanent Bursary Endowment	Total
	£'000	£'000	£'000	£'000
Balance as at 1 August 2024	809	128	646	1,583
Investment gains	65	-	52	117
Management Fees	(6)	-	(5)	(11)
Transfers	(868)	(12)	-	(880)
At 31 July 2025	-	116	693	809

The transfer of £868k from the permanent endowment to unrestricted funds was authorised by the Charities Commission on 4th March 2025 as in the commentary above.

The movements on the Endowed Funds accounted for under a total return policy during the year are as follows:

2025	RD Finlay Bursary Fund Trust for Investment	Trust for Application	KGS Bursary Fund Trust for Investment	Trust for Application	Total
	£'000	£'000	£'000	£'000	£'000
Gift component of the permanent endowment as at 1 August 2024	3,218	-	730	-	3,948
Unapplied total return as at 1 August 2024	-	435	-	43	478
Total balance as at 1 August 2024	3,218	435	730	43	4,426
Movements in year:					
- Gifts of endowment funds	-	-	-	-	-
- Dividends and interest	-	-	-	-	-
- Investment gains / (losses)	-	303	-	65	368
- Investment costs	-	(27)	-	(6)	(33)
Payment of bursaries & fee assistance	-	(100)	-	(25)	(125)
At 31 July 2025	3,218	611	730	77	4,636

Total of all Endowed Funds

At 31 July 2025

5,445

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The comparative amounts for the movements on the Endowed Funds not accounted for under a total return policy are as follows:

2024	Permanent endowment	Expendable endowment	Permanent Bursary Endowment	Total
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>Balance as at 1 August 2023</i>	724	141	580	1,445
<i>Investment gains</i>	87	-	68	155
<i>Management Fees</i>	(2)	-	(2)	(4)
<i>Transfers</i>	-	(13)	-	(13)
At 31 July 2024	809	128	646	1,583

The comparative amounts for the movements on the Endowed Funds accounted for under a total return policy are as follows:

2024	RD Finlay Bursary Fund Trust for Investment	Trust for Application	KGS Bursary Fund Trust for Investment	Trust for Application	Total
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>Gift component of the permanent endowment as at 1 August 2023</i>	3,218	-	730	-	3,948
<i>Unapplied total return as at 1 August 2023</i>	-	157	-	(24)	133
Total balance as at 1 August 2023	3,218	157	730	(24)	4,081
<i>Movements in year:</i>					
- Gifts of endowment funds	-	-	-	-	-
- Dividends and interest	-	-	-	-	-
- Investment gains	-	403	-	98	501
- Investment costs	-	(25)	-	(6)	(31)
<i>Payment of bursaries & fee assistance</i>	-	(100)	-	(25)	(125)
At 31 July 2024	3,218	435	730	43	4,426
Total of all Endowed Funds					
At 31 July 2024					6,009

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16. RESTRICTED FUNDS

The School maintains a number of Restricted Funds of which the principal funds are:

- the Prize Fund, used to finance in part the provision of prizes to the students of the School;
- the Sherriff Bequest Fund, used to finance in part the provision of capital expenditure principally in connection with rowing. Funds retained for future replacement of minibuses used by the rowing department and capital expenditure on rowing;
- the Appeal fund, which represents donations received and expended in connection with specified capital expenditure projects or to support bursaries; and
- the PSA and other School Societies Funds. These are used for the provision of specific equipment for use in the school.

The movements on the Restricted Funds during the year are as follows:

2025	Bridgen Science Centre Fund	Sherriff Bequest Fund	Appeal Fund	College Fund	Prize & Other Fund	TW11 Fund	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2024	92	201	368	2	-	574	1,237
Income arising in year	540	38	78	25	9	100	790
Net investment gains/losses	-	-	-	-	-	57	57
Expenditure	-	-	-	-	(9)	-	(9)
Management Fees	-	-	-	-	-	(4)	(4)
Payment of bursaries & fee assistance	-	-	(50)	(27)	-	(25)	(102)
Transfers	-	(102)	-	-	-	-	(102)
At 31 July 2025	632	137	396	-	-	702	1,867

The comparative amounts for the movements on the Restricted Funds are as follows:

2024	Bridgen Science Centre Fund	Sherriff Bequest Fund	Appeal Fund	College Fund	Prize & Other Fund	TW11 Fund	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2023	-	178	372	2	-	-	552
Income arising in year	92	23	46	25	1	567	754
Net investment gains/losses	-	-	-	-	-	8	8
Expenditure	-	-	-	-	(1)	-	(1)
Management Fees	-	-	-	-	-	(1)	(1)
Payment of bursaries & fee assistance	-	-	(50)	(25)	-	-	(75)
Transfers	-	-	-	-	-	-	-
At 31 July 2024	92	201	368	2	-	574	1,237

17. UNRESTRICTED FUNDS

The School maintains three Unrestricted Funds being:

- the Fixed Assets Fund, which represents amounts expended on tangible fixed assets required for the operation of the School, less additions financed from bank loans or from the Permanent Endowment Fund (under a recoupment order) and assets transferred to the Permanent Endowment Fund. It also retains annual surpluses generated by the School.
- the Appeal 450 Campaign Fund, which represents cash carried forward from Appeal 450 Campaign. The Appeal 450 Campaign is designated towards the refurbishment of School premises; and
- the General Fund, within which the School is operated.

The movements on the Unrestricted Funds during the year are as follows:

2025	Fixed Assets Fund	Appeal 450 Fund	KGSI Fund	General Fund	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2024	19,222	120	106	-	19,448
Income arising in year	-	-	340	23,365	23,705
Expenditure	-	-	(354)	(21,982)	(22,336)
Transfers	2,365	-	-	(1,383)	982
At 31 July 2025	21,587	120	92	-	21,799

The movements on the Unrestricted Funds during the year are as follows:

2024	Fixed Assets Fund	Appeal 450 Fund	KGSI Fund	General Fund	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2023	17,399	120	158	-	17,677
Income arising in year	-	-	367	20,950	21,317
Expenditure	-	-	(419)	(19,140)	(19,559)
Transfers	1,823	-	-	(1,810)	13
At 31 July 2024	19,222	120	106	-	19,448

18. TRANSFERS

Transfers in 2024-25 represent:

- A transfer of £1,383k from the General Fund to the Fixed Assets Fund represents the purchase of additional fixed assets plus annual surplus.
- A transfer of £12k representing the conversion of Expendable Endowment Fund to the unrestricted Fixed Asset Fund relating to the depreciation on the buildings held in the Expendable Endowment.
- The transfer of £868k from the Permanent Endowment Fund to the unrestricted Fixed Asset Fund was authorised by the Charities Commission on 4th March 2025 outlined in note 15.
- The transfer of £102k from the Sherriff Bequest Fund to the unrestricted Fixed Asset Fund towards the purchase of boats.

19. FUTURE CAPITAL EXPENDITURE

Capital expenditure contracted in 2025-26 is the refurbishment of the Fairfield building into the new science centre.

	2025 £'000	2024 £'000
Future capital expenditure	<u>4,673</u>	<u>1,607</u>

Funding is planned from existing funds and donations.

20. PENSION SCHEMES

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,864k (2024: £1,584k) and at the year-end £nil (2024 - £nil) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023, confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

For staff not in the TPS, the School makes contributions to various defined contribution pension schemes of £453k (2024: £258k) and at the year-end £nil (2024: £nil) was accrued in respect of contributions to these schemes. In June 2024, the School introduced an option for staff in these schemes to contribute to their pensions through salary sacrifice. The savings the School makes on Employer National Insurance contributions as a result of this arrangement are passed on to employees in the form of increased employer pension contributions. This initiative is reviewed and agreed upon annually in March.

Following a consultation exercise in spring 2025, staff eligible for TPS membership will with effect from September 2025 have a choice of three pensions options.

The Teachers' Pension Scheme remains the auto-enrolment pension for new and existing teaching staff. However, TPS-eligible staff will have the option to opt out of TPS and join a choice of two Aviva Pension Trust for Independent Schools ("APTIS") schemes. From 1st September 2025 there will be two different pay arrangements: one scale for those in TPS and one for TPS-eligible staff in the DC schemes. Should the TPS employer contribution rate be further increased at any time, then the TPS salary scale and allowance rates will be adjusted so that the total cost to the School remains equivalent to the cost based upon a 28.68% rate.

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21. INVESTMENT IN SUBSIDIARY

	2025	2024
	£	£
KGS International Limited	100	100
Kingston Grammar School International Limited	<u>100</u>	<u>100</u>
Net book value at 31st July 2025	<u><u>200</u></u>	<u><u>200</u></u>

The cost of the above investment totalled £200. The School's interest is as follows:

Company	Country of incorporation	Shares held Class	%
KGS International Limited	England and Wales	Ordinary	100
Kingston Grammar School International Limited	England and Wales	Ordinary	100

The registered office of Kingston Grammar School International Limited (Company Number 11949288) is at the same address as the School. The company was dormant during the year.

The registered office of KGS International Limited (Company Number 12093612) is at the same address as the School. The principal activity of the subsidiary is to develop the Kingston Grammar School brand in overseas locations. The operating profit for 2025 was £106k (2024: £106k). The profit is gifted to the school post year end.

KGS INTERNATIONAL LIMITED

	2025	2024
	£'000	£'000
Income	340	367
Expenditure	<u>(354)</u>	<u>(419)</u>
Net Loss	<u><u>(14)</u></u>	<u><u>(52)</u></u>
Assets	99	228
Liabilities	<u>(8)</u>	<u>(122)</u>
Net Assets	<u><u>91</u></u>	<u><u>106</u></u>

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22. RELATED PARTY TRANSACTIONS

In October 2015 the School entered into a loan agreement with the Head Master for an amount of £500k for the purchase a principal residence within a reasonable distance of the School in order to assist him in the efficient discharge of his duties. The amount is repayable within twelve months of cessation of employment with the School.

The School owns the full £100 share capital of Kingston Grammar School International Limited which is registered in England and Wales under company number 11949288. The company was registered on 16 April 2019 and is dormant during the year.

The School owns the full £100 share capital of KGS International Limited, also registered in England and Wales, with a company number of 12093612. The company was registered on 9 July 2019. The registered address for both companies is Kingston Grammar School, London Road, Kingston upon Thames, KT2 6PY.

23. OPERATING LEASE COMMITMENTS

	2025	2024
	£000s	£000s
As at 31 July 2025 the School had the following commitments due under operating leases payable:		
- within one year	500	492
- from one to two years	500	500
- from two to five years	1,083	1,500
- more than five years	-	83
	<u>2,083</u>	<u>2,575</u>

24. POST BALANCE SHEET EVENTS

There are no post balance sheet events.

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25. PRIOR YEAR CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Notes:	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2024 £'000	2023 £'000
Income and endowments from:						
Charitable activities						
- School fees receivable	2	18,717	-	-	18,717	17,489
- Other charitable income	3a	1,378	-	-	1,378	698
Activities for raising funds:						
- Donations	3b	30	754	-	784	107
- Ancillary trading	3c	549	-	-	549	512
- Investment income	3d	609	-	-	609	391
Other activities - Other income and Grants	3e	34	-	-	34	22
Total income		<u>21,317</u>	<u>754</u>	<u>-</u>	<u>22,071</u>	<u>19,219</u>
Expenditure on:						
Raising funds						
- Financing	5	(402)	-	-	(402)	(470)
- Fundraising & Development	5	(99)	(1)	(35)	(135)	(93)
		<u>(501)</u>	<u>(1)</u>	<u>(35)</u>	<u>(537)</u>	<u>(563)</u>
Charitable activities						
- Education and grant making	5, 15, 16	(19,058)	(76)	(125)	(19,259)	(17,352)
Total expenditure		<u>(19,559)</u>	<u>(77)</u>	<u>(160)</u>	<u>(19,796)</u>	<u>(17,915)</u>
Net income before transfers and investment gains / (losses)		1,758	677	(160)	2,275	1,304
Net gains/(losses) on investments	8	-	8	656	664	(15)
Transfers between funds	15, 18	13	-	(13)	-	-
Net income		<u>1,771</u>	<u>685</u>	<u>483</u>	<u>2,939</u>	<u>1,289</u>
Fund balances brought forward at 1 August 2023		<u>17,677</u>	<u>552</u>	<u>5,526</u>	<u>23,755</u>	<u>22,466</u>
FUND BALANCES CARRIED FORWARD AT 31 JULY 2024		<u><u>19,448</u></u>	<u><u>1,237</u></u>	<u><u>6,009</u></u>	<u><u>26,694</u></u>	<u><u>23,755</u></u>

Accounts

Registered company number: 3883748

Registered charity number: 1078461

Registered VAT number: 423470321

KINGSTON GRAMMAR SCHOOL



KINGSTON
GRAMMAR SCHOOL

FOUNDED 1561

(A CHARITABLE COMPANY LIMITED BY GUARANTEE)

**REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

**KINGSTON GRAMMAR SCHOOL
REPORT AND FINANCIAL STATEMENTS
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**KINGSTON GRAMMAR SCHOOL
GOVERNORS, DIRECTORS & OFFICERS
FOR THE YEAR ENDED 31 JULY 2024**

GOVERNORS, DIRECTORS & OFFICERS

Under the Articles of Association the Governors are the charity trustees and are also the directors and members of the Company. The Governors of Kingston Grammar School who served during the year are:

<u>Name</u>	<u>Committee membership and roles</u>
Robert O'Dowd (Chair)	S&R (Chair); I ; F&GP
Catherine Chevallier	S&R; F&GP; N&G
Liz Dux	M&A ; E&S; N&G
Andrew Evans	F&GP (Chair); AR&C; I; S&R
Jatinder Harchowal	N&G (Chair); E&S
Nima Khandan-Nia ¹	E&S; AR&C
Julia Mikardo ²	E&S
Diana Rose	E&S (Chair)
Na'eem Ahmed	M&A
Ed Bowyer	M&A; S&R
Nicholas Cole	E&S; M&A
Vivek Agarwal ³	F&GP; AR&C
Peter Kelk	F&GP; I
Beatrijs Lelyveld	E&S; AR&C
Mark Weatheritt ⁴	E&S
Sophie Cavanagh ⁵	E&S
Oliver Canning ⁶	

Resignation / Retirement

Basis of, and changes in, appointment

- ¹ Resigned as Governor on 12 December 2023
² Resigned as Governor on 12 December 2023
³ Resigned as Governor on 14 June 2023
⁴ Appointed as Governor on 11 October 2023
⁵ Appointed as Governor on 12 December 2023
⁶ Appointed as Governor on 20 June 2024

Committees

Staffing and Remuneration	S&R
Education & Safeguarding	E&S
Finance & General Purposes	F&GP
Investment	I
Marketing & Admissions	M&A
Nominations & Governance	N&G
Audit, Risk & Compliance	AR&C

OFFICERS

Head Master	Stephen Lehec
Director of Finance & Operations	David Leen
Deputy Head Development, Outreach & Partnerships	Sarah Humphrey
Deputy Head Academic	William Cooper
Clerk to the Governors	Dinah Coomes

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ADVISERS, REGISTRATION NUMBERS & WEBSITE
FOR THE YEAR ENDED 31 JULY 2024**

ADVISERS, REGISTRATION NUMBERS & WEBSITE

Auditor:	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers:	Barclays Bank plc Level 27, 1 Churchill Place Canary Wharf London E14 5HP
Investment Advisers:	Close Brothers Asset Management B4 Endeavour Place 11 Coxbridge Business Park Alton Road Farnham GU10 5EH
Solicitors:	Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA
Pension Advisers:	Moore Kingston Smith 9 Appold Street London EC2A 2AP
Insurance Brokers:	S Ellis Consulting Ltd 28 Park Road North LeighWitney Oxfordshire OX29 6RX on behalf of AON UK Limited
Principal Address & Registered Office:	70 London Road Kingston upon Thames Surrey KT2 6PY
Website:	www.kgs.org.uk
Registered Charity Number	1078461
Registered Company Number	3883748
Registered VAT Number	423470321

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The Governors present their Annual Report for the year ended 31 July 2024. This is prepared in accordance with the Companies Act 2006 and the Charities Act 2011 and includes the Directors' Report and Strategic Report, together with the audited Financial Statements for the year. The Governors confirm that the latter comply with the requirements of the Companies Act 2006, the Company's Articles of Association and the Charities SORP 2019.

DIRECTORS' REPORT

CONSTITUTION AND OBJECTS

The Charity, Kingston Grammar School Foundation, was founded in 1561. On 22 November 1999 Kingston Grammar School was incorporated as a charitable company, limited by guarantee, registered in England No. 3883748, and is registered with the Charity Commission under Charity No. 1078461. The company is the corporate trustee of the Kingston Grammar School Foundation. The governing document is the Articles of Association, last amended on 11 October 2023.

The objects of the Charity are the advancement of education generally and in particular through the provision and conduct of schools including (but not exclusively) in or near the Royal Borough of Kingston upon Thames.

In furtherance of these objects for the public benefit, the Charity has established and administers fee assistance/bursaries, grants, awards, and other benefactions, and acts as the trustee and manager of property, endowments, bequests, and gifts given or established in pursuance of these Objects.

VISION, AIMS AND OBJECTIVES

At Kingston Grammar School, our mission is to live out our motto of 'Work well & be happy', balancing achievement with wellbeing, in all that we do, throughout our lives.

We aim to inspire and enable all our young people to have both the will and ability to go out into the world and make it a better place for everyone. We envisage that our students will become a global community of alumni who are empowered with the knowledge, skills and values to lead with compassion, innovate with purpose and collaborate across cultures to build a just and sustainable future for all.

We believe in achieving excellence with integrity, without compromising on individual wellbeing or our values.

- We encourage and foster personal ambition alongside the development of social conscience.
- We promote commitment and determination in all areas of school life, while highlighting the importance of care for oneself and others in striving for one's goals.
- We provide support to each individual, whilst developing their own sense of self-reliance.
- Most importantly, we aspire for our students to become the leaders of a better, kinder world.

Each of these aims is underpinned by our core values of aspiration, integrity, respect, and engagement (AIRE). It is in this way that we can 'Work well & be happy', and truly know what that means.

Aspiration

We want to equip our students with the skills and confidence they need to pursue their chosen ambitions and pathways. We understand the importance of having the right 'currency' in the form of examination results and other outcomes, whilst also pursuing excellence in a broad range of co-curricular endeavours as goals in themselves. We enable our students to become future-ready, able to master digital technology and to build interpersonal relationships with people from all walks of life. We also recognise that success can be different for every student, and wholeheartedly aim to inspire and support each student in the pursuit of their ambitions.

Integrity

We encourage and develop our student's commitment to strong moral principles and ethical values; being honest with themselves and others. We aim to ensure that our students are confident in admitting when something has gone wrong, and work to find a more positive outcome, either independently or with the support and collaboration of others. This is an integral part of the educational journey at KGS

**KINGSTON GRAMMAR SCHOOL
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and a quality that is increasingly important in a world where ‘fake news’ and sections of social media have been used to promote personal, or bespoke, agendas, which may threaten the greater good.

Respect

We hold dear the notion that every member of the KGS community should have respect for themselves, for other people and for the world in which we live whilst embracing the concept of kindness, in all its facets. We demonstrate an absolute understanding of equality and diversity, as well as promoting sustainability at every level. Beyond this, we encourage the practice of self-kindness, learning to balance competing priorities and both developing and maintaining a positive self-image.

Engagement

We actively encourage our students to fully embrace all the opportunities available to them, including those they are familiar with and may well excel in, and those that are new and require a determined effort. We encourage collaboration with peers and adults both within and beyond the school, recognising how much more can be achieved when working in partnership. We invite our students to give back to the communities of which they are a part, through their leadership and service.

Our objectives are set to reflect our educational aims and the vision of the School. In setting our objectives and planning our activities Governors have given careful consideration to the Charity Commission’s general guidance on public benefit and to its supplementary public benefit guidance on fee-charging and advancement of education. The focus of our objectives is on the development of our students, their continued high levels of academic, co-curricular achievement and pastoral wellbeing and to further widen access to the education our School provides. Our key objectives for the year, in line with our three-year School Development Plan are to:

- Plan and deliver exceptional teaching and learning within a curriculum and assessment framework which gives all students the skills and learning disposition to make continuous progress and achieve the currency they need to follow their chosen path beyond KGS.
- Deliver an unrivalled level of pastoral care, alongside a wellbeing and education programme that will enable all KGS students to take responsibility for their personal development and, make well-informed life choices that help to promote a positive and respectful culture for all members of the school and wider community.
- Develop the character of all students through the provision of a range of enriching and engaging opportunities in cocurricular and beyond.
- Prepare students to enter the world beyond school with the credentials to succeed, the confidence to adapt to a fast-changing world, and the leadership skills to create positive change.
- Attract, admit, and retain the students who have the greatest potential to benefit from an education at KGS.
- Recruit and retain the best teaching and support staff who are committed to the School vision and live by the core School values.
- Maintain and grow income to provide optimum investment in the long-term future of the School and to ensure high quality facilities to deliver education to the highest standards.

INSPECTIONS

In June 2024, a Material Change inspection was conducted by the ISI pursuant to the school’s application to increase its capacity to 1,100 students over a five-year period. The school met all the Standards inspected.

In December 2021, ISI inspectors conducted their routine Regulatory Compliance Inspection. This inspection checks that a school’s policies and practices are compliant with the regulations set by the Department for Education (DfE). The school met all 8 Standards inspected.

The most recent ISI Educational Quality and Focused Compliance inspection of the School was in May 2017. The school met all the requirements of the Education (Independent School Standards) Regulations 2014 and achieved the top category of Excellent for students’ academic and other achievements as well as personal development.

**KINGSTON GRAMMAR SCHOOL
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The 2017 Inspection report made one recommendation for improvement, which was to continue to develop our strategic vision for ICT so that students' collaborative learning and preparation for higher education can be enhanced further using the excellent framework of tools already in place. The school has acted upon this recommendation with significant advances in this area.

GOVERNANCE AND MANAGEMENT

Governing Body

Membership of the Governing Body and its Committees is set out on page 2. As noted on page 2 since 1 August 2023 three Governors have stood down and three new Governors have been appointed.

Under the Articles of Association, the Governing Body is composed of no fewer than ten and not more than fifteen individuals appointed by resolution of the Board. The normal term of office is four years. A Governor may serve two consecutive terms after which, in the absence of exceptional circumstances, they are not eligible for re-election until after a year has elapsed.

Recruitment and training of Governors

New members of the Governing Body are appointed in accordance with criteria and procedures set out in an agreed Recruitment and Induction Policy, seeking to maintain an appropriate balance in terms of age, gender, ethnicity, and a range of backgrounds, as well as an appropriate mixture of skills and experience. Under the Policy, the Governing Body will seek to ensure that it includes at least one governor who is a parent of a current pupil when the parent is first appointed as governor, at least one who is a former pupil of the school and at least one Governor who is involved in higher education.

New Governors are inducted into the workings of the Charity and the School, including Governing Body Policy and procedures, at meetings with the Head Master, Director of Operations & Finance, other members of the School Executive and the Clerk to the Governors. Safeguarding training is delivered annually to Governors and an internal training workshop on a topic of strategy is organised each year. In addition, Governors are encouraged to attend training courses to enhance their skills in areas relevant to their role at the school such as finance, marketing and good governance organised by external organisations. Circulation of briefing notes and newsletters from relevant organisations keep them informed and updated on current issues in the sector and regulatory requirements.

Organisational management

The Governing Body is legally responsible for the overall management and control of the School, and usually meets four times a year. The Governing Body delegates specific duties to committees and may refer particular matters to them from time to time. The committees of the Governing Body currently operate as follows:

The Audit, Risk & Compliance Committee - consists of no more than four Governors. The Chair should not also be the Chair of the Finance and General Purposes Committee. The Committee usually meets twice a year. Its terms of reference are to receive reports from the School's auditors, to agree the form of the annual audit, to recommend to the Governing Body the adoption of the Annual Accounts, to monitor the risk management process and allocate risk management responsibilities to other committees or the Executive, to monitor Health & Safety and to oversee and review compliance generally at the School.

The Education and Safeguarding Committee - consists of up to seven Governors and usually meets three times a year. Its terms of reference are to consider all educational matters (including but not limited to academic, pastoral and co-curricular areas) and all safeguarding matters; proposed developments of the educational and safeguarding provision, to receive reports from relevant members of staff on issues of note concerning the educational provision of the School or raised by any member of the Governing Body, and to monitor and oversee compliance with educational, pastoral and safeguarding requirements.

The Finance and General Purposes Committee consists of up to seven Governors and usually meets

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four times a year. Its terms of reference are to recommend revenue and capital budgets and fee levels to ensure a sound commercial operation; to monitor the financial position of the School; to explore opportunities for the development, expansion and refurbishment of the School's buildings and property; to submit proposals and to monitor the implementation of major projects; to advise on the financial implications of projects and recommendations from other committees; and to approve or recommend changes to the School's financial policies.

The Investment Committee - meets twice a year and consists of up to four members including the Chair or Vice-Chair of the Governing Body, the Chair of the Finance and General Purposes Committee and a Governor with relevant financial experience. Its terms of reference are to select and appoint advisory and/or discretionary investment managers, to make recommendations on investment policy, to monitor investment performance and appropriateness, to take investment advice as appropriate and approve transactions recommended by appointed financial advisers.

The Marketing and Admissions Committee - consists of up to four Governors and meets twice a year. Its terms of reference are to agree the Admissions policy, to ensure a strategy for marketing and publicity, to review admissions against target and to agree Bursary guidelines.

The Nominations and Governance Committee - consists of up to four Governors including the Vice-Chair of the Governing Body, and meets at least twice a year. Its terms of reference are to lead on matters of succession planning and composition of the Governing Body; to co-ordinate and follow the required process for recruitment of new Governors; to ensure that new Governors receive a proper induction; to integrate and co-ordinate all aspects of governance and legal and regulatory compliance; to keep under review the Governors' register of interests and to advise on conflicts of interest where required.

The Staffing and Remuneration Committee - meets at least once a year and consists of the Chair of Governors, the Chair of the Finance & General Purposes Committee and not more than three other Governors. Its terms of reference are to review the pay and conditions of all staff including determining the remuneration of the Head Master, the Deputy Heads, the Director of Finance and Operations and Assistant Heads; and to consider other staff related matters.

During the year, there were 24 meetings held of the Governing Body or one of its committees and attendance by Governors at these meetings averaged 89%.

All Governors are linked to a member of the School Executive and spend time during the year so that they can experience and understand better how the School operates. Certain Governors fulfil functional roles, relating to Safeguarding, Health & Safety, SEND and EDI to oversee compliance.

All Governors give their time freely and no remuneration was paid in the year. Where Governors have children who are students at the school there are no special arrangements in respect of the fees payable. Governor's children are eligible for means-tested fee assistance or scholarships in accordance with normal school policies and practice. Governors do not participate in decisions regarding awards of fee assistance or scholarships insofar as their own children are involved.

The day-to-day running of the School is delegated to the Officers, known collectively as the School Executive, who attend relevant meetings of the above governors' committees. The School's Executive comprises: Stephen Lehec (Head Master), David Leen (Director of Finance & Operations), Sarah Humphrey (Deputy Head - Development, Outreach & Partnerships), Will Cooper (Deputy Head - Academic), Deborah Sherwood (Assistant Head), Andy Beard (Assistant Head), Anoushka Lett (Assistant Head), Nick Hudson (Assistant Head), Alison Williams (Assistant Head), Adam House (Assistant Head) and Nicola Sloan (Director of Human Resources).

The framework for remuneration of the School staff is set by the Governing Body and is reviewed annually, including reference to comparisons with other independent schools to ensure the School remains sensitive to the broader issues of pay and employment conditions in the local area.

The School has developed a HMC Teacher Training programme to offer professional development to support wider education with well trained teachers in all areas. It brings an outlook of modern teaching methods at the School and provides community benefit as teachers exchange with their state school counterparts.

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Delivery of the School's charitable vision and purpose is primarily dependent on our key staff and their costs are the largest single element of our charitable expenditure.

Employment Policy

The School actively supports the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards.

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

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

Company law requires the Governors to prepare Financial Statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group and charitable company for that period. In preparing these financial statements, the Governors are required to:

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

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the Group and school's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

STRATEGIC REPORT

MISSION STATEMENT

Kingston Grammar School aims to provide the best and broadest educational opportunities possible, in a caring and supporting environment where all are instilled with the virtues of regard, integrity and aspiration. The School also encourages all staff and students to be engaged in productive partnerships whilst fostering a high degree of independence, both now and in future life.

ACTIONS TO ACHIEVE THE PRIMARY OBJECTIVES

The School had its highest ever student roll averaging 878 students (2023: 873).

Our actions to achieve the year's objectives included:

- promoting available fees assistance and support to potential students and their families;
- maintaining positive engagement with parents through various channels, including newsletters;
- monitoring the entrance assessment to ensure a balanced experience despite increased numbers;
- ensuring that all communication is of the highest standard with a consistent message and responding to the recommendations of the external communications review;
- using department meetings and INSET to share areas of good practice and development points that needed to be worked on/eradicated;
- celebrating student successes and achievements within an established framework of assemblies and publications, online and hard copy.

To promote high academic standards and broaden access, the School has the following specific policies:

- **Scholarships** - Our scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to our co-curricular activities. Scholarship awards are normally set at 10% but do range from honorary awards up to 40% remission of full fees at 11+, 13+ and 16+, allowing the School to provide further resources to means-tested fee assistance, whilst not increasing the burden on fee-paying parents. Where further assistance is required, scholarship awards may be supplemented by a means-tested bursary, up to a total of 100%.
- **Fee Assistance (formerly Bursaries)** - Our means-tested fee assistance, up to 100% of full fees, are used to make places available for deserving students from families who might otherwise not be able to afford school fees or to those students whose education may be at risk due to financial hardship. We also make additional awards when necessary to pay for co-curricular activities, school trips and uniform.
- **Assistance for staff** - As part of our emphasis on attracting and retaining high calibre staff, we offer a discount scheme where staff members choose to educate their children at the School.
- **Fee payment** - A monthly payment facility is available to help those who wish to fund education through regular payments.

The Governors' policy is to offer the School's educational provision to as many children as possible, regardless of means, whilst continuing to promote high academic standards. Our aim is to allow at least 35 students at any one time to be in receipt of free places or a greater number in receipt of lower levels of support. We actively promote the availability of fee assistance and scholarships in our promotional material and at all events and activities designed to recruit and attract prospective students.

We welcome students from all backgrounds and seek to ensure access to the education we offer is not restricted to those who can afford our fees as we believe our students benefit from learning within a diverse community. To be admitted to the School, we need to be satisfied that we will be able to educate and develop a prospective student to the best of their potential and in line with the general standards achieved by their peers. In addition to the sitting of entrance examinations, we interview all those prospective students where, on the evidence of their written papers, there is a possibility that we might make an offer of a place, to satisfy ourselves and parents that potential students can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion, or disability do not form part of our assessment.

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Our fees are set at a level to ensure the financial viability of the School, at a level that is consistent with our aims of providing a first-class education to boys and girls, and at a level that balances the aim of providing wide access with the needs of full fee-paying parents.

ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Principal activities of the year

This year has again been a successful year, the School's student population averaged 878 students (2023: 873). The ratio of boys to girls was 50%:50% (2023 51%:49%).

The level of interest in joining the School remains high, as witnessed by attendance at open events.

Governors' scholarships and fee assistance

Since the School has limited specific fee assistance or scholarship funds the provision of such grants is made in part from the School's general funds. In funding our awards, we are mindful to ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child or children's education, and those benefiting from the awards. During the year, grants totalled £2,223k (2023: £2,144k) representing 10.7% of our gross fees (2023: 11.0%). This amount comprised:

- £667k (2023: £663k) to provide scholarships for Academic studies, Music, Art, Design & Technology, Drama and Sport to 173 students (2023 175 students), with awards ranging from 10% to 40% (2023: 10% to 40%);
- Fee assistance awarded to those in need of financial assistance at the time they entered the School totalled £953k (2023: £827k) to 47 students (2023: 42 students) with awards ranging from 40% to 100% (2023: 40% to 100%), including: 28 students (2023: 29 students) with fee assistance awards of 100%;
- Hardship fees assistance awards totalled £214k (2023: £248k);
- Staff grants and other discounts accounted for £389k (2023: £406k); and
- In 2023-24 the KGS Foundation supported 2 students with 100% fee assistance. Additionally, the RD Finlay Bursary Fund supported 3 students with awards of a 100% fee assistance and KGS Bursaries Fund 1 students at 100% fee assistance. The KGS College Fund supported a further student with 100% support.

Academic achievements

Academic success is the main priority at KGS. Throughout the School we strive to provide flexibility and a personalised learning programme for each student. Aspiring to, and achieving, excellence is at the heart of everything we do, and this year's examination results deservedly reflect the hard work of the students and teachers.

At GCSE in 2024, students produced another excellent set of results, although not quite matching the record results from the previous year. Overall, 85% were at grade 9-7 (2023: 90%), including 66% at grades 9-8 (2023: 74%). 10 students gained grade 9 in all their subjects, and over 94% of students achieved at least one 9/8 grade. Impressive results were achieved by individuals, one student with; five students with 11 x 9's, and five students with 10 x 9's.

At A Level 31.8% (2023: 30.8%) of all grades were A*s and 43% (2023: 37.7%) of all grades were As, giving a combined 74.8% (2023: 68.5%) A*-A. Of the students achieving at least an A grade in three or more subjects, 18 achieved 3 A*s or higher (2023: 21). This was the strongest set of results in KGS history, given the reversion to 2019 grading standards and reduction of top grades awarded nationally.

This year an impressive 87% (2023: 84%) of the students gained a place at their first-choice university of which 84% (2023: 79%) were Russell Group universities. The most popular destinations were Bristol (14) Leeds (14) Exeter (10) Imperial (7) Edinburgh (7) Birmingham (7) Nottingham (6) Bath (6) Durham (4) Manchester (4) Cambridge (4) UCL (3) KCL (3) Oxford (3)

In total 7 students won places at Oxford and Cambridge colleges with 4 going off to study overseas, including 1 on a sports scholarship in the US.

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Outreach & Partnership Programme

KGS has maintained strong relationships with local primary and secondary state schools over the last year.

The School worked extensively with its closest state primary school, St Joseph's, maintaining a number of long-running projects, such as supervised reading with younger year groups by Sixth Form students, as well as drama, gardening and chess clubs which are supervised by KGS staff. Taster classes delivered by Third Year Language Leaders were a particular highlight, resulting in around 525 pupils at St Joseph's, St John's and King Athlestan having lessons in French, German, Spanish, Italian, Mandarin and Dutch in the Summer Term.

Art, DT and public speaking workshops were also provided for our partner primary schools, as well as CPD for local primary science leads after an exciting half-day Science workshop delivered by the Royal Institution. A day of design and engineering was provided to teams of students from six local schools by the Faraday Challenge in June.

We continued to foster our links with local secondary schools, mainly Kingston Academy (TKA) but also others such as Tiffin Boys and Tiffin Girls. The Director of Careers and Universities at KGS visited TKA fortnightly to conduct one-to-one meetings with their Upper Sixth students, supporting them as they made decisions about higher education or their journey into the workplace. Multiple Mini Interview Practice supported TKA students applying to university, and other workshops, such as Thinking Skills and mock interviews, were aimed at TKA's Oxbridge applicants. Another staff member provided guidance about applications to US Universities.

For the second year, the Maths Department ran a revision workshop for local state schools during the Easter Holidays, focusing on students on the 6/7 border and developing their mathematical thinking.

The PE department continued to offer significant support for Sport in the Borough and to individual primary schools. At Ditton Field, KGS hosted the Borough's Primary School Cross Country, Cricket and Netball competitions. Coaching was provided in a number of schools, such as St Paul's, St Joseph's and St Matthew's, and we provided Sports Day support for St John's and St Joseph's Primary Schools.

We continued to support our wider community by organising Food and Hygiene Bank collections, hosting Tea Parties for residents of local care homes, supporting the Christmas fundraising activities of the Salvation Army and sending Christmas cards to children staying in hospital over the festive period. Some of our Sixth Formers volunteered at St Stephen's, cooking healthy and nutritious meals for vulnerable people in the local community.

Co-curricular achievements 2023-24

In Music and Drama

- 11 Students took part in the Pro Corda Chamber Music Festival
- The Autumn Term Concert, the Carol Service, Jazz Night, Spring Term Concert, House Music and various Lovekyn Chapel Recitals all took place.
- Various soloists performed in the Thames Concerts Farmers Market Concert at St Andrew's Surbiton in January.
- 80 parents and friends of the school took part in the KGS Choral Society Concert at St Andrew's Surbiton performing Durufle's 'Requiem' and Howard Goodall's 'Unconditional Love' (in the presence of the composer).
- The school hosted a Jazz Work with renowned Jazz artist Pete Churchill
- The Junior, Middle & Senior productions were: 'Holes', 'Constellations' and 'Chicago'
- Outstanding participation in House Dance & House Drama. Judges for House Drama this year were Finty Williams (Judi Dench's daughter) and Millie Hikasa
- One student has gone to study 3 year BA Acting at Birmingham Conservatoire of Speech and Drama.
- One student has gone to study Technical Stage Management at Guildhall Drama School.
- Various masterclasses and workshops throughout the year including Frantic Assembly, Gecko and U6th working with professional director Rachel Kavanagh.
- 41 students completed LAMDA classes and undertook examinations.

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Rowing

- One student represented Great Britain at the Coupe de la Jeunesse winning silver and bronze
- One student represented England at the Home Countries International winning all three events and the Junior girls' team trophy
- At the National Schools' Regatta, KGSBC won the Royal Engineers Cup for Championship coxless fours and a bronze medal in the Girls coxed four.
- At Henley Royal our girls VIII qualified and progressed through a round for the first time.
- KGSBC picked up two medals at the 2024 British Championships

Boys' Hockey

- U13 ISHC National Finalists (4th)
- U13 London Regional Finals (3rd)
- U16 National Cup Tier 1 Last 16
- U19 ISHC Quarterfinalists
- 3 Players Selected for England U18s, one captained the team
- 5 players in Talent Academy Set-up
- 7 players represented men's sides in the National League, one of which in the Premier League
- 3 U16 Boys were part of Surbiton's National Cup Winning side
- 5 U14 Boys were part of Wimbledon's side that came 2nd in both National Cups

Girls' Hockey

- 1st XI Girls - Winners of the Regional Indoor Competition. 5th Place at National Indoor Finals
- U16 Girls - Last 16 of the Tier 1 England Hockey Competition
- U16 Girls Indoor - Regional Finalists
- U15 Girls - Independent Schools Cup Quarter Finals
- U14 Girls - Round 3 of the Tier 1 England Hockey Competition
- U13 Girls - Independent School Cup Quarter Final. Tier 1 Regional Runners-Up
- U13 Girls Indoor - Winner of the U13 Indoor Competition
- U12A Girls - London Hockey Finalists
- U12B Girls - London Hockey Finalists
- 3 Girls in England Hockey Talent Academy

Other sports

- Cricket: U13 Boys, Reigate 6s Winners
- U15 Girls Surrey Schools Cricket Association League Winners
- U14 Girls, Surrey outdoor Finalists (game will be played in April as was rained out twice), U14 team has been unbeaten for 3 years
- 10 Players were selected for Surrey, 2 for the County Performance Program
- 105 players currently involved in Performance program at school.
- In Netball, KGS were runners-up in the Kingston Borough U12 tournament, winners in U15 competition, winners in the U16 competition and finished fourth overall in the U18 competition.
- Football: Girls U15 - ESFA National Semi Finalists, Boys U13 - ISFA Bowl Quarter Finals & ESFA Round 3, Girls U16 - Surrey Schools Quarter Finals & ESFA Round 4, Boys U15 - ESFA Round 3, Boys U14 - Surrey Schools Round 3
- U14 Boys Tennis - Surrey Schools Festival Tier 1 runner-up
- U14 Girls Tennis - Surrey Schools League Finalist; Surrey Schools Festival Tier 2 Winner
- U13 Girls Tennis - Surrey Schools League Finalist
- U12-U15 Boys Tennis - Kingston Cup winner

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- One student represented Surrey again in the County Schools Golf Week this summer. She also won the Girls' Surrey Schools Golf Championship in July.
- The U18 golf team made it to the regional final of the ISGA Matchplay plate competition, for the first time since 2018.

Other achievements

- Cadets provided event support to the Commonwealth War Graves Commission Carol Service at the Guards Chapel in London.
- 60 cadets supported the Kingston Crown Court's Annual Service of Thanksgiving (also marks the opening of the Crown Court for the year) at the All Saints Church.
- 60 cadets took place in this year's Kingston Service of Remembrance
- A cadet played the Last post and Reveille at the Richmond Synagogue with the Mayor and several dignitaries present.
- 18 students undertook their Duke of Edinburgh Gold Award.
- 107 students undertook their Duke of Edinburgh Bronze Award.

FINANCIAL REVIEW

Results for the year

The School endeavours to ensure financial stability and continuing solvency year on year so that it can pursue its educational aims and objectives. To be noted, the income and expenditure in relation to academic and co-curricular trips has previously been netted off within the financial accounts as they are effectively recharged at cost to parents with no net profit. These must now be shown as gross items and trip income and expense have been included in Notes 3 and 5 for year ended 2024 only, however the narrative below has excluded these in order to form relevant comparisons to the year ended July 2023.

The Consolidated income for the year excluding trips was £21,495k (2023: £19,219k). Fee rates increased by 5.75%. 2024 income benefitted from a £0.6M donation to the new TW11 fund restricted for bursaries alongside other donations income. The income from KGS International was £367k (2023: £340k).

Group expenditure excluding trips was £19,220k (2023: £17,915k) an increase of 7.3%. Staff costs increased by £0.6m, up 4.8% comprising additional appointments and cost-of-living and pay-spine increases and amounts to 66.4% (2023: 68.0%) of total expenditure.

The net operating surplus before investment gains was £2,275k including donations of £784k (2023: surplus: £1,304k, donations: £107k). The results for the year include an unrealised investment gain of £664k (2023: £15k loss).

The Group net operating surplus for the year totals £2,939k (2023: £1,289k) and, as a result, total funds have increased from £23,755k to £26,694k. Details of the Charity's funds are given in notes 15 to 17 in these Financial Statements.

During the year, capital expenditure was £1,431k (2023: £345k). At the balance sheet date, the Group's borrowings with Barclays Bank totalled £4,726k (2023: £5,718k). Details of the Charity's borrowings are given in note 12.

Through effective financial planning and sensible cost control measures, we have been able to end the year with a strong surplus, all of which will be reinvested in the School. Student numbers remained strong.

KGS International Limited

In autumn 2021 the School, operating through its 100%-owned trading company KGS International Limited, signed a long-term agreement with the Mountain Education Group in China. This is working in an advisory capacity, supporting educational delivery with a new school based in Suzhou which opened in September 2022. These activities are overseen by the International Steering Group which reports into the Governing Body. The financial activities of KGS International Limited are consolidated into these financial

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statements, including note 8 to the accounts. The surpluses from this activity will support fees assistance at KGS.

Fundraising performance

The development office has continued to make progress thanks to the many generous donations from the Old Kingstonians, parents, staff, governors, and friends of the School.

Overall, in our financial year to 31 July 2024, fundraising income of £784k was received, including £567k to the new TW11 fund (designed to fund student bursaries), an initial £92k to the new Fairfield Science Block Project (for the renovation of the existing Science Block), £45k for the KGS Bursary Foundation, £22k of royalty income for the RC Sherriff Fund, £25k for the College Bursary Fund, £2k for Prizes and Other Restricted Donations, and £30k towards a new electric minibus.

The Governors would like to thank all donors for their generosity which is hugely appreciated and which will make a real difference in shaping the future of the School. In addition, Governors would like to thank the KGS Foundation Board, the ambassadors and KGS Friends representatives for their considerable efforts and commitment.

No professional fundraisers conducted any fundraising activities on behalf of the School during the year. The School is formally registered with the Fundraising Regulator demonstrating our commitment to 'good fundraising practices' and adheres to the Code of Fundraising Practice. There are no instances to report of the School failing to comply with fundraising standards or schemes for fundraising regulation. No complaints were received in the year ended 31 July 2024.

Investment Policy, Performance & Total Return Accounting

Details of the School's investment policy are given in note 1 to these Financial Statements. In preparing these Financial Statements, the Governors, having duly considered the benefits to the School of so doing, have resolved to adopt a Total Returns Accounting approach to all funds that are put into investments (both restricted and endowed). The School retains investment securities and recorded an unrealised market value gain of £664k (2023 loss: £15k). These investments continue to be closely monitored by the Investment Committee to ensure they are able to meet their funding requirements.

Reserves policy

The Governors regularly review the level and nature of the School's reserve funds.

The School continues to invest substantial sums into new and upgraded buildings and for the provision of educational equipment. There are no free reserves and the majority of funds are invested in the tangible fixed asset properties. The Governors continue to be satisfied that cash holdings and the opportunity to obtain external financial facilities provide an additional and adequate safety net, if it should be required.

Funds total for the Group is £26,694k at 31 July 2024 (2023: £23,755k) made up of £6,009k endowment capital, £1,237k restricted funds and £19,448k unrestricted funds which are largely designated to the fixed asset fund.

Future Plans

The Governing Body continues to pursue the Charity's general objectives as set out earlier. Whilst the impact of the pandemic is largely behind us and although we now face economic uncertainties, not least the imposition of VAT on school fees from January 2025 and parent affordability, the school can nevertheless face the future with some confidence supported by record number of students on roll as at December 2024. Governors intend to continue their current strategies of maintaining the School's position in a competitive market by investing to provide high quality education for our students.

The School Strategic Plan 2022-25 has the following strategic objectives:

Curriculum & Learning

Plan and deliver exceptional teaching and learning within a curriculum and assessment framework which

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gives all students the skills and learning disposition to make continuous progress and achieve the currency they need to follow their chosen path beyond KGS.

Wellbeing & Care Education

Deliver an unrivalled level of pastoral care, alongside a wellbeing and education programme that will enable all KGS students to take responsibility for their personal development and, make well-informed life choices that help to promote a positive and respectful culture for all members of the school and wider community.

Opportunities & Activities

Develop the character of all students through the provision of a range of enriching and engaging opportunities in co-curricular and beyond.

Sixth Form

To prepare students to enter the world beyond school with the credentials to succeed, the confidence to adapt to a fast-changing world, and the leadership skills to create positive change.

Marketing & Admissions

Attract, admit, and retain the students who have the greatest potential to benefit from an education at KGS.

Staff Recruitment, Development & Retention

Recruit and retain the best teaching and support staff who are committed to the School vision and live by the core School values.

Finance & Estate Management

To maintain and grow income to provide optimum investment in the long-term future of the School and to ensure high quality facilities to deliver education to the highest standards.

The Strategic Plan is currently being reviewed and due for publication in 2025, subject to governor approval.

The Governing Body and School's management recognise the importance of strong cost control, seeking to contain cost increases as much as possible while ensuring that the School continues to deliver first class education and pastoral care and the requirement to meet student needs and parent requirements through major facility developments. In setting our future plans, which are financed primarily from fee income and from our reserves, Governors have tried to maintain an equitable balance ensuring our current students benefit whilst, at the same time, ensuring a sound infrastructure and financial base are preserved for the next generation of students in the same way as our current students benefit today from the investment made in the past.

GOING CONCERN

The Governors have assessed the School's ability to continue as a going concern. The Governors have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements including the budget for 2024-25 and the projection for 2025-26 and beyond and a consideration of key risks.

The trustees therefore have a reasonable expectation that the school has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

RISK MANAGEMENT

The Governors annually consider the principal areas of the School's operations and consider the major risks faced in each of these areas. Utilising a Risk Management matrix, the School Executive and appropriate Committees identify new risks and monitor control over existing risks throughout the year. A formal review of the risk management process is undertaken by the School Executive and the Audit & Risk Management Committee on an annual basis.

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FOR THE YEAR ENDED 31 JULY 2024**

The Governors are satisfied that the major risks identified have been adequately mitigated where necessary, recognising that systems can only provide reasonable, but not absolute assurance that risks have been adequately managed.

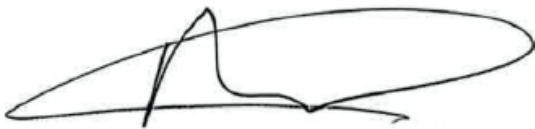
The principal risks identified are:

<u>Risk</u>	<u>Mitigation</u>
Effectiveness of the safeguarding policy	Appointment of Designated Safeguarding Lead; regular training of staff and governors; regular reporting to School Executive and Governors
Cyber-attack or hacking of data	Robust Acceptable Use Policy; regular backups; external testing; insurance backed disaster recovery plans
Imposition of VAT on school fees	Financial modelling, updated financial strategy and parent communications
Meeting the requirements of the Public Benefit test	Ongoing monitoring and recording of public benefits provided
Parents experiencing financial difficulty and unable to afford the fees	Availability of some hardship funding. Intention to grow bursary funds

OUR COMMUNITY

The School and Governing Body greatly appreciate the important and valuable support given to the School in so many ways by the whole KGS Community, including all students, current and former parents, Old Kingstonians, and many other friends of the School. Above all, the Governing Body remains deeply grateful to the entire staff, both teaching and support, whose unstinting hard work and loyalty have enabled the School to achieve its major objectives reflected in the ISI report. We are grateful to all for their commitment, generous and continuing support, and their efforts.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of Kingston Grammar School on 9th December 2024 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Robert O'Dowd
Chair



Jatinder Harchowal
Vice-Chair

**KINGSTON GRAMMAR SCHOOL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2024**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KINGSTON GRAMMAR SCHOOL

Opinion

We have audited the financial statements of Kingston Grammar School ('the charitable company') and its subsidiary ('the group') for the year ended 31 July 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the KGS School Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 July 2024 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

**KINGSTON GRAMMAR SCHOOL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2024**

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the 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 and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data

**KINGSTON GRAMMAR SCHOOL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2024**

Protection Regulation (GDPR) and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Management Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Vincent Marke
Senior Statutory Auditor
For and on behalf of Crowe U.K. LLP
Statutory Auditor - London
Date: 17.12.2024

KINGSTON GRAMMAR SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2024

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Notes:	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2024 £'000	2023 £'000
Income and endowments from:						
Charitable activities						
- School fees receivable	2	18,717	-	-	18,717	17,489
- Other charitable income	3a	1,378	-	-	1,378	698
Activities for raising funds:						
- Donations	3b	30	754	-	784	107
- Ancillary trading	3c	549	-	-	549	512
- Investment income	3d	609	-	-	609	391
Other activities - Other income & Grants	3e	34	-	-	34	22
Total income		<u>21,317</u>	<u>754</u>	<u>-</u>	<u>22,071</u>	<u>19,219</u>
Expenditure on:						
Raising funds						
- Ancillary trading	5	-	-	-	-	-
- Financing	5	(402)	-	-	(402)	(470)
- Fundraising & Development	5	(99)	(1)	(35)	(135)	(93)
		<u>(501)</u>	<u>(1)</u>	<u>(35)</u>	<u>(537)</u>	<u>(563)</u>
Charitable activities						
- Education and grant making	5, 15, 16	(19,058)	(76)	(125)	(19,259)	(17,352)
Total expenditure		<u>(19,559)</u>	<u>(77)</u>	<u>(160)</u>	<u>(19,796)</u>	<u>(17,915)</u>
Net income before transfers and investment gains		1,758	677	(160)	2,275	1,304
Net gains/(losses) on investments	8	-	8	656	664	(15)
Transfers between funds	15, 18	13	-	(13)	-	-
Net income		<u>1,771</u>	<u>685</u>	<u>483</u>	<u>2,939</u>	<u>1,289</u>
Fund balances brought forward at 1 August 2023		<u>17,677</u>	<u>552</u>	<u>5,526</u>	<u>23,755</u>	<u>22,466</u>
FUND BALANCES CARRIED FORWARD AT 31 JULY 2024		<u><u>19,448</u></u>	<u><u>1,237</u></u>	<u><u>6,009</u></u>	<u><u>26,694</u></u>	<u><u>23,755</u></u>

All the Group operations represent continuing activities.

There were no recognised gains or losses other than those shown above.

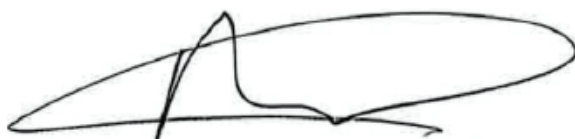
A copy of the Statement of Financial Activities for the year ended 31 July 2023 is provided in note 26.

**KINGSTON GRAMMAR SCHOOL
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2024**

CONSOLIDATED BALANCE SHEET

	Notes:	2024 £'000	2024 £'000	2023 £'000
FIXED ASSETS				
- Tangible fixed assets	7		18,817	18,526
- Investments	8		6,665	4,506
			<u>25,482</u>	<u>23,032</u>
CURRENT ASSETS				
- Debtors	9	1,219		984
- Cash and short-term deposits		24,708		9,991
		<u>25,927</u>		<u>10,975</u>
CREDITORS: due within one year	10	<u>(14,919)</u>		<u>(5,148)</u>
NET CURRENT ASSETS			<u>11,008</u>	<u>5,827</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			36,490	28,859
CREDITORS: due after one year	11		<u>(9,796)</u>	<u>(5,104)</u>
TOTAL NET ASSETS			<u>26,694</u>	<u>23,755</u>
THE FUNDS OF THE CHARITY				
ENDOWED FUNDS	15		6,009	5,526
RESTRICTED FUNDS	16		1,237	552
UNRESTRICTED FUNDS	17			
- Fixed assets fund		19,222		17,399
- Other designated funds		120		120
- KGSi		<u>106</u>		<u>158</u>
TOTAL UNRESTRICTED FUNDS			<u>19,448</u>	<u>17,677</u>
TOTAL CHARITY FUNDS			<u>26,694</u>	<u>23,755</u>

Approved and authorised for issue by the Governors on 9th December 2024 and signed on their behalf by:



Robert O'Dowd
Chair



Jatinder Harchowal
Vice-Chair

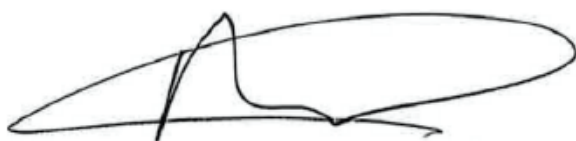
**KINGSTON GRAMMAR SCHOOL
BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2024**

KGS SCHOOL BALANCE SHEET

	Notes:	2024 £'000	2024 £'000	2023 £'000
FIXED ASSETS				
- Tangible fixed assets	7		18,817	18,526
- Investments	8		6,665	4,506
			<u>25,482</u>	<u>23,032</u>
CURRENT ASSETS				
- Debtors	9	1,248		1,092
- Cash and short-term deposits		24,543		9,718
		<u>25,791</u>		<u>10,810</u>
CREDITORS: due within one year	10	<u>(14,889)</u>		<u>(5,141)</u>
NET CURRENT ASSETS			<u>10,902</u>	<u>5,669</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>36,384</u>	<u>28,701</u>
CREDITORS: due after one year	11		<u>(9,796)</u>	<u>(5,104)</u>
TOTAL NET ASSETS			<u><u>26,588</u></u>	<u><u>23,597</u></u>
THE FUNDS OF THE CHARITY				
ENDOWED FUNDS	15		6,009	5,526
RESTRICTED FUNDS	16		1,237	552
UNRESTRICTED FUNDS	17			
- Fixed assets fund		19,222		17,399
- Other designated funds		<u>120</u>		<u>120</u>
TOTAL UNRESTRICTED FUNDS			<u>19,342</u>	<u>17,519</u>
TOTAL CHARITY FUNDS			<u><u>26,588</u></u>	<u><u>23,597</u></u>

Exemption has been taken from presenting the unconsolidated profit and loss account under section 408 of Companies Act 2006. For the year ended 31 July 2024, the unconsolidated profit was £2,991k.

Approved and authorised for issue by the Governors on 9th December 2024 and signed on their behalf by:



Robert O'Dowd
Chair



Jatinder Harchowal
Vice-Chair

KINGSTON GRAMMAR SCHOOL
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024

CONSOLIDATED STATEMENT OF CASH FLOWS

	2024	2023
	£'000	£'000
Cash flows from operating activities:		
Net income for the reporting period	2,939	1,289
Elimination of non-operating cash flows:		
- Loss on sale of tangible fixed assets	148	79
- Interest charged on loans and overdraft	402	470
- Investment income and bank interest received	(609)	(391)
- Amounts accrued to fees in advance	-	-
Unrealised (gains)/losses on investments added back	(664)	15
Depreciation charges added back	964	1,211
(Increase) in Debtors	(235)	(5)
Increase/(Decrease) in Creditors	513	(630)
Increase in Parent Deposits held	107	378
Increase/(Decrease) in Fees in Advance Scheme	14,834	(337)
Net cash provided by operating activities	18,399	2,079
<i>Cash flows from investing activities</i>		
- Payments for tangible fixed assets	(1,431)	(345)
- Disposal of tangible fixed assets	177	77
- (Profit) on sale of tangible fixed assets	(148)	(79)
- Fixed Asset Adjustment	-	(6)
- Investment income and bank interest received	609	391
- Purchase of investments and investment costs	(1,495)	(122)
- Disposal of investments	-	-
Net cash (used) in investing activities	(2,288)	(84)
Cash flows from financing activities:		
- Interest paid on loans	(402)	(470)
- Repayment of borrowings	(992)	(923)
Net Cash (used) in financing activities	(1,394)	(1,393)
Change in cash and cash equivalents in the reporting period	14,717	602
Cash and cash equivalents as at 1 August 2023	9,991	9,389
Cash and cash equivalents as at 31 July 2024	24,708	9,991

ANALYSIS OF CASH AND CASH EQUIVALENTS

Cash and cash equivalents	24,708	9,991
Long-term deposits	-	-
Total cash and cash equivalents	24,708	9,991

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their account in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2019.

The functional currency of the school is GBP because that is the currency of the primary economic environment in which the school operates.

The Financial Statements are drawn up on the historical cost accounting basis except investment assets that are carried at market value.

Kingston Grammar School Foundation was founded in 1561 and was registered by the Charity Commission for England and Wales under a scheme dated 14 September 1978 (Charity number 1078461). Under the Charity Commission Scheme made on 30 December 1999 the running of the School, together with all the Foundation's unendowed assets and all its liabilities were transferred to the Kingston Grammar School as corporate and trust funds, while the permanently endowed School premises remained with the Foundation.

The school is a public benefit entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 31 December 1999 (Company number 3883748).

The activities of the school's wholly owned subsidiary company, KGS International Limited, are immaterial to those of the school and consolidated accounts have, therefore, not been prepared.

1.1 Going Concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the Schools future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff. The Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date the sign-off of these accounts.

1.2 Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affected current and future periods. In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

1.3 Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, fee assistance granted by the school against those fees, but including contributions from restricted funds are accounted for in the period in which the service is provided.

1.4 Investment Income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accrual basis.

1.5 Donations, legacies, grants, and other voluntary income

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

and the economic benefit to the school is considered probable. Voluntary income for the school's general purposes is accounted for as unrestricted and is credited to the General reserves. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not. Gifts in kind are valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption, or at value to the school in the case of donated services or facilities.

1.6 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the items of expenditure to which it relates.

Governance costs comprise of the costs of complying with constitutional and statutory requirements.

Termination payments are recognised on communication of intention to pay and are accounted for as staff costs.

1.7 Tangible Fixed Assets

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £10k together with any purchases of vehicles, IT equipment, boats and boat club equipment, office, admin or teaching equipment costing over £2k, with a life expectancy of over two years, are capitalised and carried in the balance sheet at historical cost.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal instalments over their expected useful economic lives typically as follows: -

Freehold buildings	2%
Artificial Pitch	10%
Boats and Boat Club equipment	15%
Motor vehicles	20%
Field equipment and tractors	20%
Computers, teaching, kitchen, cleaning, office equipment	20% - 33%
Plant, Fittings & Refurbishment	3% - 20%

Note: Each asset is assessed on acquisition for appropriate useful life

1.8 Investments

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of the investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund accordingly to the ownership of the underlying assets.

1.9 Fund Accounting

The charitable trust funds of the school are accounted for as unrestricted and restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted income belongs to the school's reserves, spendable at the discretion of the governors either to further the school's objectives or to benefit the school itself. Where the Governors decide to set aside any part of these funds to be used in the future for a specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income comprises gifts, legacies, and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor. Where restricted funds have been put into investments, the School has adopted a total return accounting policy which results in all returns on the underlying investments whether dividends or gains being allocated to the fund and being

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

available for application by the Governors. These restricted funds differ from endowments in that the initial investment is not a trust for investment and in theory could be utilised if necessary.

Permanently endowed funds represent amounts donated to the School where the donor has specified that the capital is to be retained and only the income arising thereon may be spent. The School has adopted total return accounting for all permanently endowed funds which results in all returns on the underlying investments whether dividends or gains being allocated to the fund and being available for application by the Governors. The Governors will decide each year on the level of application of any unapplied total return which is recorded in the Statement of Financial Activities.

Expendable endowed funds represent capital expenditure on the School buildings on the permanently endowed land up to the date of the 1978 Scheme, subject to annual depreciation.

1.10 Financial instruments

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

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. SCHOOL FEES	2024	2023
	£'000	£'000
The School's fee income comprised:		
Gross fees	20,740	19,470
Less : Total fee assistance, grants and scholarships	(2,223)	(2,144)
	<u>18,517</u>	<u>17,326</u>
 Add back Bursaries paid for by RD Finlay Fund	100	70
Add back Bursaries paid for by KGS Bursaries Fund	25	24
Add back Fee Assistance paid for by KGS Fundraising	50	44
Add back Fee Assistance paid for by College Bursary	25	25
	<u>18,717</u>	<u>17,489</u>
 3. OTHER INCOME		
a) Charitable activities		
- Registration	203	210
- School meals (students)	599	488
- School trips income (*)	576	-
	<u>1,378</u>	<u>698</u>
b) Resources from raising funds (donations)		
- Appeal fund donations for general purposes	30	8
- Donations/royalties received for endowment	-	-
- Donations/royalties received for specific purposes	754	99
	<u>784</u>	<u>107</u>
c) Activities for raising funds (ancillary trading)		
- Lettings	14	40
- Rent from properties occupied by School staff	90	69
- KGS International Income	367	340
- Other trading income	78	63
	<u>549</u>	<u>512</u>
d) Investment income		
- Income from investment portfolio	-	5
- Bank interest	609	267
- Bank interest (Restricted Funds)	-	15
- Endowed income	-	104
	<u>609</u>	<u>391</u>
e) Other Activities		
- Sundry Income	34	22
	<u>34</u>	<u>22</u>
 4. NET INCOME IS STATED AFTER RECOGNISING		
Auditor's remuneration - Audit	38	36
Auditor's remuneration - Tax Advice	6	4
Loss on disposal of fixed assets	148	79
Depreciation - Owned assets	<u>964</u>	<u>1,211</u>

* School trip income and expenditure was not disclosed in the prior year accounts. The income and expense are matched each year as the school makes no profit from trips. The associated costs are shown in Note 5 within Education Support : Other. 2023 trip income and expenditure was £276k.

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5. ANALYSIS OF TOTAL RESOURCES EXPENDED

2024	Staff Costs	Other	Depreciation	Total
	£'000	£'000	£'000	£'000
<i>Charitable Activities</i>				
- Teaching Costs	9,864	1,106	166	11,136
- Education Support	711	1,626	19	2,356
- Premises	674	1,344	778	2,796
- Admin Support	1,513	1,294	1	2,808
<i>School Operating Costs</i>	<u>12,762</u>	<u>5,370</u>	<u>964</u>	<u>19,096</u>
- Loss on disposal of FA	-	148	-	148
- Grant Awards Prizes	-	15	-	15
	<u>12,762</u>	<u>5,533</u>	<u>964</u>	<u>19,259</u>
<i>Raising Funds</i>				
- Ancillary Trading	-	-	-	-
- Financing	-	402	-	402
- Fund-Raising	-	135	-	135
Total	<u>12,762</u>	<u>6,070</u>	<u>964</u>	<u>19,796</u>
 2023	 <i>Staff Costs</i>	 <i>Other</i>	 <i>Depreciation</i>	 <i>Total</i>
	£'000	£'000	£'000	£'000
<i>Charitable Activities</i>				
- Teaching Costs	9,404	982	150	10,536
- Education Support	715	967	12	1,694
- Premises	606	765	1,045	2,416
- Admin Support	1,366	1,247	4	2,617
<i>School Operating Costs</i>	<u>12,091</u>	<u>3,961</u>	<u>1,211</u>	<u>17,263</u>
- Loss on disposal of FA	-	79	-	79
- Grant Awards Prizes	-	10	-	10
	<u>12,091</u>	<u>4,050</u>	<u>1,211</u>	<u>17,352</u>
<i>Raising Funds</i>				
- Ancillary Trading	-	-	-	-
- Financing	-	470	-	470
- Fund-Raising	43	50	-	93
Total	<u>12,134</u>	<u>4,570</u>	<u>1,211</u>	<u>17,915</u>

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6. STAFF COSTS	2024	2023
	£'000	£'000
Total staff costs comprise:		
- Wages and Salaries	9,761	9,424
- Social Security costs	1,066	1,041
- Pension contributions	1,842	1,632
- Other Pay Related Costs	85	77
	<u>12,754</u>	<u>12,174</u>

The average number of employees (full time & part time) during the year

- Teaching staff (Teachers, Sports Coaches, Technicians)	140	140
- Educational Support staff (Nurse, Library, Admin)	24	25
- Premises staff (Facilities Manager, Maintenance, Cleaning)	31	29
- Admin Support staff (other secretarial & Support staff)	28	26
	<u>223</u>	<u>220</u>

Key Management Personnel

	2024	2023
	£'000	£'000
Those holding a position within the school's Executive		
Aggregate employee-benefits of key management personnel	<u>1,739</u>	<u>1,621</u>

Headcount of higher salary bandings

£60,000 - £70,000	19	25
£70,000 - £80,000	23	11
£80,000 - £90,000	3	5
£90,000 - £100,000	4	1
£100,000 - £110,000	0	1
£110,000 - £120,000	1	2
£120,000 - £130,000	2	-
£280,000 - £290,000	1	-
£290,000 - £300,000	-	1
	<u>53</u>	<u>46</u>

47 of the above employees are in a defined benefit scheme. 6 of the above employees are in a defined contribution pension scheme.

During the year there was 1 redundancy payments and no termination payments totalling £23.0k (2023: 35.7k). No amounts were outstanding as at 31 July 2024.

Governors

	2024	2023
	£'000	£'000
Governor Expenses for courses attended including travel	<u>2</u>	<u>2</u>

No Governor received any remuneration during either the current or previous year.

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7. TANGIBLE FIXED ASSETS (GROUP AND COMPANY)

	Freehold Land and Buildings	Boat Club Equipment	Equipment and Motor Vehicles	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 August 2023	23,876	780	7,345	32,001
Additions	723	71	637	1,431
Disposals	-	(89)	(847)*	(936)
At 31 July 2024	24,599	762	7,135	32,496
Depreciation				
At 1 August 2023	8,023	706	4,746	13,475
Charge for the Year	380	33	550	963
Disposals	-	(83)	(676)*	(759)
Adjustment	-	-	-	-
At 31 July 2024	8,403	656	4,620	13,679
Net book value				
At 31 July 2024	16,196	106	2,515	18,817
At 1 August 2023	15,853	74	2,599	18,526

The School's tangible assets are all held for use by the School. The Governors are confident the market values of those assets currently in use are in excess of the value reflected in these Financial Statements.

Finance costs that are directly attributable to the construction of tangible fixed assets are capitalised as part of those assets.

*Due to the change in depreciation policy in 2024, individual item assets under the £2k have been written off. This comprised largely of IT equipment. These items were disclosed within the equipment and motor vehicles category and accounts for £817k of disposals in cost and £664k of disposals in accumulated depreciation.

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8. INVESTMENTS	2024	2023
	£'000	£'000
Stocks and Shares		
At 1 August 2023	4,506	4,399
Additions at cost	1,531	122
Disposals	-	-
Management Fees (*)	(36)	-
Unrealised gains/(losses)	664	(15)
Market value at 31 July 2024	6,665	4,506

The Governors' investment powers are governed by the Company's Memorandum and Articles of Association.

Additional Disclosure (**)

Cash Holdings (Relating to Investments)	2024	2023
	£'000	£'000
At 1 August (bf)	-	68
Management Fees	-	(20)
Distributed Interest/Dividends	-	25
Moved to Investments	-	(73)
At 31 July (cf)	-	-

Investments comprise:	2024	2023
	£'000	£'000
Equities	4,454	3,426
Fixed Interest	1,168	475
Alternative	331	-
Commodity	195	-
Property	174	106
Other	63	404
Cash and Near Cash	280	95
Market value at 31 July 2024	6,665	4,506

* These management fees represent those charged directly to the investment portfolio

** Additional Disclosure included to show management fees for prior year although these were not charged directly to the portfolio and therefore affected cash movements rather than investment value.

All investments above are held by the charity KGS Limited.

The investments above include the School's £100 investment in the share capital of each of Kingston Grammar School International Limited and KGS International Limited (note 21).

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9. DEBTORS	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Tuition fees from parents & trade debtors	217	159	214	159
Prepayments and sundry debtors	483	313	422	273
Recoverable income tax	19	12	19	12
HM Loan (note 21)	500	500	500	500
KGS International	-	-	93	148
	<u>1,219</u>	<u>984</u>	<u>1,248</u>	<u>1,092</u>

All debtors are due within one year, except for £500k for HM Loan, which is due after more than one year.

10. CREDITORS: Due within one year:	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Bank Loans (see Note 12)	1,066	992	1,066	992
Fees paid in advance	503	586	503	586
Parental deposits	2,023	1,916	2,023	1,916
Trade creditors	875	491	860	487
PAYE/other taxation and social security	265	266	265	266
Pensions creditor	248	209	248	209
Sundry creditors and accruals	448	274	433	271
Fees in advance scheme	9,491	414	9,491	414
	<u>14,919</u>	<u>5,148</u>	<u>14,889</u>	<u>5,141</u>

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11. CREDITORS: Due after more than one year (Group and Company)	2024	2023
	£'000	£'000
From one to two years:		
- Bank loans (see Note 12)	1,145	1,066
- Fees in advance scheme	5,763	378
	<u>6,908</u>	<u>1,444</u>
From two to five years:		
- Bank loans (see Note 12)	2,515	3,660
- Fees in advance scheme	373	-
	<u>2,888</u>	<u>3,660</u>
Total	<u>9,796</u>	<u>5,104</u>

Fees in Advance scheme

Parents may enter into a contract to pay the school up to seven years' tuition fees in advance. Once paid, the fees are non-refundable subject to the T&Cs outlined in the Fees in Advance contract. The balance represents the accrued liability under the contracts. Amounts received under the Fees in Advance scheme not yet utilised are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

The movements during the year were:

	2024	2024	2023
	£'000	£'000	£'000
At 1 August 2023		792	1,129
Funds received during the year 2023/24		15,389	456
Amounts utilised in payment of fees:			
- Prior year funds	414		585
- Current year funds	<u>141</u>		<u>208</u>
		(555)	(793)
At 31 July 2024		<u>15,626</u>	<u>792</u>

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12. LOANS (Group and Company)	2024	2023
	£'000	£'000
Due within five years by instalments:		
- within one year	1,066	992
- from one to two years	1,145	1,066
- from two to five years	2,515	3,660
	<u>4,726</u>	<u>5,718</u>

In 2004 the Charity entered into long term arrangements to finance the development of the Queen Elizabeth II building. These arrangements provided a fixed loan totalling £12.4 million commencing in May 2010 and lasting 18 years. The loan covered £10.4 million of costs with the capitalisation of £2 million of interest arising between May 2004 and May 2010. Loan repayments commenced in November 2010. Interest is payable at a rate of 7.3%.

During the year ended 31 July 2024 the loan schedule provided for total payments of £1,253k against this loan (2023: £1,253k). At 31 July 2024 the balance on this loan was £4,279k (2023: £5,168k).

In June 2006 the Charity entered into an agreement to replace an existing variable loan facility, which was expiring in October 2010, with a fixed loan totalling £2.4 million, at a fixed interest rate of 6.61% and repayment over 18 years starting in November 2010. In October 2010 the Charity drew £1.4 million of this fixed loan, terminating £1.0 million of the facility at a break cost of £174k. For the year ended 31 July 2024 the loan schedule provided for total payments of £136k (2023: £136k). At 31 July 2024 the balance on this loan was £447k (2023: £549k).

All the loans are secured on certain freehold land and buildings of the School.

13. TAXATION

No taxation liability arises on the results for the year due to the charitable status of the School.

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14. ALLOCATION OF NET ASSETS BETWEEN FUNDS

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

2024	Fixed Assets	Investments	Net Current Assets / (Liabilities)	Long Term Liabilities	Total
	£'000	£'000	£'000	£'000	£'000
<i>Endowed Funds</i>					
- Permanent endowment	-	6,091	(210)	-	5,881
- Expendable endowment	128	-	-	-	128
<i>Restricted Funds</i>	-	574	663	-	1,237
<i>Unrestricted Funds</i>	18,689	-	10,555	(9,796)	19,448
	18,817	6,665	11,008	(9,796)	26,694

2023	Fixed Assets	Investments	Net Current Assets / (Liabilities)	Long Term Liabilities	Total
	£'000	£'000	£'000	£'000	£'000
<i>Endowed Funds</i>					
- Permanent endowment	-	4,506	879	-	5,385
- Expendable endowment	141	-	-	-	141
<i>Restricted Funds</i>	-	-	552	-	552
<i>Unrestricted Funds</i>	18,385	-	4,396	(5,104)	17,677
	18,526	4,506	5,827	(5,104)	23,755

15. ENDOWED FUNDS

The School has five classes of Endowed Funds: the Permanent Endowment, the Expendable Endowment, the Permanent Bursary Endowment, the RD Finlay Bursary Fund and the KGS Bursary Fund.

The Permanent Endowment was created under a Charity Commission Scheme of 14 September 1978, when the School became independent, and which has subsequently been amended by a Charity Commission Scheme of 30 December 1999 when the School was incorporated as a charitable company Limited by guarantee. The endowment comprises the endowed School land at £nil value and the invested proceeds of subsequent land disposals.

The Expendable Endowment represents capital expenditure on the School buildings on the permanently endowed land up to the date of the 1978 Scheme, subject to annual depreciation.

The Permanent Bursary Endowment is comprised of three permanent Bursary endowed funds. Of these funds, the Governors have resolved to apply a total return accounting policy to two of the funds: the RD Finlay Bursary Fund and the KGS Bursary Fund.

The RD Finlay Bursary Fund was established as at 29 June 2017 when Mr RD Finlay gave the School £2,000k in cash; the initial value of the funds trust for investments. At that date the value of the Fund's unapplied total return was £nil. Since inception, further donations of £1,218k have been received and added to the total trust for investments.

The KGS Bursary Fund was established as at 1 November 2017 when the School received a donation in cash of £532k; the initial value of the funds trust for investments. At that date the value of the Fund's unapplied total return was £nil. Since inception, further donations of £198k have been received and added to the total trust for investments.

It is the object of both the RD Finlay and KGS Bursary Fund to fund the provision of bursaries and fee assistance for students of the School who satisfy the Fund's Bursary Policy and the Governors consider that this object is best served by maximising the capacity of the Fund to finance these bursaries and fee assistance. Consequently, it is currently the Governors policy to make annual transfers of the unapplied total return arising on the Funds trust for investment to the Funds trust for application. The resulting cash and investments held within the trust for application are subject to the same investment as apply to the trust investment.

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15. ENDOWED FUNDS

The movements on the Endowed Funds not accounted for under a total return policy during the year are as follows:

2024	Permanent endowment	Expendable endowment	Permanent Bursary Endowment	Total
	£'000	£'000	£'000	£'000
Balance as at 1 August 2023	724	141	580	1,445
Investment gains	87	-	68	155
Management Fees	(2)	-	(2)	(4)
Transfers	-	(13)	-	(13)
At 31 July 2024	809	128	646	1,583

The movements on the Endowed Funds accounted for under a total return policy during the year are as follows:

2024	RD Finlay Bursary Fund Trust for Investment	Trust for Application	KGS Bursary Fund Trust for Investment	Trust for Application	Total
	£'000	£'000	£'000	£'000	£'000
Gift component of the permanent endowment as at 1 August 2023	3,218	-	730	-	3,948
Unapplied total return as at 1 August 2023	-	157	-	(24)	133
Total balance as at 1 August 2023	3,218	157	730	(24)	4,081
Movements in year:					
- Gifts of endowment funds	-	-	-	-	-
- Dividends and interest	-	-	-	-	-
- Investment gains	-	403	-	98	501
- Investment costs	-	(25)	-	(6)	(31)
Payment of bursaries & fee assistance	-	(100)	-	(25)	(125)
At 31 July 2024	3,218	435	730	43	4,426
Total of all Endowed Funds At 31 July 2024					6,009

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The comparative amounts for the movements on the Endowed Funds not accounted for under a total return policy are as follows:

2023	Permanent endowment	Expendable endowment	Permanent Bursary Endowment	Total
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Balance as at 1 August 2022	720	153	592	1,465
Investment gains	4	-	(12)	(8)
Transfers	-	(12)	-	(12)
At 31 July 2023	724	141	580	1,445

The comparative amounts for the movements on the Endowed Funds accounted for under a total return policy are as follows:

2023	RD Finlay Bursary Fund Trust for Investment	Trust for Application	KGS Bursary Fund Trust for Investment	Trust for Application	Total
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Gift component of the permanent endowment as at 1 August 2022	3,218	-	730	-	3,948
Unapplied total return as at 1 August 2022	-	162	-	(12)	150
Total balance as at 1 August 2022	3,218	162	730	(12)	4,098
<i>Movements in year:</i>					
- Gifts of endowment funds	-	-	-	-	-
- Dividends and interest	-	86	-	18	104
- Investment gains	-	(6)	-	(1)	(7)
- Investment costs	-	(15)	-	(5)	(20)
Payment of bursaries & fee assistance	-	(70)	-	(24)	(94)
At 31 July 2023	3,218	157	730	(24)	4,081
Total of all Endowed Funds At 31 July 2023					5,526

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16. RESTRICTED FUNDS

The School maintains a number of Restricted Funds of which the principal funds are:

- the Prize Fund, used to finance in part the provision of prizes to the students of the School;
- the Sherriff Bequest Fund, used to finance in part the provision of capital expenditure principally in connection with rowing. Funds retained for future replacement of minibuses used by the rowing department and capital expenditure on rowing;
- the Appeal fund, which represents donations received and expended in connection with specified capital expenditure projects or to support bursaries; and
- the PSA and other School Societies Funds. These are used for the provision of specific equipment for use in the school.

The movements on the Restricted Funds during the year are as follows:

2024	Fairfield Science Block Fund	Sherriff Bequest Fund	Appeal Fund	College Fund	Prize & Other Fund	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2023	-	178	372	2	-	552
Income arising in year	92	23	46	25	1	187
Expenditure	-	-	(50)	(25)	(1)	(76)
At 31 July 2024	92	201	368	2	-	663

The movements on the TW11 Fund are accounted for under a total return policy during the year are as follows:

2024	TW11 Fund Trust for Investment	Trust for Application	Total
	£'000	£'000	£'000
Gift component of the restricted as at 1 August 2023	-	-	-
Unapplied total return as at 1 August 2023	-	-	-
Total balance as at 1 August 2023	-	-	-
Movements in year:			
- Gifts of restricted funds	567	-	567
- Dividends and interest	-	-	-
- Investment gains / (losses)	-	8	8
- Investment costs	-	(1)	(1)
At 31 July 2024	567	7	574

Total of all Restricted Funds

At 31 July 2024	1,237
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The comparative amounts for the movements on the Restricted Funds are as follows:

2023	Fairfield Science Block Fund £'000	Sherriff Bequest Fund £'000	Appeal Fund £'000	PSA/ School Fund £'000	Prize & Other Fund £'000	Total £'000
<i>Balance as at 1 August 2022</i>	-	150	354	4	-	508
<i>Income arising in year</i>	-	28	62	23	1	114
<i>Expenditure</i>	-	-	(44)	(25)	(1)	(70)
<i>At 31 July 2023</i>	-	178	372	2	-	552
Total of all Restricted Funds						
<i>At 31 July 2023</i>						552

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17. UNRESTRICTED FUNDS

The School maintains three Unrestricted Funds being:

- the Fixed Assets Fund, which represents amounts expended on tangible fixed assets required for the operation of the School, less additions financed from bank loans or from the Permanent Endowment Fund (under a recoupment order) and assets transferred to the Permanent Endowment Fund. It also retains annual surpluses generated by the School.
- the Appeal 450 Campaign Fund, which represents cash carried forward from Appeal 450 Campaign. The Appeal 450 Campaign is designated towards the refurbishment of School premises; and
- the General Fund, within which the School is operated.

The movements on the Unrestricted Funds during the year are as follows:

2024	Fixed Assets Fund	Appeal 450 Fund	KGSI Fund	General Fund	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2023	17,399	120	158	-	17,677
Income arising in year	-	-	367	20,950	21,317
Expenditure	-	-	(419)	(19,140)	(19,559)
Transfers	1,823	-	-	(1,810)	13
At 31 July 2024	19,222	120	106	-	19,448

The movements on the Unrestricted Funds during the year are as follows:

2023	Fixed Assets Fund	Appeal 450 Fund	KGSI Fund	General Fund	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2022	15,828	120	447	-	16,395
Income arising in year	-	-	340	18,661	19,001
Expenditure	-	-	(629)	(17,102)	(17,731)
Transfers	1,571	-	-	(1,559)	12
At 31 July 2023	17,399	120	158	-	17,677

18. TRANSFERS

Transfers represent:

- A transfer of £1,810k from the general fund to the fixed assets fund represents the purchase of additional fixed assets plus annual surplus.
- A transfer of £13k representing the conversion of expendable endowment funds to unrestricted funds relating to the depreciation on the buildings held in the expendable endowment.

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19. FUTURE CAPITAL EXPENDITURE

Capital expenditure contracted for in 2024 included the fit out of a new leased building for additional sixth form provision.

	2024 £'000	2023 £'000
Future capital expenditure	<u>1,607</u>	<u>364</u>

Funding is planned from existing funds and donations.

20. PENSION SCHEMES

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,584k (2023: £1,385k) and at the year-end £nil (2023 - £nil) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023, confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

For staff not in the TPS, the School makes contributions to various defined contribution pension schemes of £258k (2023: £247k) and at the year-end £nil (2023: £nil) was accrued in respect of contributions to these schemes. In June 2024, the School introduced an option for staff in these schemes to contribute to their pensions through salary sacrifice. The savings the School makes on Employer National Insurance contributions as a result of this arrangement are passed on to employees in the form of increased employer pension contributions. This initiative is reviewed and agreed upon annually in March.

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22. INVESTMENT IN SUBSIDIARY

	2024	2023
	£	£
KGS International Limited	100	100
Kingston Grammar School International Limited	100	100
Net book value at 31st July 2024	200	200

The cost of the above investment totalled £200. The School's interest is as follows:

Company	Country of incorporation	Shares held Class	%
Kingston Grammar School International Limited	England and Wales	Ordinary	100
KGS International Limited	England and Wales	Ordinary	100

The registered office of Kingston Grammar School International Limited (Company Number 11949288) is at the same address as the School. The company was dormant during the year.

The registered office of KGS International Limited (Company Number 12093612) is at the same address as the School. The principal activity of the subsidiary is to develop the Kingston Grammar School brand in overseas locations. The operating profit for 2024 was £106k (2023: £158k). The profit is gifted to the school post year end.

KGS INTERNATIONAL LIMITED

	2024	2023
	£'000	£'000
Income	367	340
Expenditure	(419)	(629)
Net Loss	(52)	(289)
Assets	228	313
Liabilities	(122)	(155)
Net Assets	106	158

**KINGSTON GRAMMAR SCHOOL
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23. RELATED PARTY TRANSACTIONS

In October 2015 the School entered into a loan agreement with the Head Master for an amount of £500k for the purchase a principal residence within a reasonable distance of the School in order to assist him in the efficient discharge of his duties. The amount is repayable within twelve months of cessation of employment with the School.

The School owns the full £100 share capital of Kingston Grammar School International Limited which is registered in England and Wales under company number 11949288. The company was registered on 16 April 2019 and is dormant during the year.

The School owns the full £100 share capital of KGS International Limited, also registered in England and Wales, with a company number of 12093612. The company was registered on 9 July 2019. The registered address for both companies is Kingston Grammar School, London Road, Kingston upon Thames, KT2 6PY.

24. OPERATING LEASE COMMITMENTS

	2024 £000s	2023 £000s
As at 31 July 2024 the School had the following commitments due under operating leases payable:		
- within one year	492	-
- from one to two years	500	-
- from two to five years	1,500	-
- more than five years	83	-
	2,575	-

25. POST BALANCE SHEET EVENTS

As part of the School's strategic estates plan, the School acquired two nearby freehold plots in October 2024 for future development funded by cash reserves, at a cost of £5.5m.

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26. PRIOR YEAR CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Notes:	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2023 £'000	2022 £'000
Income and endowments from:						
Charitable activities						
- School fees receivable	2	17,489	-	-	17,489	16,665
- Other charitable income	3a	698	-	-	698	635
Activities for raising funds:						-
- Donations	3b	8	99	-	107	1,210
- Ancillary trading	3c	512	-	-	512	804
- Investment income	3d	272	15	104	391	84
Other activities - Other income and Grants	3e	22	-	-	22	6
Total income		<u>19,001</u>	<u>114</u>	<u>104</u>	<u>19,219</u>	<u>19,404</u>
Expenditure on:						
Raising funds						
- Ancillary trading	5	-	-	-	-	-
- Financing	5	(470)	-	-	(470)	(623)
- Fundraising & Development	5	(73)	-	(20)	(93)	(99)
		<u>(543)</u>	<u>-</u>	<u>(20)</u>	<u>(563)</u>	<u>(722)</u>
Charitable activities						
- Education and grant making	5, 15, 16	(17,188)	(70)	(94)	(17,352)	(16,088)
Total expenditure		<u>(17,731)</u>	<u>(70)</u>	<u>(114)</u>	<u>(17,915)</u>	<u>(16,810)</u>
Net income before transfers and investment gains / Net (losses) on investments	8	1,270	44	(10)	1,304	2,594
Transfers between funds	15, 18	-	-	(15)	(15)	(68)
		<u>12</u>	<u>-</u>	<u>(12)</u>	<u>-</u>	<u>-</u>
Net income		<u>1,282</u>	<u>44</u>	<u>(37)</u>	<u>1,289</u>	<u>2,526</u>
Fund balances brought forward at 1 August 2022		<u>16,395</u>	<u>508</u>	<u>5,563</u>	<u>22,466</u>	<u>19,944</u>
FUND BALANCES CARRIED FORWARD AT 31 JULY 2023		<u><u>17,677</u></u>	<u><u>552</u></u>	<u><u>5,526</u></u>	<u><u>23,755</u></u>	<u><u>22,470</u></u>

Accounts

Registered company number: 3883748

Registered charity number: 1078461

Registered VAT number: 423470321

KINGSTON GRAMMAR SCHOOL



KINGSTON
GRAMMAR SCHOOL

FOUNDED 1561

(A CHARITABLE COMPANY LIMITED BY GUARANTEE)

REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

**KINGSTON GRAMMAR SCHOOL
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

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**KINGSTON GRAMMAR SCHOOL
GOVERNORS, DIRECTORS & OFFICERS
FOR THE YEAR ENDED 31 JULY 2023**

GOVERNORS, DIRECTORS & OFFICERS

Under the Articles of Association the Governors are the charity trustees and are also the directors and members of the Company. The Governors of Kingston Grammar School who served during the year are:

<u>Name</u>	<u>Committee membership and roles</u>
Robert O'Dowd (Chair)	S&R (Chair); I (Interim Chair to Dec 22); F&GP
Lorraine Adam (Vice-Chair) ¹	M&A (Chair); N&G (Chair); E&S
Catherine Chevallier	S&R; F&GP; N&G
Liz Dux	M&A (Chair from Jan 23); E&S; N&G (from Jan 23)
Andrew Evans	F&GP (Chair); AR&C; I; S&R
Jatinder Harchowal (Vice-Chair from Jan 23)	F&GP (to Dec 22); N&G (Chair from Jan 23); E&S (from Jan 23)
Nima Khandan-Nia	E&S; AR&C
Frances Le Grys ²	AR&C (Chair); M&A; N&G
Julia Mikardo	E&S
Diana Rose	E&S (Chair)
Na'eem Ahmed	M&A; S&R
Ed Bowyer	M&A (from Jan 23); S&R
Nicholas Cole	E&S; M&A (from Jan 23)
Vivek Agarwal	F&GP; AR&C (Chair from Jan 23)
Peter Kelk	F&GP; I (Chair from Jan 23)
Beatrijs Lelyveld ³	E&S; AR&C

Resignation / Retirement

Basis of, and changes in, appointment

¹ Resigned as Governor on 5 December 2022

² Resigned as Governor on 5 December 2022

³ Appointed as Governor on 6 December 2022

Committees

Staffing and Remuneration	S&R
Education & Safeguarding	E&S
Finance & General Purposes	F&GP
Investment	I
Marketing & Admissions	M&A
Nominations & Governance	N&G
Audit, Risk & Compliance	AR&C

OFFICERS

Head Master	Stephen Lehec
Director of Finance & Operations	David Leen
Deputy Head Safeguarding and Development	Sarah Humphrey
Deputy Head Academic	William Cooper
Clerk to the Governors	Dinah Coomes

**KINGSTON GRAMMAR SCHOOL GOVERNORS
ADVISERS, REGISTRATION NUMBERS & WEBSITE
FOR THE YEAR ENDED 31 JULY 2023**

ADVISERS, REGISTRATION NUMBERS & WEBSITE

Auditor:	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers:	Barclays Bank plc Level 27, 1 Churchill Place Canary Wharf London E14 5HP
Investment Advisers:	Close Brothers Asset Management B4 Endeavour Place 11 Coxbridge Business Park Alton Road Farnham GU10 5EH CCLA Investment Management Ltd 80 Cheapside London EC2V 6DZ PMN Financial Management LLP 10 Crown Place London EC2A 4FT
Solicitors:	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA
Pension Advisers:	JLT Benefit Solutions DC Consulting South 36 Ridgmont Road St Albans Hertfordshire AL1 3AB
Insurance Brokers:	S Ellis Consulting Ltd 28 Park Road North LeighWitney Oxfordshire OX29 6RX on behalf of AON UK Limited
Principal Address & Registered Office:	70 London Road Kingston upon Thames Surrey KT2 6PY
Website:	www.kgs.org.uk
Registered Charity Number	1078461
Registered Company Number	3883748
Registered VAT Number	423470321

**KINGSTON GRAMMAR SCHOOL
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2023**

The Governors present their Annual Report for the year ended 31 July 2023. This is prepared in accordance with the Companies Act 2006 and the Charities Act 2011 and includes the Directors' Report and Strategic Report, together with the audited Financial Statements for the year. The Governors confirm that the latter comply with the requirements of the Companies Act 2006, the Company's Articles of Association and the Charities SORP 2019.

DIRECTORS' REPORT

CONSTITUTION AND OBJECTS

The Charity, Kingston Grammar School Foundation, was founded in 1561. On 22 November 1999 Kingston Grammar School was incorporated as a charitable company, limited by guarantee, registered in England No. 3883748, and is registered with the Charity Commission under Charity No. 1078461. The company is the corporate trustee of the Kingston Grammar School Foundation. The governing document is the Articles of Association, last amended 4 December 2019 with a further minor amendment on 11 October 2023.

The objects of the Charity are the advancement of education generally and in particular through the provision and conduct of schools including (but not exclusively) in or near the Royal Borough of Kingston upon Thames.

In furtherance of these objects for the public benefit, the Charity has established and administers fee assistance/bursaries, grants, awards, and other benefactions, and acts as the trustee and manager of property, endowments, bequests, and gifts given or established in pursuance of these Objects.

VISION, AIMS AND OBJECTIVES

At KGS, we aim to live out our motto of 'Work well & be happy' in all that we do.

We believe in achieving excellence with integrity, without compromising on individual wellbeing or our values.

- We encourage and foster personal ambition alongside the development of social conscience.
- We promote commitment and determination in all areas of school life, while highlighting the importance of care for oneself and others in striving for one's goals.
- We provide support to each individual, whilst developing their own sense of self-reliance.
- Most importantly, we aspire for our students to become the leaders of a better, kinder world.

Each of these aims is underpinned by our core values of aspiration, respect, and engagement (ARE). It is in this way that we can 'Work well & be happy', and truly know what that means.

Aspiration

We want to equip our young women and men with the skills and confidence they need to pursue their chosen ambitions and pathways. We understand the importance of having the right 'currency' in the form of examination results and other outcomes, whilst also pursuing excellence in a broad range of co-curricular endeavours as goals in themselves. We enable our students to become future-ready, able to master digital technology and to build interpersonal relationships with people from all walks of life. We also recognise that success can be different for every student, and wholeheartedly aim to inspire and support each student in the pursuit of their ambitions.

Respect

We hold dear the notion that every member of the KGS community should have respect for themselves, for other people and for the world in which we live whilst embracing the concept of kindness, in all its facets. We demonstrate an absolute understanding of equality and diversity, as well as promoting sustainability at every level. Beyond this, we encourage the practice of self-kindness, learning to balance competing priorities and both developing and maintaining a positive self-image.

Engagement

We actively encourage our students to fully embrace all the opportunities available to them, including those they are familiar with and may well excel in, and those that are new and require a determined effort. We encourage collaboration with peers and adults both within and beyond the school,

KINGSTON GRAMMAR SCHOOL
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FOR THE YEAR ENDED 31 JULY 2023

recognising how much more can be achieved when working in partnership. We invite our students to give back to the communities of which they are a part, through their leadership and service.

In December 2021 ISI inspectors conducted their routine Regulatory Compliance Inspection. This inspection checks that a schools' policies and practices are compliant with the regulations set by the Department for Education. The school met all 8 Standards inspected.

The most recent ISI Educational Quality and Focused Compliance inspection of the School was in May 2017. The school meets all the requirements of the Education (Independent School Standards) Regulations 2014 and achieved the top category of **Excellent** for students' academic and other achievements as well as personal development. The reports were very positive noting:

- “The high levels of achievement derive significantly from the impact of a culture of all-round accomplishment for all students that is so effectively promoted by the senior leadership and governors. Students are determined to live up to the school motto ‘Work well and be happy’ and in this they are conspicuously successful.”
- “Without exception, those spoken to feel that this is a kind school where unkindness is never acceptable.”
- “Students show great enthusiasm in their work and display excellent attitudes to their learning.... These attributes are prodigious, because they form highly supportive relationships with their teachers who inspire them to enjoy learning and do their best.”
- “Students exhibit very strong study skills and are able to think for themselves and work independently, due in large part to carefully planned and well-structured lessons and a curriculum that challenges and captivates students.”
- “Students have a pronounced sense of right and wrong and instinctively understand the importance of taking responsibility for their own behaviour and being mindful of its impact on others.”
- “Students’ success is also enhanced by the academic enrichment activities that give them opportunities to develop their learning beyond the classroom.”
- “Key contributory factors to students’ personal development are the strong ethos and commitment to students’ well-being and the clear sense of purpose promoted by school leaders and governors, the coherent and well-planned pastoral care provision, and the strong and supportive community which values equally academic success and personal growth.”
- “Success in sport is particularly notable.”
- “Nearly every sport offered is available to both boys and girls, and the equality of opportunity is valued by them.”
- “Students show outstanding development and display particularly mature personal qualities for their age.”
- “Students possess outstanding communications skills. Their oral contributions, both spontaneous and prepared, are of a particularly high quality. They write with clarity, accuracy, fluency, and imagination, often at extended length. Students greatly enjoy learning through discussions and debate. They listen well to each other.”
- “Students enjoy marked success in the wide and challenging co-curricular programme that not only enables them to achieve at a high level, but also to develop their talents and interests.”
- “The achievement of so many students outside the classroom is due significantly to the breadth of the co-curricular programme which caters fully for their interests and talents, and to the high levels of staff involvement and commitment.”
- “Students learn to balance success and failure. They persevere with the challenges presented to them and develop strong self- reliance and independence.”
- “Students creative, design and performance skills are notable and strongly displayed around the school, through their bold and sensitive artwork in many different media, the high-quality artefacts produced in design technology, and the strong performance of many musical groups and ensembles.”
- “Virtually every student responding to the pre-inspection questionnaire felt they were making good progress as a result of the supportive teaching they receive, and their parents agreed.”

**KINGSTON GRAMMAR SCHOOL
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2023**

The Inspection report made one recommendation for improvement, which was to continue to develop our strategic vision for ICT so that students' collaborative learning and preparation for higher education can be enhanced further using the excellent framework of tools already in place. This recommendation has been taken forward by the Education and Safeguarding Committee.

Our objectives are set to reflect our educational aims and the vision of the School. In setting our objectives and planning our activities Governors have given careful consideration to the Charity Commission's general guidance on public benefit and to its supplementary public benefit guidance on fee-charging and advancement of education. The focus of our objectives is on the development of our students, their continued high levels of academic, co-curricular achievement and pastoral wellbeing and to further widen access to the education our School provides. Our key objectives for the year, in line with our three-year School Development Plan are to:

- Plan and deliver exceptional teaching and learning within a curriculum and assessment framework which gives all students the skills and learning disposition to make continuous progress and achieve the currency they need to follow their chosen path beyond KGS.
- Deliver an unrivalled level of pastoral care, alongside a wellbeing and education programme that will enable all KGS students to take responsibility for their personal development and, make well-informed life choices that help to promote a positive and respectful culture for all members of the school and wider community.
- Develop the character of all students through the provision of a range of enriching and engaging opportunities in cocurricular and beyond.
- Prepare students to enter the world beyond school with the credentials to succeed, the confidence to adapt to a fast-changing world, and the leadership skills to create positive change.
- Attract, admit, and retain the students who have the greatest potential to benefit from an education at KGS.
- Recruit and retain the best teaching and support staff who are committed to the School vision and live by the core School values.
- Maintain and grow income to provide optimum investment in the long-term future of the School and to ensure high quality facilities to deliver education to the highest standards.

GOVERNANCE AND MANAGEMENT

Governing Body

Membership of the Governing Body and its Committees is set out on page 2. As noted on page 2 since 31 July 2022 two Governors have stood down and one new Governor has been appointed.

Under the Articles of Association, the Governing Body is composed of no fewer than ten and not more than fifteen individuals appointed by resolution of the Board. The normal term of office is four years. A Governor may serve two consecutive terms after which, in the absence of exceptional circumstances, they are not eligible for re-election until after a year has elapsed.

Recruitment and training of Governors

New members of the Governing Body are appointed in accordance with criteria and procedures set out in an agreed Recruitment and Induction Policy, seeking to maintain an appropriate balance in terms of age, gender, ethnicity, and a range of backgrounds, as well as an appropriate mixture of skills and experience. Under the Policy, the Governing Body will seek to ensure that it includes at least one governor who is a parent of a current pupil when the parent is first appointed as governor, at least one who is a former pupil of the school and at least one Governor who is involved in higher education.

New Governors are inducted into the workings of the Charity and the School, including Governing Body Policy and procedures, at meetings with the Head Master, Director of Operations & Finance, other members of the School Executive and the Clerk to the Governors. Safeguarding training is delivered annually to Governors and an internal training workshop on a topic of strategy is organised each year. In addition, Governors are

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encouraged to attend training courses to enhance their skills in areas relevant to their role at the school such as finance, marketing and good governance organised by external organisations. Circulation of briefing notes and newsletters from relevant organisations keep them informed and updated on current issues in the sector and regulatory requirements.

Organisational management

The Governing Body is legally responsible for the overall management and control of the School, and usually meets four times a year. The Governing Body delegates specific duties to committees and may refer particular matters to them from time to time. The committees of the Governing Body currently operated as follows:

The Audit, Risk & Compliance Committee - consists of no more than four Governors. The Chair should not also be the Chair of the Finance and General Purposes Committee. The Committee usually meets twice a year. Its terms of reference are to receive reports from the School's auditors, to agree the form of the annual audit, to recommend to the Governing Body the adoption of the Annual Accounts, to monitor the risk management process and allocate risk management responsibilities to other committees or the Executive, to monitor Health & Safety and to oversee and review compliance generally at the School.

The Education and Safeguarding Committee - consists of up to seven Governors and usually meets three times a year. Its terms of reference are to consider all educational matters (including but not limited to academic, pastoral and co-curricular areas) and all safeguarding matters; proposed developments of the educational and safeguarding provision, to receive reports from relevant members of staff on issues of note concerning the educational provision of the School or raised by any member of the Governing Body, and to monitor and oversee compliance with educational, pastoral and safeguarding requirements.

The Finance and General Purposes Committee consists of up to seven Governors and usually meets four times a year. Its terms of reference are to recommend revenue and capital budgets and fee levels to ensure a sound commercial operation; to monitor the financial position of the School; to explore opportunities for the development, expansion and refurbishment of the School's buildings and property; to submit proposals and to monitor the implementation of major projects; to advise on the financial implications of projects and recommendations from other committees; and to approve or recommend changes to the School's financial policies.

The Investment Committee - meets twice a year and consists of up to four members including the Chair or Vice-Chair of the Governing Body, the Chair of the Finance and General Purposes Committee and a Governor with relevant financial experience. Its terms of reference are to select and appoint advisory and/or discretionary investment managers, to make recommendations on investment policy, to monitor investment performance and appropriateness, to take investment advice as appropriate and approve transactions recommended by appointed financial advisers.

The Marketing and Admissions Committee - consists of up to four Governors and meets twice a year. Its terms of reference are to agree the Admission policy, to ensure a strategy for marketing and publicity, to review admissions against target and to agree Bursary guidelines.

The Nominations and Governance Committee - consists of up to four Governors including the Vice-Chair of the Governing Body, and meets at least twice a year. Its terms of reference are to lead on matters of succession planning and composition of the Governing Body; to co-ordinate and follow the required process for recruitment of new Governors; to ensure that new Governors receive a proper induction; to integrate and co-ordinate all aspects of governance and legal and regulatory compliance; to keep under review the Governors' register of interests and to advise on conflicts of interest where required.

The Staffing and Remuneration Committee - meets at least once a year and consists of the Chair of Governors, the Chair of the Finance & General Purposes Committee and not more than three other Governors. Its terms of reference are to review the pay and conditions of all staff including determining the remuneration of the Head Master, the Deputy Heads, the Director of Finance and Operations and Assistant Heads; and to consider other staff related matters.

**KINGSTON GRAMMAR SCHOOL
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During the year, 22 meetings of the Governing Body or one of the committees were held and attendance by Governors at these meetings averaged 88%.

All Governors are linked to a member of the School Executive and spend time during the year so that they can experience and understand better how the School operates. Certain Governors fulfil functional roles, relating to Safeguarding and Health & Safety to ensure legal compliance.

All Governors give their time freely and no remuneration was paid in the year. Where Governors have children who are students at the school there are no special arrangements in respect of the fees payable. Governor's children are eligible for means-tested fee assistance or scholarships in accordance with normal school policies and practice. Governors do not participate in decisions regarding awards of fee assistance or scholarships insofar as their own children are involved.

The day-to-day running of the School is delegated to the Officers, known collectively as the School Executive, who attend relevant meetings of the above governors' committees. The School's Executive comprises: Stephen Lehec (Head Master), David Leen (Director of Finance & Operations), Sarah Humphrey (Deputy Head - Development, Outreach & Partnerships), Will Cooper (Deputy Head - Academic), Deborah Sherwood (Assistant Head), Andy Beard (Assistant Head), Anoushka Lett (Assistant Head), Nick Hudson (Assistant Head), Alison Williams (Assistant Head), Adam House (Assistant Head) and Nicola Sloan (Director of Human Resources).

The framework for remuneration of the School staff is set by the Governing Body and is reviewed annually, including reference to comparisons with other independent schools to ensure the School remains sensitive to the broader issues of pay and employment conditions in the local area.

The School has developed a HMC Teacher Training programme to offer professional development to support wider education with well trained teachers in all areas. It brings an outlook of modern teaching methods at the School and provides community benefit as teachers exchange with their state school counterparts. Delivery of the School's charitable vision and purpose is primarily dependent on our key staff and their costs are the largest single element of our charitable expenditure.

Employment Policy

The School actively supports the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards.

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

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

Company law requires the Governors to prepare Financial Statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group and charitable company for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;

**KINGSTON GRAMMAR SCHOOL
ANNUAL REPORT OF THE GOVERNORS
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- 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 group and charitable company will continue in business.

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

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

In preparing these Financial Statements, the Governors, having duly considered the benefits to the School of so doing, have resolved to adopt a total returns accounting approach to two of the Schools permanent endowments: the RD Finlay Bursary Fund and the KGS Bursary Fund. The following information is relevant to these funds:-

For the RD Finlay Bursary Fund:

- the initial value of the funds trust for investments was established as at 29 June 2017 when Mr RD Finlay gave the School £2,000,000 in cash;
- at that date the value of the Fund's unapplied total return was £nil; and
- It is the object of the RD Finlay Bursary Fund to fund the provision of bursaries and fee assistance for students of the School who satisfy the Fund's Bursary Policy and the Governors consider that this object is best served by maximising the capacity of the Fund to finance these bursaries and fee assistance. Consequently, it is currently the Governors policy to make annual transfers of the unapplied total return arising on the Funds trust for investment to the Funds trust for application. The resulting cash and investments held within the trust for application are subject to the same investment as apply to the trust investment.

For the KGS Bursary Fund:

- the initial value of the funds trust for investments was established as at 1 November 2017 when the School received a donation in cash of £532,221. This together with a founding contribution to the Fund of £10 established the Funds initial trust for investment of £532,231;
- at that date the value of the Fund's unapplied total return was £nil; and
- It is the object of the KGS Bursary Fund to fund the provision of bursaries and fee assistance for students of the School who satisfy the Fund's Bursary Policy and the Governors consider that this object is best served by maximising the capacity of the Fund to finance these bursaries and fee assistance. Consequently, it is currently the Governors policy to make annual transfers of the unapplied total return arising on the Funds trust for investment to the Funds trust for application. The resulting cash and investments held within the trust for application are subject to the same investment as apply to the trust investment.

STRATEGIC REPORT

MISSION STATEMENT

Kingston Grammar School aims to provide the best and broadest educational opportunities possible, in a caring and supporting environment where all are instilled with the virtues of regard, integrity and aspiration. The School also encourages all staff and students to be engaged in productive partnerships whilst fostering a high degree of independence, both now and in future life.

ACTIONS TO ACHIEVE THE PRIMARY OBJECTIVES

The School had its highest ever student roll.

Our actions to achieve the year's objectives included:

- promoted available fees assistance and support to potential students and their families;
- maintained positive engagement with parents through various channels, including newsletters;
- monitor the entrance assessment to ensure a balanced experience despite increased numbers;
- ensured that all communication is of the highest standard with a consistent message and responded to the recommendations of the external communications review;
- used department meetings and INSET to share areas of good practice and development points that needed to be worked on/eradicated;
- celebrated student successes and achievements within an established framework of assemblies and publications, online and hard copy.

To promote high academic standards and broaden access, the School has the following specific policies:

- **Scholarships** - Our scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to our co-curricular activities. Scholarship awards are normally set at 10% but do range from honorary awards up to 40% remission of full fees at 11+, 13+ and 16+, allowing the School to provide further resources to means-tested fee assistance, whilst not increasing the burden on fee-paying parents. Where further assistance is required, scholarship awards may be supplemented by a means-tested bursary, up to a total of 100%.
- **Fee Assistance (formerly Bursaries)** - Our means-tested fee assistance, up to 100% of full fees, are used to make places available for deserving students from families who might otherwise not be able to afford school fees or to those students whose education may be at risk due to financial hardship. We also make additional awards when necessary to pay for co-curricular activities, school trips and uniform.
- **Assistance for staff** - As part of our emphasis on attracting and retaining high calibre staff, we offer a discount scheme where staff members choose to educate their children at the School.
- **Fee payment** - A monthly payment facility is available to help those who wish to fund education through regular payments.

The Governors' policy is to offer the School's educational provision to as many children as possible, regardless of means, whilst continuing to promote high academic standards. Our aim is to allow at least 35 students at any one time to be in receipt of free places or a greater number in receipt of lower levels of support. We actively promote the availability of fee assistance and scholarships in our promotional material and at all events and activities designed to recruit and attract prospective students.

We welcome students from all backgrounds and seek to ensure access to the education we offer is not restricted to those who can afford our fees as we believe our students benefit from learning within a diverse community. To be admitted to the School, we need to be satisfied that we will be able to educate and develop a prospective student to the best of their potential and in line with the general standards achieved by their peers. In addition to the sitting of entrance examinations, we interview all those prospective students where, on the evidence of their written papers, there is a possibility that we might make an offer of a place, to satisfy ourselves and parents that potential students can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion, or disability do not form part of our assessment.

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Our fees are set at a level to ensure the financial viability of the School, at a level that is consistent with our aims of providing a first-class education to boys and girls, and at a level that balances the aim of providing wide access with the needs of full fee-paying parents.

ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Principal activities of the year

This year has again been a successful year, the School's student population averaged 873 students (2022: 870). The ratio of boys to girls was 51%:49% (2022 52%:48%).

The level of interest in joining the School remains high, as witnessed by attendance at open events.

Governors' scholarships and fee assistance

Since the School has limited specific fee assistance or scholarship funds the provision of such grants is made in part from the School's general funds. In funding our awards, we are mindful to ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child or children's education, and those benefiting from the awards. During the year, grants totalled £2,144k (2022 £1,949k) representing 11.0% of our gross fees (2022: 10.6%). This amount comprised:

- £663k (2022: £646k) to provide scholarships for Academic studies, Music, Art, Design & Technology, Drama and Sport to 175 students (2022 190 students), with awards ranging from 10% to 40% (2022: 10% to 40%);
- Fee assistance awarded to those in need of financial assistance at the time they entered the School totalled £827k (2022: £714k) to 42 students (2022: 40 students) with awards ranging from 40% to 100% (2022: 40% to 100%), including: 29 students (2022: 27 students) with fee assistance awards of 100%;
- Hardship fees assistance awards totalled £248k (2022: £200k);
- Staff grants and other discounts accounted for £406k (2022: £389k); and
- In 2022/23 the KGS Foundation supported 2 students with 100% fee assistance. Additionally, the RD Finlay Bursary Fund supported 3 students with awards of a 100% fee assistance and KGS Bursaries Fund 1 students at 100% fee assistance. The KGS College Fund supported a further student with 100% support.

Academic achievements

Academic success is the main priority at KGS. Throughout the School we strive to provide flexibility and a personalised learning programme for each student. Aspiring to, and achieving, excellence is at the heart of everything we do, and this year's examination results deservedly reflect the hard work of the students and teachers.

At GCSE in 2023, despite the return to the 2019 grading standard, students produced excellent results with 90% at grades 9-7 (2022: 92%), including 73.7% at grades 9-8 (2022: 75%). 17 students gained grade 9 in all their subjects, and over 95% of students achieved at least one 9/8 grade. Impressive results were achieved by individuals, one student with 13 x 9s; two students with 11 x 9's, and four students with 10 x 9's.

At A Level 30.8% (2022: 38.7%) of all grades were A*s and 37.7% (2022: 36.5%) of all grades were As, giving a combined 68.5% (2022: 76.2%) A*-A. Of the students achieving at least an A grade in three or more subjects, 21 achieved 3 A*s or higher (2022: 17). This was a particularly strong set of results given the changes in the grading standard and reduction of top grades awarded nationally.

This year 84% (2022: 79%) of the students gained a place at their first-choice university of which 79% (2022: 81%) were Russell Group universities. The most popular destinations were Nottingham (11) Newcastle (11) Manchester (10) Leeds (7) Exeter (7) Bath (5) Bristol (5) Durham (5) Cambridge (4) Edinburgh (4) Royal Holloway (4) Sheffield (4) York (4). In total 6 students won places at Oxford and Cambridge colleges with 6 going off to study overseas, including 3 on sports scholarships in the US.

Outreach & Partnership Programme

KGS has strengthened links and relationships with local primary and secondary state schools over the last year.

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The school works extensively with its local state primary school, St Joseph's. Last year, we maintained a number of long running projects with St Joseph's (such as supervised reading with younger year groups by 6th Form students, the gardening club and language leaders' classes) and developed new projects such as a Drama project where staff and 6th Form students supported St Joseph's to put on a play.

The school has also provided ICT support in our partnerships work with local primary schools. The school has run workshops for year 6 children, such as the Faraday Challenge, but also provided ICT professional development for staff in primary schools to build their knowledge and enhance their ability to develop their own curriculum.

Closer links have been established to support academic attainment and to provide UCAS and careers support in local secondary schools. The school's Director of Careers and Universities has attended TKA for an afternoon per week and conducted one to one appointments with all of their U6th students to discuss their options and support their applications process. Additionally, the school ran a Maths revision workshop for local state schools, focusing on students on the 6/7 border to push them to develop their mathematical thinking.

Additionally, professional support has been provided to new Heads of Department at TKA through peer support from Heads of Department at KGS.

The PE department have offered significant support for Sport in the Borough. We hosted the Borough's Primary School Cross Country competition. Additionally, we have provided physical resources to local schools (such as hockey sticks and balls) in addition to PE CPD and support in delivering their PE curriculum.

Co-curricular achievements 2022-23

In Music and Drama

- Fifteen students participated in the Pro Corda Chamber Music Festival.
- The Autumn Term Concert, the Carol Service, Jazz Night, Spring Term Concert, the Scholars' Concert and House Music, Dance and Drama events all took place.
- 80 parents and friends of the school took part in the KGS Choral Society Concert at St Andrew's, Surbiton.
- The school hosted a Jazz Workshop by renowned Jazz artist Laura Gerde.
- The Junior, Middle and Senior School productions were: Treasure Island, Jekyll and Hyde Everyman.
- One student secured a place at the prestigious Mountview Drama School for their full 3 year BA acting course. In addition, a further student has gone on to study Theatre Tech at the Guildhall and another to study set and costume design.

Rowing

- One student was selected for the Great Junior Rowing Team and the World Championships, winning a Gold Medal and becoming our first female Junior World Champion.
- The girls' quadruple scull raced at the Henley Royal Regatta.
- At the National Schools' Regatta, four crews reached the A Finals and one recorded a silver medal.
- At British Junior Rowing Championships, six crews reached the A Finals with five winning silver medals, whilst one won a gold medal in the WJ18 1x.
- Four students were selected to race at the Inter-Regional Regatta for the Thames Region.

Hockey

- 1st XI Girls - Bronze Medal - Independent Schools' Cup.
- 3rd Place Tier 1 England Hockey Competition - East Region
- 1st XI Girls Indoor - 2nd Place Surrey Finals
- U16 Girls Indoor - 3rd Place Surrey Finals
- U15 Girls - London Cup Winners
- U13 Girls - Quarter Finals of Independent Schools Cup. London Hockey Finalists - 3rd Place.
- U12A Girls - London Hockey Finalists

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- U12B Girls - London Heats Winners and London Hockey Finalists
- One student was selected to be part of the Great Britain Elite Development Programme Squad.
- One student was selected for the England U18 Girls' Training Squad.
- Two students were selected for the England U18 Boys' Hockey Team, with one captaining the side. One boy was selected for the England U16 Hockey Team.
- Six students were part of the England Hockey Talent Academy.

Other sports

- U13 Girls were indoor cricket county champions, regional finalists and county champions, outdoor.
- U13 Boys were indoor cricket county finalists.
- Overall win percentage was 55.2% across all cricket. Which is the most successful co-ed cricket season in the school's history.
- U13 Girls' Tennis. Surrey Schools Champions, LTA Youth Schools (Div 2) County Champions
- U13 Boys' Tennis, ISTA Championships S/Finalist, Surrey Schools Runner-up, LTA Youth Schools (Div 2) County Champions
- U15 Boys' Tennis, Surrey Schools Finalists
- U12 Boys' Tennis, LTA Youth Schools (Div 2) County Runner-up
- U14 Girls' Tennis, Surrey Schools Festival (Tier 2) Semi-Finalist
- U15 Girls' Football team were Semi-Finalists in their national competition.
- One student was selected for the Surrey Junior Golf Team.
- One student represent Great Britain at the World Junior Canoeing Championships.

Other achievements

- The Combined Cadet Force RAF Section finished fourth overall in the national RAF Cadet competition, the Air Squadron Trophy.
- Additionally, the KGS CCF was one of just two contingents of the CCF in the UK to be invited to participate in the 2023 Remembrance Sunday Event at the Cenotaph.

FINANCIAL REVIEW

Results for the year

The School endeavours to ensure financial stability and continuing solvency year on year so that it can pursue its educational aims and objectives. The Consolidated income for the year was £19,219k (2022: £19,400k). Fee rates increased by 5.0%. 2022 income benefitted from a £1M donation to the endowment fund alongside other donations income. The income from KGS International was £340k (2022: £679k).

Group expenditure was £17,915k (2022: £16,810k) an increase of 6.6%. Staff costs increased by £1m, up 9.2% comprising additional appointments and cost-of-living and pay-spine increases and amounts to 67.7% (2022: 66.0%) of total expenditure.

The net operating surplus before investment gains was £1,304k including donations of £107k (2022: surplus: £2,590k, donations: £1,210k). The results for the year include an unrealised investment loss of £15k (2022: £68k loss).

The Group net operating surplus for the year totals £1,289k (2022: £2,522k) and, as a result, total funds have increased from £22,466k to £23,755k. Details of the Charity's funds are given in note 15 to 17 in these Financial Statements.

During the year, capital expenditure was £345k (2022: £685k). At the balance sheet date, the Group's borrowings with Barclays Bank totalled £5,718k (2022: £6,641k). Details of the Charity's borrowings are given in note 12.

Through effective financial planning and sensible cost control measures, we have been able to end the year

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with a reasonable surplus, all of which will be reinvested in the School. Student numbers remained strong.

KGS International Limited

In autumn 2021 the School, operating through its 100%-owned trading company KGS International Limited, signed a long-term agreement with the Mountain Education Group in China. This is working in an advisory capacity, supporting educational delivery with a new school based in Suzhou which opened in September 2022. These activities are overseen by the International Steering Group which reports into the Governing Body. The financial activities of KGS International Limited are consolidated into these financial statements, including note 8 to the accounts. The surpluses from this activity will support fees assistance at KGS.

Fundraising performance

The KGS Foundation has continued to make progress thanks to the many generous donations from the Old Kingstonians, parents, staff, governors, and friends of the School.

Overall, in our financial year to 31 July 2023, fundraising income of £107k was received, including £52k for the KGS Bursary Foundation, £1k for Prizegiving, £24k of royalty income for the RC Sherriff Fund, £22k for the College Bursary Fund and £8k of unrestricted donations.

The Governors would like to thank all donors for their generosity which is hugely appreciated and which will make a real difference in shaping the future of the School. In addition, Governors would like to thank the KGS Foundation Board, the ambassadors and KGS Friends representatives for their considerable efforts and commitment.

No professional fundraisers conducted any fundraising activities on behalf of the School during the year. The School is formally registered with the Fundraising Regulator demonstrating our commitment to 'good fundraising practices' and adheres to the Code of Fundraising Practice. There are no instances to report of the School failing to comply with fundraising standards or schemes for fundraising regulation.

Investment Policy & Performance

Details of the Charity's investment policy are given in note 1 to these Financial Statements. The Charity retains permanent endowment investment securities and recorded an unrealised market value loss of £15k (2022 loss: £68k). The investments continue to be closely monitored by the Investment Committee to ensure they are able to meet their bursary funding requirements.

Total Return Accounting

The School adopted Total Return Accounting for the RD Finlay Bursary and KGS Bursary permanently endowed Funds from 29 June 2017 and 1 November 2017 respectively. The initial amounts of the trust for investments are represented by the donations of £2,000k in respect of the RD Findlay Bursary Fund received in June 2017, and £532k, received in November 2017 in respect of the KGS Bursary Fund. Since inception of each fund, further donations have been received for each fund: being £1,218k and £198k respectively.

Reserves policy

The Governors regularly review the level and nature of the School's reserve funds.

The School continues to invest substantial sums into new and upgraded buildings and for the provision of educational equipment. There are no free reserves and the majority of funds are invested in the tangible fixed asset properties. The Governors continue to be satisfied that cash holdings and the opportunity to obtain external financial facilities provide an additional and adequate safety net, if it should be required.

Funds total for the Group is £23,755k at 31 July 2023 (2022: £22,466k) made up of £5,526k endowment capital, £552k restricted funds and £17,677k unrestricted funds which are all designated, mainly to the fixed asset fund.

Future Plans

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The Governing Body continues to pursue the Charity's general objectives as set out earlier. Whilst the impact of the pandemic is largely behind us and although we now face economic uncertainties, inflation pressures and parent affordability, the school can nevertheless face the future with some confidence supported by record number of students on roll as at November 2023. Governors intend to continue their current strategies of maintaining the School's position in a competitive market by investing to provide high quality education for our students.

The School Strategic Plan 2022-25 has the following strategic objectives:

Curriculum & Learning

Plan and deliver exceptional teaching and learning within a curriculum and assessment framework which gives all students the skills and learning disposition to make continuous progress and achieve the currency they need to follow their chosen path beyond KGS.

Wellbeing & Care Education

Deliver an unrivalled level of pastoral care, alongside a wellbeing and education programme that will enable all KGS students to take responsibility for their personal development and, make well-informed life choices that help to promote a positive and respectful culture for all members of the school and wider community.

Opportunities & Activities

Develop the character of all students through the provision of a range of enriching and engaging opportunities in co-curricular and beyond.

Sixth Form

To prepare students to enter the world beyond school with the credentials to succeed, the confidence to adapt to a fast-changing world, and the leadership skills to create positive change.

Marketing & Admissions

Attract, admit, and retain the students who have the greatest potential to benefit from an education at KGS.

Staff Recruitment, Development & Retention

Recruit and retain the best teaching and support staff who are committed to the School vision and live by the core School values.

Finance & Estate Management

To maintain and grow income to provide optimum investment in the long-term future of the School and to ensure high quality facilities to deliver education to the highest standards.

The Governing Body and School's management recognise the importance of strong cost control, seeking to contain cost increases as much as possible while ensuring that the School continues to deliver first class education and pastoral care and the requirement to meet student needs and parent requirements through major facility developments. In setting our future plans, which are financed primarily from fee income and from our reserves, Governors have tried to maintain an equitable balance ensuring our current students benefit whilst, at the same time, ensuring a sound infrastructure and financial base are preserved for the next generation of students in the same way as our current students benefit today from the investment made in the past.

GOING CONCERN

The Governors have assessed the School's ability to continue as a going concern. The Governors have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements including the budget for 2023/24 and the projection for 2024/25 and a consideration of key risks.

The trustees therefore have a reasonable expectation that the school has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern

**KINGSTON GRAMMAR SCHOOL
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FOR THE YEAR ENDED 31 JULY 2023**

basis.

RISK MANAGEMENT

The Governors annually consider the principal areas of the School's operations and consider the major risks faced in each of these areas. Utilising a Risk Management matrix, the School Executive and appropriate Committees identify new risks and monitor control over existing risks throughout the year. A formal review of the risk management process is undertaken by the School Executive and the Audit & Risk Management Committee on an annual basis.

The Governors are satisfied that the major risks identified have been adequately mitigated where necessary, recognising that systems can only provide reasonable, but not absolute assurance that risks have been adequately managed.

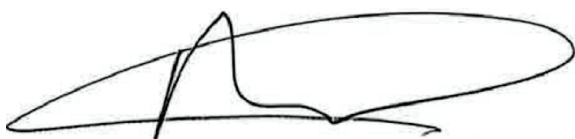
The principal risks identified are:

<u>Risk</u>	<u>Mitigation</u>
Inflation and associated economic pressures	F&GP overseeing the financial performance and forecasting
Effectiveness of the safeguarding policy including responsibilities of the "Prevent" duty	Appointment of Designated Safeguarding Lead; regular training of staff and governors; regular reporting to School Executive and Governors
Cyber-attack or hacking of data	Robust Acceptable Use Policy; regular backups; external testing; insurance backed disaster recovery plans
Change of VAT status on fees	Ongoing monitoring; impact assessment undertaken
Meeting the requirements of the Public Benefit test	Ongoing monitoring and recording of public benefits provided.
Parents experiencing financial difficulty and unable to afford the fees	Availability of some hardship funding. Intention to grow bursary funds

OUR COMMUNITY

The School and Governing Body greatly appreciate the important and valuable support given to the School in so many ways by the whole KGS Community, including all students, current and former parents, Old Kingstonians, and many other friends of the School. Above all, the Governing Body remains deeply grateful to the entire staff, both teaching and support, whose unstinting hard work and loyalty have enabled the School to achieve its major objectives reflected in the ISI report. We are grateful to all for their commitment, generous and continuing support, and their efforts.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of Kingston Grammar School on 12th December 2023, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Robert O'Dowd
Chair



Jatinder Harchowal
Vice-Chair

**KINGSTON GRAMMAR SCHOOL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2023**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KINGSTON GRAMMAR SCHOOL

Opinion

We have audited the financial statements of Kingston Grammar School ('the charitable company') and its subsidiary ('the group') for the year ended 31 July 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the 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 and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations

**KINGSTON GRAMMAR SCHOOL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2023**

we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR) and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Management Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Vincent Marke
Senior Statutory Auditor
For and on behalf of Crowe U.K. LLP
Statutory Auditor - London
Date: 20.12.2023

KINGSTON GRAMMAR SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2023

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Notes:	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2023 £'000	2022 £'000
Income and endowments from:						
Charitable activities						
- School fees receivable	2	17,489	-	-	17,489	16,661
- Other charitable income	3a	698	-	-	698	635
Activities for raising funds:						
- Donations	3b	8	99	-	107	1,210
- Ancillary trading	3c	512	-	-	512	804
- Investment income	3d	272	15	104	391	84
Other activities - Other income & Grants	3e	22	-	-	22	6
Total income		<u>19,001</u>	<u>114</u>	<u>104</u>	<u>19,219</u>	<u>19,400</u>
Expenditure on:						
Raising funds						
- Ancillary trading	5	-	-	-	-	-
- Financing	5	(470)	-	-	(470)	(623)
- Fundraising & Development	5	(73)	-	(20)	(93)	(99)
		<u>(543)</u>	<u>-</u>	<u>(20)</u>	<u>(563)</u>	<u>(722)</u>
Charitable activities						
- Education and grant making	5, 15, 16	(17,188)	(70)	(94)	(17,352)	(16,088)
Total expenditure		<u>(17,731)</u>	<u>(70)</u>	<u>(114)</u>	<u>(17,915)</u>	<u>(16,810)</u>
Net income before transfers and investment (losses)		1,270	44	(10)	1,304	2,590
Net (losses) on investments	8	-	-	(15)	(15)	(68)
Transfers between funds	15, 18	12	-	(12)	-	-
Net income		<u>1,282</u>	<u>44</u>	<u>(37)</u>	<u>1,289</u>	<u>2,522</u>
Fund balances brought forward at 1 August 2022		<u>16,395</u>	<u>508</u>	<u>5,563</u>	<u>22,466</u>	<u>19,944</u>
FUND BALANCES CARRIED FORWARD AT 31 JULY 2023		<u><u>17,677</u></u>	<u><u>552</u></u>	<u><u>5,526</u></u>	<u><u>23,755</u></u>	<u><u>22,466</u></u>

All the Group operations represent continuing activities.

There were no recognised gains or losses other than those shown above.

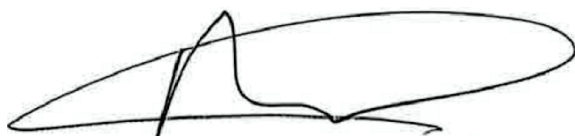
A copy of the Statement of Financial Activities for the year ended 31 July 2022 is provided in note 25.

**KINGSTON GRAMMAR SCHOOL
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2023**

CONSOLIDATED BALANCE SHEET

	Notes:	2023 £'000	2023 £'000	2022 £'000
FIXED ASSETS				
- Tangible fixed assets	7		18,526	19,463
- Investments	8		4,506	4,399
			<u>23,032</u>	<u>23,862</u>
CURRENT ASSETS				
- Debtors	9	984		979
- Cash and short-term deposits		9,991		9,389
		<u>10,975</u>		<u>10,368</u>
CREDITORS: due within one year	10	<u>(5,148)</u>		<u>(5,503)</u>
NET CURRENT ASSETS			<u>5,827</u>	<u>4,865</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>28,859</u>	<u>28,727</u>
CREDITORS: due after one year	11		<u>(5,104)</u>	<u>(6,261)</u>
TOTAL NET ASSETS			<u><u>23,755</u></u>	<u><u>22,466</u></u>
THE FUNDS OF THE CHARITY				
ENDOWED FUNDS	15		5,526	5,563
RESTRICTED FUNDS	16		552	508
UNRESTRICTED FUNDS	17			
- Fixed assets fund		17,399		15,828
- Other designated funds		120		120
- KGSF		158		447
				<u>16,395</u>
TOTAL UNRESTRICTED FUNDS			<u>17,677</u>	<u>16,395</u>
TOTAL CHARITY FUNDS			<u><u>23,755</u></u>	<u><u>22,466</u></u>

Approved and authorised for issue by the Governors on 12th December 2023 and signed on their behalf by:



Robert O'Dowd
Chair



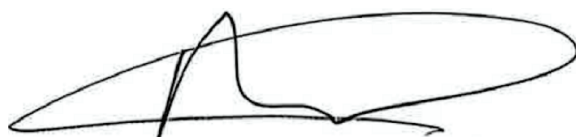
Jatinder Harchowal
Vice-Chair

**KINGSTON GRAMMAR SCHOOL
BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2023**

KGS SCHOOL BALANCE SHEET

	Notes:	2023 £'000	2023 £'000	2022 £'000
FIXED ASSETS				
- Tangible fixed assets	7		18,526	19,463
- Investments	8		4,506	4,399
			<u>23,032</u>	<u>23,862</u>
CURRENT ASSETS				
- Debtors	9	1,092		1,182
- Cash and short-term deposits		9,718		8,730
		<u>10,810</u>		<u>9,912</u>
CREDITORS: due within one year	10	<u>(5,141)</u>		<u>(5,494)</u>
NET CURRENT ASSETS			<u>5,669</u>	<u>4,418</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			28,701	28,280
CREDITORS: due after one year	11		<u>(5,104)</u>	<u>(6,261)</u>
TOTAL NET ASSETS			<u>23,597</u>	<u>22,019</u>
THE FUNDS OF THE CHARITY				
ENDOWED FUNDS	15		5,526	5,563
RESTRICTED FUNDS	16		552	508
UNRESTRICTED FUNDS	17			
- Fixed assets fund		17,399		15,828
- Other designated funds		<u>120</u>		<u>120</u>
TOTAL UNRESTRICTED FUNDS			<u>17,519</u>	<u>15,948</u>
TOTAL CHARITY FUNDS			<u>23,597</u>	<u>22,019</u>

Approved and authorised for issue by the Governors on 12th December 2023 and signed on their behalf by:



Robert O'Dowd
Chair



Jatinder Harchowal
Vice-Chair

KINGSTON GRAMMAR SCHOOL
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2023

CONSOLIDATED STATEMENT OF CASH FLOWS

	2023	2022
	£'000	£'000
Cash flows from operating activities:		
Net income for the reporting period	1,289	2,522
Elimination of non-operating cash flows:		
- Loss/(profit) on sale of tangible fixed assets	79	(1)
- Interest charged on loans and overdraft	470	623
- Investment income and bank interest received	(391)	(84)
- Amounts accrued to fees in advance	-	-
Unrealised losses on investments added back	15	68
Depreciation charges added back	1,211	1,142
(Increase) in Debtors	(5)	(10)
(Decrease)/Increase in Creditors	(630)	563
Increase/(Decrease) in Parent Deposits held	378	(148)
(Decrease)/Increase in Fees in Advance Scheme	(337)	220
Net cash provided by operating activities	2,079	4,895
<i>Cash flows from investing activities</i>		
- Payments for tangible fixed assets	(345)	(685)
- Disposal of tangible fixed assets	77	-
- (Profit)/Loss on sale of tangible fixed assets	(79)	1
- Fixed Asset Adjustment	(6)	-
- Investment income and bank interest received	391	84
- Purchase of investments and investment costs	(122)	(44)
- Disposal of investments	-	-
Net cash (used) in investing activities	(84)	(644)
Cash flows from financing activities:		
- Interest paid on loans	(470)	(623)
- Repayment of borrowings	(923)	(857)
Net Cash (used)/generated in financing activities	(1,393)	(1,480)
Change in cash and cash equivalents in the reporting period	602	2,771
Cash and cash equivalents as at 1 August 2022	9,389	6,618
Cash and cash equivalents as at 31 July 2023	9,991	9,389

ANALYSIS OF CASH AND CASH EQUIVALENTS

Cash and cash equivalents	9,991	9,389
Long-term deposits	-	-
Total cash and cash equivalents	9,991	9,389

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their account in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2019.

The functional currency of the school is GBP because that is the currency of the primary economic environment in which the school operates.

The Financial Statements are drawn up on the historical cost accounting basis except investment assets that are carried at market value.

Kingston Grammar School Foundation was founded in 1561 and was registered by the Charity Commission for England and Wales under a scheme dated 14 September 1978 (Charity number 1078461). Under the Charity Commission Scheme made on 30 December 1999 the running of the School, together with all the Foundation's unendowed assets and all its liabilities were transferred to the Kingston Grammar School as corporate and trust funds, while the permanently endowed School premises remained with the Foundation.

The school is a public benefit entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 31 December 1999 (Company number 3883748).

The activities of the school's wholly owned subsidiary company, KGS International Limited, are immaterial to those of the school and consolidated accounts have, therefore, not been prepared.

1.1 Going Concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the Schools future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff. The Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date the sign-off of these accounts.

1.2 Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affected current and future periods. In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

1.3 Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, fee assistance granted by the school against those fees, but including contributions from restricted funds are accounted for in the period in which the service is provided.

1.4 Investment Income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accrual basis.

1.5 Donations, legacies, grants, and other voluntary income

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

and the economic benefit to the school is considered probable. Voluntary income for the school's general purposes is accounted for as unrestricted and is credited to the General reserves. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not. Gifts in kind are valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption, or at value to the school in the case of donated services or facilities.

1.6 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the items of expenditure to which it relates.

Governance costs comprise of the costs of complying with constitutional and statutory requirements.

1.7 Tangible Fixed Assets

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £10k together with any individual or bulk purchases of vehicles, IT equipment, boats and boat club equipment, office, admin or teaching equipment costing over £1k, with a life expectancy of over two years, are capitalised and carried in the balance sheet at historical cost.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal instalments over their expected useful economic lives typically as follows: -

Freehold buildings	2%
Artificial Pitch	10%
Boats and Boat Club equipment	15%
Motor vehicles	20%
Field equipment and tractors	20%
Computers, teaching, kitchen, cleaning, office equipment	20% - 33%
Plant, Fittings & Refurbishment	3% - 20%

Note: Each asset is assessed on acquisition for appropriate useful life

1.8 Investments

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of the investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund accordingly to the ownership of the underlying assets.

1.9 Fund Accounting

The charitable trust funds of the school are accounted for as unrestricted and restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted income belongs to the school's reserves, spendable at the discretion of the governors either to further the school's objectives or to benefit the school itself. Where the Governors decide to set aside any part of these funds to be used in the future for a specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income comprises gifts, legacies, and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowed funds represent amounts donated to the School where the donor has specified that the capital is to be retained and only the income arising thereon may be spent. The income is treated as unrestricted income. The School has adopted total return accounting for two funds which results in all returns on the underlying investments whether dividends or gains being allocated to the fund and being

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

available for application by the Governors. The Governors will decide each year on the level of application of any unapplied total return which is recorded in the Statement of Financial Activities.

Expendable endowed funds represent capital expenditure on the School buildings on the permanently endowed land up to the date of the 1978 Scheme, subject to annual depreciation.

1.10 Financial instruments

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

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

2. SCHOOL FEES	2023	2022
	£'000	£'000
The School's fee income comprised:		
Gross fees	19,470	18,455
Less : Total fee assistance, grants, and scholarships	(2,144)	(1,949)
	17,326	16,506
 Add back Bursaries paid for by RD Finlay Fund	70	67
Add back Bursaries paid for by KGS Bursaries Fund	24	22
Add back Fee Assistance paid for by KGS Fundraising	44	43
Add back Fee Assistance paid for by College Bursary	25	23
	17,489	16,661
 3. OTHER INCOME		
a) Charitable activities		
- Registration	210	196
- School meals (students)	488	439
- Extras	-	-
	698	635
b) Resources from raising funds (donations)		
- Appeal fund donations for general purposes	8	8
- Donations/royalties received for endowment	-	1,000
- Donations/royalties received for specific purposes	99	202
	107	1,210
c) Activities for raising funds (ancillary trading)		
- Lettings	40	5
- Rent from properties occupied by School staff	69	83
- KGS International Income	340	679
- Other trading income	63	37
	512	804
d) Investment income		
- Income from investment portfolio	5	6
- Bank interest	267	14
- Bank interest (Restricted Funds)	15	-
- Endowed income	104	64
	391	84
e) Other Activities		
- Sundry Income	22	6
- CJRS	-	-
	22	6
 4. NET INCOME IS STATED AFTER RECOGNISING		
Auditor's remuneration - Audit	36	30
Auditor's remuneration - Tax Advice	4	7
Loss/(Profit) on disposal of fixed assets	79	(1)
Depreciation - Owned assets	1,211	1,142

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

2023	Staff Costs	Other	Depreciation	Total
	£'000	£'000	£'000	£'000
<i>Charitable Activities</i>				
- Teaching Costs	9,404	982	150	10,536
- Education Support	715	967	12	1,694
- Premises	606	765	1,045	2,416
- Admin Support	1,366	1,247	4	2,617
School Operating Costs	12,091	3,961	1,211	17,263
- Loss on disposal of FA	-	79	-	79
- Grant Awards Prizes	-	10	-	10
	12,091	4,050	1,211	17,352
<i>Raising Funds</i>				
- Ancillary Trading	-	-	-	-
- Financing	-	470	-	470
- Fund-Raising	43	50	-	93
Total	12,134	4,570	1,211	17,915
2022	Staff Costs	Other	Depreciation	Total
	£'000	£'000	£'000	£'000
<i>Charitable Activities</i>				
- Teaching Costs	8,596	855	166	9,617
- Education Support	605	908	5	1,518
- Premises	620	1,013	948	2,581
- Admin Support	1,158	1,170	23	2,351
School Operating Costs	10,979	3,946	1,142	16,067
- (Profit) on disposal of FA	-	(1)	-	(1)
- Grant Awards Prizes	-	22	-	22
	10,979	3,967	1,142	16,088
<i>Raising Funds</i>				
- Financing	-	623	-	623
- Fund-Raising	51	48	-	99
Total	11,030	4,638	1,142	16,810

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

6. STAFF COSTS	2023	2022
	£'000	£'000
Total staff costs comprise:		
- Wages and Salaries	9,424	8,673
- Social Security costs	1,041	948
- Pension contributions	1,632	1,489
- Other Pay Related Costs	34	-
	<u>12,131</u>	<u>11,110</u>

The average number of employees (full time & part time) during the year

- Teaching staff (Teachers, Sports Coaches, Technicians)	140	140
- Educational Support staff (Nurse, Library, Admin)	25	22
- Premises staff (Facilities Manager, Maintenance, Cleaning)	29	30
- Admin Support staff (other secretarial & Support staff)	26	23
	<u>220</u>	<u>215</u>

Key Management Personnel

	2023	2022
	£'000	£'000
Those holding a position within the school's Executive		
Aggregate employee-benefits of key management personnel	<u>1,577</u>	<u>1,221</u>

Headcount of higher salary bandings

£60,000 - £70,000	26	30
£70,000 - £80,000	10	5
£80,000 - £90,000	5	3
£90,000 - £100,000	1	0
£100,000 - £110,000	2	3
£110,000 - £120,000	1	0
£220,000 - £230,000	0	1
£270,000 - £280,000	1	0
	<u>46</u>	<u>42</u>

41 of the above employees are in a defined benefit scheme. 5 of the above employees are in a defined contribution pension scheme.

During the year there were 2 redundancy payments and NIL termination payments totalling £35.7k (2022: 1.9k).

Governors

	2023	2022
	£'000	£'000
Governor Expenses for courses attended including travel	<u>2</u>	<u>14</u>

No Governor received any remuneration during either the current or previous year.

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

7. TANGIBLE FIXED ASSETS (GROUP AND COMPANY)

	Freehold Land and Buildings	Boat Club Equipment	Equipment and Motor Vehicles	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 August 2022	23,871	751	7,437	32,059
Additions	5	29	311	345
Disposals	-	-	(403)	(403)
At 31 July 2023	23,876	780	7,345	32,001
Depreciation				
At 1 August 2022	7,763	681	4,152	12,596
Charge for the Year	293	25	893	1,211
Disposals	(33)	-	(293)	(326)
Adjustment			(6)	(6)
At 31 July 2023	8,023	706	4,746	13,475
Net book value				
At 31 July 2023	15,853	74	2,599	18,526
At 1 August 2022	16,108	70	3,285	19,463

The School's tangible assets are all held for use by the School. The Governors are confident the market values of those assets currently in use are in excess of the value reflected in these Financial Statements.

Finance costs that are directly attributable to the construction of tangible fixed assets are capitalised as part of those assets.

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

8. INVESTMENTS	2023	2022
	£'000	£'000
Stocks and Shares		
At 1 August 2022	4,399	4,423
Additions at cost	122	44
Disposals	-	-
Management Fees (*)	-	-
Net investment (losses)	(15)	(68)
Market value at 31 July 2023	4,506	4,399

The Governors' investment powers are governed by the Company's Memorandum and Articles of Association.

Investments comprise:	2023	2022
	£'000	£'000
Equities	3,426	3,847
Fixed Interest	475	493
Property	106	59
Other	404	-
Cash and Near Cash	95	-
Market value at 31 July 2023	4,506	4,399

All investments above are held by the charity KGS Limited.

The investments above include the School's £100 investment in the share capital of each of Kingston Grammar School International Limited and KGS International Limited (note 21).

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

9. DEBTORS

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Tuition fees from parents & trade debtors	159	235	159	235
Prepayments and sundry debtors	313	234	273	203
Recoverable income tax	12	10	12	10
HM Loan (note 21)	500	500	500	500
KGS International	-	-	148	234
	<u>984</u>	<u>979</u>	<u>1,092</u>	<u>1,182</u>

All debtors are due within one year, except for £500k for HM Loan, which is due after more than one year.

10. CREDITORS: Due within one year:

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Bank Loans (see Note 12)	992	925	992	925
Fees paid in advance	586	640	586	640
Parental deposits	1,916	1,538	1,916	1,538
Trade creditors	491	799	487	799
PAYE/other taxation and social security	266	262	266	262
Pensions creditor	209	182	209	182
Sundry creditors and accruals	274	573	271	564
Fees in advance scheme	414	584	414	584
	<u>5,148</u>	<u>5,503</u>	<u>5,141</u>	<u>5,494</u>

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

11. CREDITORS: Due after more than one year (Group and Company)	2023	2022
	£'000	£'000
From one to two years:		
- Bank loans (see Note 12)	1,066	991
- Fees in advance scheme	378	291
	1,444	1,282
From two to five years:		
- Bank loans (see Note 12)	3,660	3,440
- Fees in advance scheme	-	254
	3,660	3,694
More than five years		
- Bank loans (see Note 12)	-	1,285
	-	1,285
Total	5,104	6,261

Fees in Advance scheme

Parents may enter into a contract to pay the school up to the equivalent of five years' tuition fees in advance. The money may be returned subject to specific conditions on receipt of one term's notice. Advance fees have been applied assuming students remain in the school. The balance represents the accrued liability under the contracts. Amounts received under the school's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

The movements during the year were:

	2023	2023	2022
	£'000	£'000	£'000
At 1 August 2022		1,129	908
Funds received during the year 2022/23		456	1,114
Amounts utilised in payment of fees:			
- Prior year funds	585		469
- Current year funds	208		424
		(793)	(893)
At 31 July 2023		792	1,129

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

12. LOANS (Group and Company)	2023	2022
	£'000	£'000
Due within five years by instalments:		
- within one year	992	925
- from one to two years	1,066	991
- from two to five years	3,660	3,440
- more than five years	-	1,285
	5,718	6,641

In 2004 the Charity entered into long term arrangements to finance the development of the Queen Elizabeth II building. These arrangements provided a fixed loan totalling £12.4 million commencing in May 2010 and lasting 18 years. The loan covered £10.4 million of costs with the capitalisation of £2 million of interest arising between May 2004 and May 2010. Loan repayments commenced in November 2010. Interest is payable at a rate of 7.3%.

During the year ended 31 July 2023 the loan schedule provided for total payments of £1,253k against this loan (2022: £1,253k). At 31 July 2023 the balance on this loan was £5,168k (2022: £5,998k).

In June 2006 the Charity entered into an agreement to replace an existing variable loan facility, which was expiring in October 2010, with a fixed loan totalling £2.4 million, at a fixed interest rate of 6.61% and repayment over 18 years starting in November 2010. In October 2010 the Charity drew £1.4 million of this fixed loan, terminating £1.0 million of the facility at a break cost of £174k. For the year ended 31 July 2023 the loan schedule provided for total payments of £136k (2022: £136k). At 31 July 2023 the balance on this loan was £549k (2022: £644k).

All the loans are secured on certain freehold land and buildings of the School.

13. TAXATION

No taxation liability arises on the results for the year due to the charitable status of the School.

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

14. ALLOCATION OF NET ASSETS BETWEEN FUNDS

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

2023	Fixed Assets	Investments	Net Current Assets / (Liabilities)	Long Term Liabilities	Total
	£'000	£'000	£'000	£'000	£'000
<i>Endowed Funds</i>					
- Permanent endowment	-	4,506	879	-	5,385
- Expendable endowment	141	-	-	-	141
<i>Restricted Funds</i>	-	-	552	-	552
<i>Unrestricted Funds</i>	18,385	-	4,396	(5,104)	17,677
	<u>18,526</u>	<u>4,506</u>	<u>5,827</u>	<u>(5,104)</u>	<u>23,755</u>

2022	Fixed Assets	Investments	Net Current Assets / (Liabilities)	Long Term Liabilities	Total
	£'000	£'000	£'000	£'000	£'000
<i>Endowed Funds</i>					
- Permanent endowment	-	4,399	1,011	-	5,410
- Expendable endowment	153	-	-	-	153
<i>Restricted Funds</i>	-	-	508	-	508
<i>Unrestricted Funds</i>	19,310	-	3,346	(6,261)	16,395
	<u>19,463</u>	<u>4,399</u>	<u>4,865</u>	<u>(6,261)</u>	<u>22,466</u>

15. ENDOWED FUNDS

The School has three classes of Endowed Funds: the Permanent Endowment, the Expendable Endowment and the Permanent Bursary Endowment.

The Permanent Endowment was created under a Charity Commission Scheme of 14 September 1978, when the School became independent, and which has subsequently been amended by a Charity Commission Scheme of 30 December 1999 when the School was incorporated as a charitable company Limited by guarantee. The endowment comprises the endowed School land at £nil value and the invested proceeds of subsequent land disposals.

The Expendable Endowment represents capital expenditure on the School buildings on the permanently endowed land up to the date of the 1978 Scheme, subject to annual depreciation.

The Permanent Bursary Endowment is comprised of three permanent Bursary endowed funds. Of these funds, the Governors have resolved to apply a total return accounting policy to two of the funds: the RD Finlay Bursary Fund and the KGS Bursary Fund.

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

15. ENDOWED FUNDS

The movements on the Endowed Funds not accounted for under a total return policy during the year are as follows:

2023	Permanent endowment	Expendable endowment	Permanent Bursary Endowment	Total
	£'000	£'000	£'000	£'000
Balance as at 1 August 2022	720	153	592	1,465
Investment gains	4	-	(12)	(8)
Transfers	-	(12)	-	(12)
	<u>724</u>	<u>141</u>	<u>580</u>	<u>1,445</u>
At 31 July 2023				

The movements on the Endowed Funds accounted for under a total return policy during the year are as follows:

2023	RD Finlay Bursary Fund Trust for Investment	Trust for Application	KGS Bursary Fund Trust for Investment	Trust for Application	Total
	£'000	£'000	£'000	£'000	£'000
Gift component of the permanent endowment as at 1 August 2022	3,218	-	730	-	3,948
Unapplied total return as at 1 August 2022	-	162	-	(12)	150
Total balance as at 1 August 2022	3,218	162	730	(12)	4,098
Movements in year:					
- Gifts of endowment funds	-	-	-	-	-
- Dividends and interest	-	86	-	18	104
- Investment gains / (losses)	-	(6)	-	(1)	(7)
- Investment costs	-	(15)	-	(5)	(20)
Payment of bursaries & fee assistance	-	(70)	-	(24)	(94)
At 31 July 2023	3,218	157	730	(24)	4,081
Total of all Endowed Funds					
At 31 July 2023					<u><u>5,526</u></u>

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

The comparative amounts for the movements on the Endowed Funds not accounted for under a total return policy are as follows:

2022	Permanent endowment	Expendable endowment	Permanent Bursary Endowment	Total
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Balance as at 1 August 2021	705	165	599	1,469
Investment gains	15	-	(7)	8
Transfers	-	(12)	-	(12)
At 31 July 2022	720	153	592	1,465

The comparative amounts for the movements on the Endowed Funds accounted for under a total return policy are as follows:

2022	RD Finlay Bursary Fund Trust for Investment	Trust for Application	KGS Bursary Fund Trust for Investment	Trust for Application	Total
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Gift component of the permanent endowment as at 1 August 2021	2,218	-	730	-	2,948
Unapplied total return as at 1 August 2021	-	259	-	12	271
Total balance as at 1 August 2021	2,218	259	730	12	3,219
<i>Movements in year:</i>					
- Gifts of endowment funds	1,000	-	-	-	1,000
- Dividends and interest	-	49	-	15	64
- Investment gains	-	(64)	-	(12)	(76)
- Investment costs	-	(15)	-	(5)	(20)
Payment of bursaries & fee assistance	-	(67)	-	(22)	(89)
At 31 July 2022	3,218	162	730	(12)	4,098
Total of all Endowed Funds					
At 31 July 2022					5,563

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

16. RESTRICTED FUNDS

The School maintains a number of Restricted Funds of which the principal funds are:

- the Prize Fund, used to finance in part the provision of prizes to the students of the School;
- the Sherriff Bequest Fund, used to finance in part the provision of capital expenditure principally in connection with rowing. Funds retained for future replacement of minibuses used by the rowing department and capital expenditure on rowing;
- the Appeal fund, which represents donations received and expended in connection with specified capital expenditure projects or to support bursaries; and
- the PSA and other School Societies Funds. These are used for the provision of specific equipment for use in the school.

The movements on the Restricted Funds during the year are as follows:

2023	Prize & Other Fund	Sherriff Bequest Fund	Appeal Fund	College Fund	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2022	-	150	354	4	508
Income arising in year	1	28	62	23	114
Expenditure	(1)	-	(44)	(25)	(70)
Transfers	-	-	-	-	-
At 31 July 2023	-	178	372	2	552

The comparative amounts for the movements on the Restricted Funds are as follows:

2022	Prize & Other Fund	Sherriff Bequest Fund	Appeal Fund	PSA/ School Fund	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2021	-	117	257	-	374
Income arising in year	2	33	140	27	202
Expenditure	(2)	-	(43)	(23)	(68)
Transfers	-	-	-	-	-
At 31 July 2022	-	150	354	4	508

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

17. UNRESTRICTED FUNDS

The School maintains three Unrestricted Funds being:

- the Fixed Assets Fund, which represents amounts expended on tangible fixed assets required for the operation of the School, less additions financed from bank loans or from the Permanent Endowment Fund (under a recoupment order) and assets transferred to the Permanent Endowment Fund. It also retains annual surpluses generated by the School.
- the Appeal 450 Campaign Fund, which represents cash carried forward from Appeal 450 Campaign. The Appeal 450 Campaign is designated towards the refurbishment of School premises; and
- the General Fund, within which the School is operated.

The movements on the Unrestricted Funds during the year are as follows:

2023	Fixed Assets Fund	Appeal 450 Fund	KGSI Fund	General Fund	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2022	15,828	120	447	-	16,395
Income arising in year	-	-	340	18,661	19,001
Expenditure	-	-	(629)	(17,102)	(17,731)
Transfers	1,571	-	-	(1,559)	12
At 31 July 2023	17,399	120	158	-	17,677

The movements on the Unrestricted Funds during the year are as follows:

2022	Fixed Assets Fund	Appeal 450 Fund	KGSI Fund	General Fund	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2021	14,680	120	82	-	14,882
Income arising in year	-	-	679	17,455	18,134
Expenditure	-	-	(314)	(16,319)	(16,633)
Transfers	1,148	-	-	(1,136)	12
At 31 July 2022	15,828	120	447	-	16,395

18. TRANSFERS

Transfers represent:

- A transfer of £1,559k from the general fund to the fixed assets fund represents the purchase of additional fixed assets plus annual surplus.
- A transfer of £12k representing the conversion of expendable endowment funds to unrestricted funds relating to the depreciation on the buildings held in the expendable endowment.

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

19. FUTURE CAPITAL EXPENDITURE

Capital expenditure contracted for in 2023 was very modest as the school is currently focused on its Estates strategy and associated projects.

	2023 £'000	2022 £'000
Future capital expenditure	<u>364</u>	<u>24</u>

Funding is planned from existing funds and donations.

20. PENSION SCHEMES

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,385k (2022: £1,250k) and at the year-end £nil (2022 - £nil) was accrued in respect of contributions to this scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary and are aiming to implement these changes in time for the 2020 valuations.

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

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

Until the cost cap mechanism revision is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

For other support staff the School also made contributions to various defined contribution pension schemes (Money Purchase) of £247k (2022: £239k) and at the year-end £nil (2022: £nil) was accrued in respect of contributions to these schemes.

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

22. INVESTMENT IN SUBSIDIARY

	2022 £	2021 £
KGS International Limited	100	100
Kingston Grammar School International Limited	100	100
	<u>200</u>	<u>200</u>
Net book value at 31st July 2023	<u>200</u>	<u>200</u>

The cost of the above investment totalled £200. The School's interest is as follows:

Company	Country of incorporation	Shares held Class	%
KGS International Limited	England and Wales	Ordinary	100
Kingston Grammar School International Limited	England and Wales	Ordinary	100

The registered office of KGS International Limited (Company Number 12093612) is at the same address as the School. The principal activity of the subsidiary is to develop the Kingston Grammar School brand in overseas locations. The net assets of this company at 31st July 2023 were £158k (2022: £447k). The company's profit and loss account for the year ended 31st July 2023 showed turnover of £340k (2022: £679k) and an operating loss of £289k (2022: profit of £365k). Gift aid relating to the year ended 31 July 2023 of £158k is scheduled to be paid post year end (2022: £447k).

The registered office of Kingston Grammar School International Limited (Company Number 11949288) is at the same address as the School. The company was dormant during the year.

KGS INTERNATIONAL LIMITED

	2023 £'000	2022 £'000
Income	340	679
Expenditure	(629)	(314)
Net Profit	<u>(289)</u>	<u>365</u>
Assets	313	690
Liabilities	(155)	(243)
Net Assets	<u>158</u>	<u>447</u>

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

23. RELATED PARTY TRANSACTIONS

In October 2015 the School entered into a loan agreement with the Head Master for an amount of £500k for the purchase a principal residence within a reasonable distance of the School in order to assist him in the efficient discharge of his duties. The amount is repayable within twelve months of cessation of employment with the School.

The School owns the full £100 share capital of Kingston Grammar School International Limited which is registered in England and Wales under company number 11949288. The company was registered on 16 April 2019 and is dormant during the year.

The School owns the full £100 share capital of KGS International Limited, also registered in England and Wales, with a company number of 12093612. The company was registered on 9 July 2019. The registered address for both companies is Kingston Grammar School, London Road, Kingston upon Thames, KT2 6PY.

24. POST BALANCE SHEET EVENTS

There are no post balance sheet events to report.

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

25. PRIOR YEAR CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Notes:	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2022 £'000	2021 £'000
Income and endowments from:						
Charitable activities						
- School fees receivable	2	16,661	-	-	16,661	15,418
- Other charitable income	3a	635	-	-	635	499
Activities for raising funds:						-
- Donations	3b	8	202	1,000	1,210	208
- Ancillary trading	3c	804	-	-	804	187
- Investment income	3d	20	-	64	84	64
Other activities - Other income and Grants	3e	6	-	-	6	249
Total income		<u>18,134</u>	<u>202</u>	<u>1,064</u>	<u>19,400</u>	<u>16,625</u>
Expenditure on:						
Raising funds						
- Ancillary trading	5	-	-	-	-	(3)
- Financing	5	(623)	-	-	(623)	(600)
- Fundraising & Development	5	(79)	-	(20)	(99)	(162)
		<u>(702)</u>	<u>-</u>	<u>(20)</u>	<u>(722)</u>	<u>(765)</u>
Charitable activities						
- Education and grant making	5, 15, 16	(15,931)	(68)	(89)	(16,088)	(14,024)
Total expenditure		<u>(16,633)</u>	<u>(68)</u>	<u>(109)</u>	<u>(16,810)</u>	<u>(14,789)</u>
Net income before transfers and investment gains		1,501	134	955	2,590	1,836
Net (losses)/gains on investments	8	-	-	(68)	(68)	729
Transfers between funds	15, 18	12	-	(12)	-	-
		<u>1,513</u>	<u>134</u>	<u>875</u>	<u>2,522</u>	<u>2,565</u>
Net income		<u>1,513</u>	<u>134</u>	<u>875</u>	<u>2,522</u>	<u>2,565</u>
Fund balances brought forward at 1 August 2021		<u>14,882</u>	<u>374</u>	<u>4,688</u>	<u>19,944</u>	<u>17,379</u>
FUND BALANCES CARRIED FORWARD AT 31 JULY 2022		<u><u>16,395</u></u>	<u><u>508</u></u>	<u><u>5,563</u></u>	<u><u>22,466</u></u>	<u><u>19,944</u></u>

Accounts

Registered company number: 3883748

Registered charity number: 1078461

Registered VAT number: 423470321

KINGSTON GRAMMAR SCHOOL



KINGSTON
GRAMMAR SCHOOL

FOUNDED 1561

(A CHARITABLE COMPANY LIMITED BY GUARANTEE)

**REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

**KINGSTON GRAMMAR SCHOOL
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

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**KINGSTON GRAMMAR SCHOOL
GOVERNORS, DIRECTORS & OFFICERS
FOR THE YEAR ENDED 31 JULY 2022**

GOVERNORS, DIRECTORS & OFFICERS

Under the Articles of Association the Governors are the charity trustees and are also the directors and members of the Company. The Governors of Kingston Grammar School who served during the year are:

<u>Name</u>	<u>Committee membership and roles</u>
Robert O'Dowd (Chair)	S&R (Chair); I (Acting Chair from Sep 21); F&GP
Lorraine Adam (Vice-Chair)	M&A (Chair); N&G (Chair); E&S
Catherine Chevallier	S&R; F&GP; N&G
Liz Dux	M&A; F&GP (to Dec 21); E&S (from Dec 21)
Andrew Evans	F&GP (Chair); AR&C; I; S&R
Jatinder Harchowal	F&GP;
Nima Khandan-Nia	E&S (to Sep 22); M&A; AR&C (from Sep 22)
Frances Le Grys	AR&C (Acting Chair from Mar 22); M&A; N&G
Julia Mikardo	E&S
Diana Rose	E&S (Chair)
Na'eem Ahmed	M&A; S&R (from Sep 22)
Ed Bowyer ²	AR&C; S&R (from Sep 22)
Nicholas Cole	E&S
Vivek Agarwal ³	F&GP; AR&C
Peter Kelk ⁴	F&GP; I

Resignation / Retirement:-

Mark Annesley ¹	A&RM (Chair); I (Chair); F&GP; S&R
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Basis of, and changes in, appointment

- ¹ Resigned as Governor on 15 September 2021
² Appointed as Governor on 23 September 2021
³ Appointed as Governor on 22 September 2022
⁴ Appointed as Governor on 22 September 2022

Committees

Staffing and Remuneration	S&R
Education & Safeguarding	E&S
Finance & General Purposes	F&GP
Investment	I
Marketing & Admissions	M&A
Nominations & Governance	N&G
Audit, Risk & Compliance	AR&C
(Committee re-named in December 21 - formerly Audit & Risk Management)	

OFFICERS

Head Master	Stephen Lehec
Director of Finance & Operations	David Leen
Deputy Head Safeguarding and Development	Sarah Humphrey
Deputy Head Academic	William Cooper
Clerk to the Governors	Dinah Coomes

**KINGSTON GRAMMAR SCHOOL GOVERNORS
ADVISERS, REGISTRATION NUMBERS & WEBSITE
FOR THE YEAR ENDED 31 JULY 2022**

ADVISERS, REGISTRATION NUMBERS & WEBSITE

Auditor:	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers:	Barclays Bank plc Level 27, 1 Churchill Place Canary Wharf London E14 5HP
Investment Advisers:	CCLA Investment Management Ltd 80 Cheapside London EC2V 6DZ PMN Financial Management LLP 10 Crown Place London EC2A 4FT
Solicitors:	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA
Pension Advisers:	JLT Benefit Solutions DC Consulting South 36 Ridgmont Road St Albans Hertfordshire AL1 3AB
Insurance Brokers:	S Ellis Consulting Ltd 28 Park Road North LeighWitney Oxfordshire OX29 6RX on behalf of AON UK Limited
Principal Address & Registered Office:	70 London Road Kingston upon Thames Surrey KT2 6PY
Website:	www.kgs.org.uk
Registered Charity Number	1078461
Registered Company Number	3883748
Registered VAT Number	423470321

**KINGSTON GRAMMAR SCHOOL
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

The Governors present their Annual Report for the year ended 31 July 2022. This is prepared in accordance with the Companies Act 2006 and the Charities Act 2011 and includes the Directors' Report and Strategic Report, together with the audited Financial Statements for the year. The Governors confirm that the latter comply with the requirements of the Companies Act 2006, the Company's Articles of Association and the Charities SORP 2019.

DIRECTORS' REPORT

CONSTITUTION AND OBJECTS

The Charity, Kingston Grammar School Foundation, was founded in 1561. On 22 November 1999 Kingston Grammar School was incorporated as a charitable company, limited by guarantee, registered in England No. 3883748, and is registered with the Charity Commission under Charity No. 1078461. The company is the corporate trustee of the Kingston Grammar School Foundation. The governing document is the Articles of Association, last amended 4 December 2019.

The objects of the Charity are the advancement of education generally and in particular through the provision and conduct of schools including (but not exclusively) in or near the Royal Borough of Kingston upon Thames.

In furtherance of these objects for the public benefit, the Charity has established and administers fee assistance/bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects.

VISION, AIMS AND OBJECTIVES

At KGS, we aim to live out our motto of 'Work well & be happy' in all that we do.

We believe in achieving excellence with integrity, without compromising on individual wellbeing or our values.

- We encourage and foster personal ambition alongside the development of social conscience.
- We promote commitment and determination in all areas of school life, while highlighting the importance of care for oneself and others in striving for one's goals.
- We provide support to each individual, whilst developing their own sense of self-reliance.
- Most importantly, we aspire for our students to become the leaders of a better, kinder world.

Each of these aims is underpinned by our core values of aspiration, respect and engagement (ARE). It is in this way that we can 'Work well & be happy', and truly know what that means.

Aspiration

We want to equip our young women and men with the skills and confidence they need to pursue their chosen ambitions and pathways. We understand the importance of having the right 'currency' in the form of examination results and other outcomes, whilst also pursuing excellence in a broad range of co-curricular endeavours as goals in themselves. We enable our students to become future-ready, able to master digital technology and to build interpersonal relationships with people from all walks of life. We also recognise that success can be different for every student, and wholeheartedly aim to inspire and support each student in the pursuit of their ambitions.

Respect

We hold dear the notion that every member of the KGS community should have respect for themselves, for other people and for the world in which we live whilst embracing the concept of kindness, in all its facets. We demonstrate an absolute understanding of equality and diversity, as well as promoting sustainability at every level. Beyond this, we encourage the practice of self-kindness, learning to balance competing priorities and both developing and maintaining a positive self-image.

Engagement

We actively encourage our students to fully embrace all the opportunities available to them, including those they are familiar with and may well excel in, and those that are new and require a determined effort. We encourage collaboration with peers and adults both within and beyond the school,

**KINGSTON GRAMMAR SCHOOL
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

recognising how much more can be achieved when working in partnership. We invite our students to give back to the communities of which they are a part, through their leadership and service.

In December 2021 ISI inspectors conducted their routine Regulatory Compliance Inspection. This inspection checks that a schools' policies and practices are compliant with the regulations set by the Department for Education. The school met all 8 Standards inspected.

The most recent ISI Educational Quality and Focused Compliance inspection of the School was in May 2017. The school meets all the requirements of the Education (Independent School Standards) Regulations 2014 and achieved the top category of **Excellent** for students' academic and other achievements as well as personal development. The reports were very positive noting:

- "The high levels of achievement derive significantly from the impact of a culture of all-round accomplishment for all students that is so effectively promoted by the senior leadership and governors. Students are determined to live up to the school motto '*Work well and be happy*' and in this they are conspicuously successful."
- "Without exception, those spoken to feel that this is a kind school where unkindness is never acceptable."
- "Students show great enthusiasm in their work and display excellent attitudes to their learning.... These attributes are prodigious, because they form highly supportive relationships with their teachers who inspire them to enjoy learning and do their best."
- "Students exhibit very strong study skills and are able to think for themselves and work independently, due in large part to carefully planned and well-structured lessons and a curriculum that challenges and captivates students."
- "Students have a pronounced sense of right and wrong and instinctively understand the importance of taking responsibility for their own behaviour and being mindful of its impact on others."
- "Students' success is also enhanced by the academic enrichment activities that give them opportunities to develop their learning beyond the classroom."
- "Key contributory factors to students' personal development are the strong ethos and commitment to students' well-being and the clear sense of purpose promoted by school leaders and governors, the coherent and well-planned pastoral care provision, and the strong and supportive community which values equally academic success and personal growth."
- "Success in sport is particularly notable."
- "Nearly every sport offered is available to both boys and girls, and the equality of opportunity is valued by them."
- "Students show outstanding development and display particularly mature personal qualities for their age."
- "Students possess outstanding communications skills. Their oral contributions, both spontaneous and prepared, are of a particularly high quality. They write with clarity, accuracy, fluency and imagination, often at extended length. Students greatly enjoy learning through discussions and debate. They listen well to each other."
- "Students enjoy marked success in the wide and challenging co-curricular programme that not only enables them to achieve at a high level, but also to develop their talents and interests."
- "The achievement of so many students outside the classroom is due significantly to the breadth of the co-curricular programme which caters fully for their interests and talents, and to the high levels of staff involvement and commitment."
- "Students learn to balance success and failure. They persevere with the challenges presented to them and develop strong self-reliance and independence."
- "Students creative, design and performance skills are notable and strongly displayed around the school, through their bold and sensitive artwork in many different media, the high-quality artefacts produced in design technology, and the strong performance of many musical groups and ensembles."
- "Virtually every student responding to the pre-inspection questionnaire felt they were making good progress as a result of the supportive teaching they receive, and their parents agreed."

The Inspection report made one recommendation for improvement, which was to continue to develop our strategic vision for ICT so that students' collaborative learning and preparation for higher education can be

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enhanced further using the excellent framework of tools already in place. This recommendation has been taken forward by the Education and Safeguarding Committee.

Our objectives are set to reflect our educational aims and the vision of the School. In setting our objectives and planning our activities Governors have given careful consideration to the Charity Commission's general guidance on public benefit and to its supplementary public benefit guidance on fee-charging and advancement of education. The focus of our objectives is on the development of our students, their continued high levels of academic, co-curricular achievement and pastoral wellbeing and to further widen access to the education our School provides. Our key objectives for the year, in line with our three-year School Development Plan are to:

- Attract and admit the students who have the greatest potential to benefit from an education at Kingston Grammar School.
- Recruit and retain the most suitably qualified teaching and support staff who are committed to the vision and values of the School.
- Promote and deliver an exceptional level of teaching and learning in order to achieve the best possible outcomes for our students.
- Provide unrivalled levels of pastoral care to enable all our students to fulfil their potential.
- Offer an enriching and engaging co-curricular programme that allows every student the opportunity to benefit from an enhanced educational experience.
- Maintain and grow income to enable investment in the School's long term future and to provide high quality facilities to deliver education to the highest standards.

GOVERNANCE AND MANAGEMENT

Governing Body

Membership of the Governing Body and its Committees is set out on page 1. As noted on page 1 since 31 July 2021 one Governor has stood down and three new Governors have been appointed.

Under the Articles of Association, revised in March 2020, the Governing Body is composed of no fewer than ten and not more than fifteen individuals appointed by resolution of the Board. The normal term of office is four years. A Governor may serve two consecutive terms after which, in the absence of exceptional circumstances, they are not eligible for re-election until after a year has elapsed.

Recruitment and training of Governors

New members of the Governing Body are appointed in accordance with criteria and procedures set out in an agreed Recruitment and Induction Policy, seeking to maintain an appropriate balance in terms of age, gender, ethnicity and a range of backgrounds, as well as an appropriate mixture of skills and experience. Under the Policy, the Governing Body will seek to ensure that it includes at least one governor who is a parent of a current pupil when the parent is first appointed as governor, at least one who is a former pupil of the school and at least one Governor who is involved in higher education.

New Governors are inducted into the workings of the Charity and the School, including Governing Body Policy and procedures, at meetings with the Head Master, Director of Operations & Finance, other members of the School Executive and the Clerk to the Governors. Safeguarding training is delivered annually to Governors and an internal training workshop on a topic of strategy is organised each year. In addition, Governors are encouraged to attend training courses to enhance their skills in areas relevant to their role at the school such as finance, marketing and good governance organised by external organisations. Circulation of briefing notes and newsletters from relevant organisations keep them informed and updated on current issues in the sector and regulatory requirements.

Organisational management

The Governing Body is legally responsible for the overall management and control of the School, and usually meets four times a year. The Governing Body delegates specific duties to committees and may refer particular matters to them from time to time. The committees of the Governing Body currently operated as

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follows:

The Audit, Risk & Compliance Committee - consists of no more than four Governors. The Chair should not also be the Chair of the Finance and General Purposes Committee. The Committee usually meets twice a year. Its terms of reference, as updated in December 2021, are to receive reports from the School's auditors, to agree the form of the annual audit, to recommend to the Governing Body the adoption of the Annual Accounts, to monitor the risk management process and allocate risk management responsibilities to other committees or the Executive, to monitor Health & Safety and to oversee and review compliance generally at the School. Prior to December 2021, this committee was known as The Audit & Risk Management Committee.

The Education and Safeguarding Committee - consists of up to six Governors and usually meets three times a year. Its terms of reference are to consider all educational matters and proposed developments of the educational and safeguarding provision, to receive reports from relevant members of staff on issues of note concerning the whole educational provision of the School or raised by any member of the Governing Body, to receive and review the School's Academic, Pastoral and Co-Curricular Development Plans, to review educational Key Performance Indicators, and to monitor compliance with safeguarding requirements.

The Finance and General Purposes Committee consists of up to seven Governors and usually meets four times a year. Its terms of reference, as updated in September 2022, are to recommend revenue and capital budgets and fee levels to ensure a sound commercial operation; to monitor the financial position of the School; to explore opportunities for the development, expansion and refurbishment of the School's buildings and property; to submit proposals and to monitor the implementation of major projects; to advise on the financial implications of projects and recommendations from other committees; and to approve or recommend changes to the School's financial policies.

The Investment Committee - meets twice a year and consists of up to four members including the Chair or Vice-Chair of the Governing Body, the Chair of the Finance and General Purposes Committee and a Governor with relevant financial experience. Its terms of reference are to make recommendations on investment policy, review compliance with the policy and to monitor performance.

The Marketing and Admissions Committee - consists of up to four Governors and meets twice a year. Its terms of reference are to agree the Admission policy, to ensure a strategy for marketing and publicity and to agree the Bursary parameters.

The Nominations and Governance Committee - consists of up to four Governors including the Vice-Chair of the Governing Body, and meets at least twice a year. Its terms of reference are to lead on matters of succession planning and composition of the Governing Body; to co-ordinate and follow the required process for recruitment of new Governors; to ensure that new Governors receive a proper induction; to integrate and co-ordinate all aspects of governance and legal and regulatory compliance; to keep under review the Governors' register of interests and to advise on conflicts of interest where required.

The Staffing and Remuneration Committee - meets at least once a year and consists of the Chair of Governors, the Chair of the Finance & General Purposes Committee and up to two other Governors. Its terms of reference are to review the pay and conditions of all staff including determining the remuneration of the Head Master, the Deputy Heads, the Director of Finance and Operations and Assistant Heads; and to consider other staff related matters.

During the year 26 meetings of the Governing Body or one of the committees were held and attendance by Governors at these meetings averaged 88%.

All Governors are linked to a member of the School Executive and spend time during the year so that they can experience and understand better how the School operates. Certain Governors fulfil functional roles, relating to Health & Safety, Child Protection and Safeguarding, to ensure legal compliance.

All Governors give their time freely and no remuneration was paid in the year. Where Governors have children who are students at the school there are no special arrangements in respect of the fees payable.

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Governor's children are eligible for means-tested fee assistance or scholarships in accordance with normal school policies and practice. Governors do not participate in decisions regarding awards of fee assistance or scholarships insofar as their own children are involved.

The day-to-day running of the School is delegated to the Officers, known collectively as the School Executive, who attend relevant meetings of the above governors' committees. The School's Executive comprises: Stephen Lehec (Head Master), David Leen (Director of Finance & Operations), Sarah Humphrey (Deputy Head - Safeguarding and Development), Will Cooper (Deputy Head - Academic), Deborah Sherwood (Assistant Head), Andy Beard (Assistant Head), Anoushka Lett (Assistant Head), Nick Hudson (Assistant Head), Alison Williams (Head of Marketing & Admissions) and Nicola Sloan (Director of Human Resources).

The framework for remuneration of the School staff is set by the Governing Body and is reviewed annually, including reference to comparisons with other independent schools to ensure the School remains sensitive to the broader issues of pay and employment conditions in the local area.

The School has developed a HMC Teacher Training programme to offer professional development to support wider education with well trained teachers in all areas. It brings an outlook of modern teaching methods at the School and provides community benefit as teachers exchange with their state school counterparts. Delivery of the School's charitable vision and purpose is primarily dependent on our key staff and their costs are the largest single element of our charitable expenditure.

Employment Policy

The School actively supports the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards.

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

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

Company law requires the Governors to prepare Financial Statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group and charitable company for that period. In preparing these financial statements, the Governors are required to:

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

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

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steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

In preparing these Financial Statements, the Governors, having duly considered the benefits to the School of so doing, have resolved to adopt a total returns accounting approach to two of the Schools permanent endowments: the RD Finlay Bursary Fund and the KGS Bursary Fund. The following information is relevant to these funds:-

For the RD Finlay Bursary Fund:

- the initial value of the funds trust for investments was established as at 29 June 2017 when Mr RD Finlay gave the School £2,000,000 in cash;
- at that date the value of the Fund's unapplied total return was £nil; and
- It is the object of the RD Finlay Bursary Fund to fund the provision of bursaries and fee assistance for students of the School who satisfy the Fund's Bursary Policy and the Governors consider that this object is best served by maximising the capacity of the Fund to finance these bursaries and fee assistance. Consequently, it is currently the Governors policy to make annual transfers of the unapplied total return arising on the Funds trust for investment to the Funds trust for application. The resulting cash and investments held within the trust for application are subject to the same investment as apply to the trust investment.

For the KGS Bursary Fund:

- the initial value of the funds trust for investments was established as at 1 November 2017 when the School received a donation in cash of £532,221. This together with a founding contribution to the Fund of £10 established the Funds initial trust for investment of £532,231;
- at that date the value of the Fund's unapplied total return was £nil; and
- It is the object of the KGS Bursary Fund to fund the provision of bursaries and fee assistance for students of the School who satisfy the Fund's Bursary Policy and the Governors consider that this object is best served by maximising the capacity of the Fund to finance these bursaries and fee assistance. Consequently, it is currently the Governors policy to make annual transfers of the unapplied total return arising on the Funds trust for investment to the Funds trust for application. The resulting cash and investments held within the trust for application are subject to the same investment as apply to the trust investment.

STRATEGIC REPORT

MISSION STATEMENT

Kingston Grammar School aims to provide the best and broadest educational opportunities possible, in a caring and supporting environment where all are instilled with the virtues of regard, integrity and aspiration. The School also encourages all staff and students to be engaged in productive partnerships whilst fostering a high degree of independence, both now and in future life.

ACTIONS TO ACHIEVE THE PRIMARY OBJECTIVES

Following the global Covid 19 pandemic from Spring 2020, school life largely returned to normal in the 2021/22 academic year albeit with some catch of events and trips.

The School had its highest ever student roll, including expansion of the Sixth Form.

Our actions to achieve the year's objectives included:

- promoted available fess assistance and support to potential students and their families;
- maintained positive engagement with parents through various channels, including newsletters;
- monitor the entrance assessment to ensure a balanced experience despite increased numbers;
- ensured that all communication is of the highest standard with a consistent message and responded to the recommendations of the external communications review;
- used department meetings and INSET to share areas of good practice and development points that needed to be worked on/eradicated;
- celebrated student successes and achievements within an established framework of assemblies and publications, online and hard copy.

To promote high academic standards and broaden access, the School has the following specific policies:

- **Scholarships** - Our scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to our co-curricular activities. Scholarship awards are normally set at 10% but do range from honorary awards up to 40% remission of full fees at 11+, 13+ and 16+, allowing the School to provide further resources to means-tested fee assistance, whilst not increasing the burden on fee-paying parents. Where further assistance is required, scholarship awards may be supplemented by a means-tested bursary, up to a total of 100%.
- **Fee Assistance (formerly Bursaries)** - Our means-tested fee assistance, up to 100% of full fees, are used to make places available for deserving students from families who might otherwise not be able to afford school fees or to those students whose education may be at risk due to financial hardship. We also make additional awards when necessary to pay for co-curricular activities, school trips and uniform.
- **Assistance for staff** - As part of our emphasis on attracting and retaining high calibre staff, we offer a discount scheme where staff members choose to educate their children at the School.
- **Fee payment** - a monthly payment facility is available to help those who wish to fund education through regular payments.

The Governors' policy is to offer the School's educational provision to as many children as possible, regardless of means, whilst continuing to promote high academic standards. Our aim is to allow at least 35 students at any one time to be in receipt of free places or a greater number in receipt of lower levels of support. We actively promote the availability of fee assistance and scholarships in our promotional material and at all events and activities designed to recruit and attract prospective students.

We welcome students from all backgrounds and seek to ensure access to the education we offer is not restricted to those who can afford our fees as we believe our students benefit from learning within a diverse community. To be admitted to the School, we need to be satisfied that we will be able to educate and develop a prospective student to the best of their potential and in line with the general standards achieved by their peers. In addition to the sitting of entrance examinations, we interview all those prospective students where, on the evidence of their written papers, there is a possibility that we might make an offer of a place, to satisfy ourselves and parents that potential students can cope with the pace of learning and

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benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment.

Our fees are set at a level to ensure the financial viability of the School, at a level that is consistent with our aims of providing a first-class education to boys and girls, and at a level that balances the aim of providing wide access with the needs of full-fee paying parents.

ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Principal activities of the year

This year has again been a successful year, the School's student population averaged 870 students (2021: 856). The ratio of boys to girls was 52%:48% (2021 52%:48%).

The level of interest in joining the School remains high, as witnessed by attendance at open events, 132 candidates applied for 6th Form entry and 1,184 sat the entrance examinations in January 2022.

Governors' scholarships and fee assistance

Since the School has limited specific fee assistance or scholarship funds the provision of such grants is made in part from the School's general funds. In funding our awards, we are mindful to ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child or children's education, and those benefiting from the awards. During the year, grants totalled £1,949k (2021 £2,086k) representing 11% of our gross fees (2021: 12%). This amount comprised:

- £646k (2021: £560k) to provide scholarships for Academic studies, Music, Art, Design & Technology, Drama and Sport to 222 students (2021 187 students), with awards ranging from 10% to 40% (2021: 10% to 40%);
- Fee assistance awarded to those in need of financial assistance at the time they entered the School totalled £714k (2021: £680k) to 40 students (2021: 41 students) with awards ranging from 40% to 100% (2021: 40% to 100%), including: 20 students (2021: 22 students) with fee assistance awards of 100%.
- Hardship fees assistance awards, including Covid related hardship, totalled £200k and benefitted 10 families (2021: £146k and 14 families)
- Staff grants and other discounts accounted for £372k (2021: £280k).
- In 2021/22 the KGS Foundation supported 2 students with 100% fee assistance. Additionally, the RD Finlay Bursary Fund supported 3 students with awards of a 100% fee assistance and KGS Bursaries Fund 1 students at 100% fee assistance. The KGS College Fund supported a further student with 100% support.

Academic achievements

Academic success is the main priority at KGS. Throughout the School we strive to provide flexibility and a personalised learning programme for each student. Aspiring to, and achieving, excellence is at the heart of everything we do and this year's examination results deservedly reflect the hard work of the students and teachers.

At GCSE in 2022, students produced excellent results with 92% at grades 9-7 (2021: 90.2%), including 75% at grades 9-8 (2021: 71%). 18 students gained grade 9 in all their subjects, and over 95% of students achieved at least one 9/8 grade. Impressive results were achieved by individuals, four students with 11 x 9's, and 7 students with 10 x 9's.

At A Level 39.9% (2021: 46.6%) of all grades were A*s and 36.5% (2021: 37.5%) of all grades were As, giving a combined 76.4% (2021: 84.1%) A*-A. Of the students achieving at least an A grade in three or more subjects, 16 achieved 3 A*s (2020: 33). This was a strong set of results, even in comparison to the unprecedented TAG results of 2021.

This year 79% (2021: 94%) of the students gained a place at their first-choice university of which 81% (2021: 82%) were Russell Group universities. The most popular destinations were Nottingham (12) Birmingham (12) Durham (6) Newcastle (6) York (6) Bath (5) Warwick (5) Leeds (4) Manchester (4) Oxford. (4). In total 5 students won places at Oxford and Cambridge colleges and 1 going off to study in the US.

Outreach & Partnership Programme

KGS has worked successfully with a range of schools and local community organisations throughout the year.

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The school has built strong partnerships with The Kingston Academy (TKA) through the 'Futures' programme which hosts events to make students aware of future opportunities and are open to the local community.

Joint events put on through the Futures programme with TKA this year have included a Higher Education and Apprenticeships event, an Oxbridge information and Preparation session, an Engineering and Technology careers event, a Medicine event, and events aimed at educating parents, one of which was hosted by Lorraine Candy (focused on making a harmonious home life) and another on mental health and self-harm.

We have also collaborated closely with St Joseph's Primary School. There has been an ongoing gardening project in which a member of our staff has worked with a group of St Joseph's students to plant and maintain green spaces in their school. We have offered further opportunities for their children by running an Art workshop and a Computer Science workshop to their year 6 children.

Our children have also taken up a number of volunteering and community service options, collaborating with these schools and the local community. Sixth Form students have read with students at St Joseph's and around 40 of our students helped to facilitate and run their sports' day. Our students have also done some Maths mentoring with students at TKA. Whilst other community service opportunities have been limited by Covid, students have helped to cook for a soup kitchen at a local church, have played piano at a care home and helped to run a sports group for those with special educational needs.

Co-curricular achievements

The 2021-22 school year witnessed the welcome return of many 'in person' co-curricular activities for the first time since the pandemic struck, as well as host of sporting fixtures both locally and nationally.

In Music and Drama:

- Three students took part in the prestigious Thames Concert launch event.
- Four students participated in the Pro Corda Chamber Music Festival.
- The Autumn Term Concert, the Carol Service, Jazz Night, Spring Term Concert, the Scholars' Concert and House Music all returned with live audiences.
- 80 parents and friends of the school took part in the KGS Choral Society Concert at St Andrew's, Surbiton, the first such concert since 2019, performing Vivaldi's Gloria.
- The school hosted a Jazz Workshop by internationally renowned Jazz artist Will Vinson and his band.
- 2021-22 saw the return of House Drama (judged by Oliver Award Winning Actress, Anne-Marie Duff and OK, Jamie Bisping) and well as House Dance in front of live audiences.
- The Junior, Middle and Senior School productions were Charlie and the Chocolate Factory, A Midsummer Night's Dream and Made in Dagenham

Rowing:

- One student was selected for the Great Junior Rowing Team and the World Championships, winning a bronze medal in the girls' quadruple scull.
- The girls' quadruple scull raced at the Henley Royal Regatta,
- Five students were part of a composite eight that won bronze medals at the British Rowing Junior Championships and four students won bronze medals at the National Schools' Regatta in the girls' quadruple sculls, B event.

Hockey:

- The boys' 1st Hockey team won a silver medal in the Tier 1 National Schools' Hockey Championship and also a bronze medal in the Independent Schools' Hockey Cup finals at Birmingham University.
- Three boys were selected to play hockey for England U16.
- Both the girls' U15 and girls' U19 Hockey teams reached the finals of the Independent Schools' Hockey Cup, with the U19 securing the silver medal.
- One girl was selected for the Great Britain U18 Elite Development Pathway squad.
- One girl played hockey for the England U18 team, one girl played hockey for England U16 and two further students were selected to take part in England U16 trials.

Other:

- The U12A cricket team was unbeaten all season.

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- The girls' U15 football team reached the 6th round of the ESFA Cup and the girls' U13 team reached the quarter-finals of the Surrey Cup.
- In netball both the 1st VII and the U12 A team reached the Surrey Finals.
- The girls' U15 tennis team were crowned Surrey Champions, as well as winning the Springthorpe Cup at the ISTA and finishing runners-up at the Surrey Schools' Tennis Festival.
- Both the boys' U12 and U13 tennis teams reached the finals of the Surrey Schools' Competition.

Other achievements:

The Combined Cadet Force won the London District Brigade Competition at the Frimley Park. This placed the KGS CCF as the best London based contingent from the fifty-one in existence.

FINANCIAL REVIEW

Results for the year

The School endeavours to ensure financial stability and continuing solvency year on year so that it can pursue its educational aims and objectives. The Consolidated income for the year was £19,400k (2021: £16,628k), up 16.7% on last year. Fee rates increased by 5.0% (in part due to the fact that 2020/21 fees were held at 2020 rates for the first two terms as part of our Covid response plan and then increased by 3% in the last term, summer 2021). 2021/22 income also benefitted from a £1M donation to the endowment fund alongside other donations income and from the recognition of £679K of income from KGS International Limited.

Group expenditure was £16,810k (2021: £14,786k) an increase of 13.7%. Staff costs increased by £1M, up 10% comprising additional appointments (in part with the full emergence from Covid) and cost -of-living and pay-spine increases and amounts to 66.0% (2021: 68.43%) of total expenditure. Financing costs increased slightly to £623K (2021: £600k).

The net operating surplus before investment gains was £2,590k including donations of £1,209k (2021: £1,842k). The results for the year include an unrealised investment loss of £(68)k (2021: £728k gain).

The Group net operating surplus for the year totals £2,523k (2021: £2,571k) and, as a result, total funds have increased from £19,952k to £22,474k. Details of the Charity's funds are given in note 15 to 17 in these Financial Statements.

During the year, capital expenditure was £686k (2021: £517k). At the balance sheet date, the Group's borrowings with Barclays Bank totalled £6,642k (2021: £7,498k). Details of the Charity's borrowings are given in note 12.

Through effective financial planning and sensible cost control measures, we have been able to end the year with a reasonable surplus, all of which will be reinvested in the School. Student numbers remained strong.

KGS International Limited

In autumn 2021 the School, operating through its 100%-owned trading company KGS International Limited, signed a long-term agreement with the Mountain Education Group in China. This is working in an advisory capacity, supporting educational delivery with a new school based in Suzhou which opened in September 2022. These activities are overseen by the International Steering Group which reports into the Governing Body. The financial activities of KGS International Limited are consolidated into these financial statements, including note 8 to the accounts. The surpluses from this activity will support fees assistance at KGS.

Fundraising performance

The KGS Foundation has continued to make progress thanks to the many generous donations from the Old Kingstonians, parents, staff, governors and friends of the School.

Overall in our financial year to 31 July 2022, fundraising income of £1,209k was received, including the £1M to endowed funds, £141k for the KGS Foundation, £2k for prizegiving, £33k of royalty income for the RC Sherriff fund, and £8k of unrestricted donations.

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The Governors would like to thank all donors for their generosity which is hugely appreciated and which will make a real difference in shaping the future of the School. In addition, Governors would like to thank the KGS Foundation Board, the ambassadors and KGS Friends representatives for their considerable efforts and commitment.

No professional fundraisers carried out any fundraising activities on behalf of the School during the year. The School is formally registered with the Fundraising Regulator demonstrating our commitment to 'good fundraising practices' and adheres to the Code of Fundraising Practice. There are no instances to report of the School failing to comply with fundraising standards or schemes for fundraising regulation.

Investment Policy & Performance

Details of the Charity's investment policy are given in note 1 to these Financial Statements. The Charity retains permanent endowment investment securities and recorded an unrealised market value loss of £(68)k (2021 gain: £728k). The investments continue to be closely monitored by the Investment Committee to ensure they are able to meet their bursary funding requirements.

Total Return Accounting

The School adopted Total Return Accounting for the RD Finlay Bursary and KGS Bursary permanently endowed Funds from 29 June 2017 and 1 November 2017 respectively. The initial amounts of the trust for investments are represented by the donations of £2,000k in respect of the RD Findlay Bursary Fund received in June 2017, and £532k, received in November 2017 in respect of the KGS Bursary Fund. Since inception of each fund, further donations have been received for each fund: being £1,218k and £198k respectively.

Reserves policy

The Governors regularly review the level and nature of the School's reserve funds.

The School continues to invest substantial sums into new and upgraded buildings and for the provision of educational equipment. There are no free reserves and the majority of funds are invested in the tangible fixed asset properties. The Governors continue to be satisfied that cash holdings and the opportunity to obtain external financial facilities provide an additional and adequate safety net, if it should be required.

Funds total for the Group is £22,473k at 31 July 2022 (2021: £19,952k) made up of £5,564k endowment capital, £507k restricted funds and £16,403k unrestricted funds which are all designated, mainly to the fixed asset fund.

Future Plans

The Governing Body continues to pursue the Charity's general objectives as set out earlier. Whilst the impact of the pandemic is largely behind us and although we now face economic uncertainties, notably inflation and rising energy costs, the school can nevertheless face the future with some confidence supported by record number of students on roll as at December 2022. Governors intend to continue their current strategies of maintaining the School's position in a competitive market by investing to provide high quality education for our students.

The new School Strategic Plan 2022-25 has the following strategic objectives:

Curriculum & Learning

To plan and deliver exceptional teaching and learning within a curriculum and assessment framework which gives all students both the skills and learning disposition to make continuous progress and achieve the examination results they need to follow their chosen path beyond KGS.

Wellbeing & Care Education

To deliver an unrivalled level of pastoral care, alongside a wellbeing and education programme that will enable all KGS students to take responsibility for their personal development and to practice self - kindness as well as a deep understanding of the importance of equality and diversity and kindness to our planet. Thus, promoting a positive and respectful culture for all members of the school and wider community.

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Opportunities & Activities

To deliver a wide range of enriching and engaging co-curricular opportunities both within KGS and the wider community which ensure inclusion and collaboration

Sixth Form

To prepare our senior students to enter the world beyond school with the credentials to succeed, the confidence to adapt to a fast-changing world, and the leadership skills to create positive change.

Marketing & Admissions

To attract, admit, and retain the students who have the greatest potential to benefit from an education at KGS.

Staff Recruitment, Development & Retention

To recruit, develop and retain the best teaching and support staff who are committed to the school vision and live by the core school values.

Finance & Estate Management

To maintain and grow income to provide optimum investment in the long-term future of the school and to ensure high quality facilities to deliver education to the highest standards.

The Governing Body and School's management recognise the importance of strong cost control, seeking to contain cost increases as much as possible while ensuring that the School continues to deliver first class education and pastoral care and the requirement to meet student needs and parent requirements through major facility developments. In setting our future plans, which are financed primarily from fee income and from our reserves, Governors have tried to maintain an equitable balance ensuring our current students benefit whilst, at the same time, ensuring a sound infrastructure and financial base are preserved for the next generation of students in the same way as our current students benefit today from the investment made in the past.

GOING CONCERN

The Governors have assessed the School's ability to continue as a going concern. The Governors have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements including the budget for 2022/23 and the projection for 2023/24 and a consideration of key risks.

The trustees therefore have a reasonable expectation that the school has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

RISK MANAGEMENT

The Governors annually consider the principal areas of the School's operations and consider the major risks faced in each of these areas. Utilising a Risk Management matrix, the School Executive and appropriate Committees identify new risks and monitor control over existing risks throughout the year. A formal review of the risk management process is undertaken by the School Executive and the Audit & Risk Management Committee on an annual basis.

The Governors are satisfied that the major risks identified have been adequately mitigated where necessary, recognising that systems can only provide reasonable, but not absolute assurance that risks have been adequately managed.

The principal risks identified are:

**KINGSTON GRAMMAR SCHOOL
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

<u>Risk</u>	<u>Mitigation</u>
Inflation and associated economic pressures	F&GP overseeing the financial performance and forecasting
Effectiveness of the safeguarding policy including responsibilities of the “Prevent” duty	Appointment of Designated Safeguarding Lead; regular training of staff and governors; regular reporting to School Executive and Governors
Cyber-attack or hacking of data	Robust Acceptable Use Policy; regular backups; external testing; insurance backed disaster recovery plans
Change of VAT status on fees	Ongoing monitoring; impact assessment undertaken
Revision to the requirements of the Public Benefit test	Ongoing monitoring and recording of public benefits provided.
Parents experiencing financial difficulty and unable to afford the fees	Availability of some hardship funding. Intention to grow bursary funds

OUR COMMUNITY

The School and Governing Body greatly appreciate the important and valuable support given to the School in so many ways by the whole KGS Community, including all students, current and former parents, Old Kingstonians, and many other friends of the School. Above all, the Governing Body remains deeply grateful to the entire staff, both teaching and support, whose unstinting hard work and loyalty have enabled the School to achieve its major objectives reflected in the ISI report. We are grateful to all for their commitment, generous and continuing support and their efforts.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of Kingston Grammar School on 5th December 2022, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Robert O'Dowd
Chair



Lorraine Adam
Vice-Chair

**KINGSTON GRAMMAR SCHOOL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2022**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KINGSTON GRAMMAR SCHOOL

Opinion

We have audited the financial statements of Kingston Grammar School ('the charitable company') and its subsidiary ('the group') for the year ended 31 July 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 July 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

**KINGSTON GRAMMAR SCHOOL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2022**

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the 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 and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in

**KINGSTON GRAMMAR SCHOOL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2022**

this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR) and Employment legislation.

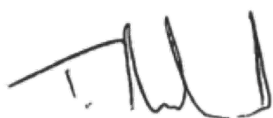
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Management Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tim Redwood
Senior Statutory Auditor
For and on behalf of Crowe U.K. LLP
Statutory Auditor - London
Date: 14 December 2022

KINGSTON GRAMMAR SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2022

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Notes:	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2022 £'000	2021 £'000
Income and endowments from:						
Charitable activities						
- School fees receivable	2	16,661	-	-	16,661	15,418
- Other charitable income	3a	635	-	-	635	499
Activities for raising funds:						
- Donations	3b	8	202	1,000	1,210	208
- Ancillary trading	3c	804	-	-	804	187
- Investment income	3d	20	-	64	84	64
Other activities - Other income & Grants	3e	6	-	-	6	249
Total income		18,134	202	1,064	19,400	16,625
Expenditure on:						
Raising funds						
- Ancillary trading	5	-	-	-	-	(3)
- Financing	5	(623)	-	-	(623)	(600)
- Fundraising & Development	5	(79)	-	(20)	(99)	(162)
		(702)	-	(20)	(722)	(765)
Charitable activities						
- Education and grant making	5, 15, 16	(15,931)	(68)	(89)	(16,088)	(14,024)
Total expenditure		(16,633)	(68)	(109)	(16,810)	(14,789)
Net income before transfers and investment (losses)/gains		1,501	134	955	2,590	1,836
Net (losses)/gains on investments	8	-	-	(68)	(68)	729
Transfers between funds	15, 18	12	-	(12)	-	-
Net income		1,513	134	875	2,522	2,565
Fund balances brought forward at 1 August 2021		14,882	374	4,688	19,944	17,379
FUND BALANCES CARRIED FORWARD AT 31 JULY 2022		16,395	508	5,563	22,466	19,944

All the Group operations represent continuing activities.

There were no recognised gains or losses other than those shown above.

A copy of the Statement of Financial Activities for the year ended 31 July 2021 is provided in note 24.

**KINGSTON GRAMMAR SCHOOL
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2022**

CONSOLIDATED BALANCE SHEET

	Notes:	2022 £'000	2022 £'000	2021 £'000
FIXED ASSETS				
- Tangible fixed assets	7		19,463	19,920
- Investments	8		4,399	4,423
			<u>23,862</u>	<u>24,343</u>
CURRENT ASSETS				
- Debtors	9	979		969
- Cash and short term deposits		9,389		6,618
		<u>10,368</u>		<u>7,587</u>
CREDITORS: due within one year	10	<u>(5,503)</u>		<u>(4,905)</u>
NET CURRENT ASSETS			<u>4,865</u>	<u>2,682</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			28,727	27,025
CREDITORS: due after one year	11		<u>(6,261)</u>	<u>(7,081)</u>
TOTAL NET ASSETS			<u>22,466</u>	<u>19,944</u>
THE FUNDS OF THE CHARITY				
ENDOWED FUNDS	15		5,563	4,688
RESTRICTED FUNDS	16		508	374
UNRESTRICTED FUNDS	17			
- Fixed assets fund		15,828		14,680
- Other designated funds		120		120
- KGSi		<u>447</u>		<u>82</u>
TOTAL UNRESTRICTED FUNDS			<u>16,395</u>	<u>14,882</u>
TOTAL CHARITY FUNDS			<u>22,466</u>	<u>19,944</u>

Approved and authorised for issue by the Governors on 5th December 2022 and signed on their behalf by:



Robert O'Dowd
Chair



Lorraine Adam
Vice-Chair

**KINGSTON GRAMMAR SCHOOL
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2022**

KGS SCHOOL BALANCE SHEET

	Notes:	2022 £'000	2022 £'000	2021 £'000
FIXED ASSETS				
- Tangible fixed assets	7		19,463	19,920
- Investments	8		4,399	4,423
			<u>23,862</u>	<u>24,343</u>
CURRENT ASSETS				
- Debtors	9	1,182		884
- Cash and short term deposits		8,730		6,618
		<u>9,912</u>		<u>7,502</u>
CREDITORS: due within one year	10	<u>(5,494)</u>		<u>(4,902)</u>
NET CURRENT ASSETS			<u>4,418</u>	<u>2,600</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			28,280	26,943
CREDITORS: due after one year	11		<u>(6,261)</u>	<u>(7,081)</u>
TOTAL NET ASSETS			<u>22,019</u>	<u>19,862</u>
THE FUNDS OF THE CHARITY				
ENDOWED FUNDS	15		5,563	4,688
RESTRICTED FUNDS	16		508	374
UNRESTRICTED FUNDS	17			
- Fixed assets fund		15,828		14,680
- Other designated funds		<u>120</u>		<u>120</u>
TOTAL UNRESTRICTED FUNDS			<u>15,948</u>	<u>14,800</u>
TOTAL CHARITY FUNDS			<u>22,019</u>	<u>19,862</u>

Approved and authorised for issue by the Governors on 5th December 2022 and signed on their behalf by:



Robert O'Dowd
Chair



Lorraine Adam
Vice-Chair

KINGSTON GRAMMAR SCHOOL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2022

CONSOLIDATED STATEMENT OF CASH FLOWS

	2022	2021
	£'000	£'000
Cash flows from operating activities:		
Net income for the reporting period	2,522	2,564
Elimination of non-operating cash flows:		
- (Profit)/Loss on sale of tangible fixed assets	(1)	49
- Interest charged on loans and overdraft	623	600
- Investment income and bank interest received	(84)	(64)
- Amounts accrued to fees in advance	-	13
Unrealised losses/(gains) on investments added back	68	(729)
Depreciation charges added back	1,142	1,207
(Increase) in Debtors	(10)	(41)
Increase in Creditors	563	557
(Decrease)/Increase in Parent Deposits held	(148)	282
Increase in Fees in Advance Scheme	220	54
Net cash provided by operating activities	4,895	4,492
<i>Cash flows from investing activities</i>		
- Payments for tangible fixed assets	(685)	(517)
- Disposal of tangible fixed assets	-	67
- Loss/(Profit) on sale of tangible fixed assets	1	(49)
- Investment income and bank interest received	84	64
- Purchase of investments and investment costs	(44)	(311)
- Disposal of investments	-	104
Net cash (used) in investing activities	(644)	(642)
Cash flows from financing activities:		
- Interest paid on loans	(623)	(600)
- Repayment of borrowings	(857)	(789)
Net Cash (used) in financing activities	(1,480)	(1,389)
Change in cash and cash equivalents in the reporting period	2,771	2,461
Cash and cash equivalents as at 1 August 2021	6,618	4,157
Cash and cash equivalents as at 31 July 2022	9,389	6,618

ANALYSIS OF CASH AND CASH EQUIVALENTS

Cash at bank	9,389	6,618
Total cash and cash equivalents	9,389	6,618

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their account in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2019.

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

The Financial Statements are drawn up on the historical cost accounting basis except that investment assets are carried at market value.

Kingston Grammar School Foundation was founded in 1561 and was registered by the Charity Commission for England and Wales under a scheme dated 14 September 1978 (Charity number 1078461). Under the Charity Commission Scheme made on 30 December 1999 the running of the School, together with all the Foundation's unendowed assets and all its liabilities were transferred to the Kingston Grammar School as corporate and trust funds, while the permanently endowed School premises remained with the Foundation.

The school is a public benefit entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 31 December 1999 (Company number 3883748).

The activities of the school's wholly owned subsidiary company, KGS International Limited, are immaterial to those of the school and consolidated accounts have, therefore, not been prepared.

1.1 Going Concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff. The Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date the sign-off of these accounts.

1.2 Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affected current and future periods. In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

1.3 Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, fee assistance granted by the school against those fees, but including contributions from restricted funds are accounted for in the period in which the service is provided.

1.4 Investment Income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accrual basis.

1.5 Donations, legacies, grants and other voluntary income

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

and the economic benefit to the school is considered probable. Voluntary income for the school's general purposes is accounted for as unrestricted and is credited to the General reserves. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not. Gifts in kind are valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption, or at value to the school in the case of donated services or facilities.

1.6 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the items of expenditure to which it relates.

Governance costs comprise of the costs of complying with constitutional and statutory requirements.

1.7 Tangible Fixed Assets

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £10k together with any individual or bulk purchases of vehicles, IT equipment, boats and boat club equipment, office, admin or teaching equipment costing over £1k, with a life expectancy of over two years, are capitalised and carried in the balance sheet at historical cost.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal instalments over their expected useful economic lives typically as follows: -

Freehold buildings	2%
Artificial Pitch	10%
Boats and Boat Club equipment	15%
Motor vehicles	20%
Field equipment and tractors	20%
Computers, teaching, kitchen, cleaning, office equipment	20% - 33%
Plant, Fittings & Refurbishment	3% - 20%

Note: Each asset is assessed on acquisition for appropriate useful life

1.8 Investments

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of the investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund accordingly to the ownership of the underlying assets.

1.9 Fund Accounting

The charitable trust funds of the school are accounted for as unrestricted and restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

Unrestricted income belongs to the school's reserves, spendable at the discretion of the governors either to further the school's objectives or to benefit the school itself. Where the Governors decide to set aside any part of these funds to be used in the future for a specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowed funds represent amounts donated to the School where the donor has specified that the capital is to be retained and only the income arising thereon may be spent. The income is treated as unrestricted income. The School has adopted total return accounting for two funds which results in all returns on the underlying investments whether dividends or gains being allocated to the fund and being

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

available for application by the Governors. The Governors will decide each year on the level of application of any unapplied total return which is recorded in the Statement of Financial Activities.

Expendable endowed funds represent capital expenditure on the School buildings on the permanently endowed land up to the date of the 1978 Scheme, subject to annual depreciation.

1.10 Financial instruments

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

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

2. SCHOOL FEES	2022	2021
	£'000	£'000
The School's fee income comprised:		
Gross fees	18,455	17,365
Less : Total fee assistance, grants and scholarships	(1,949)	(2,086)
	16,506	15,279
Add back Bursaries paid for by RD Finlay Fund	67	60
Add back Bursaries paid for by KGS Bursaries Fund	22	40
Add back Fee Assistance paid for by KGS Fundraising	43	39
Add back Fee Assistance paid for by College Bursary	23	-
	16,661	15,418
3. OTHER INCOME		
a) Charitable activities		
- Registration	196	207
- School meals (students)	439	292
	635	499
b) Resources from raising funds		
Donations		
- Appeal fund donations for general purposes	8	-
- Donations/royalties received for endowment	1,000	125
- Donations/royalties received for specific purposes	202	83
	1,210	208
c) Activities for raising funds		
Ancillary trading		
- Lettings	5	15
- Rent from properties occupied by School staff	83	74
- KGS International Income	679	85
- Other trading income	37	13
	804	187
d) Investment income		
- Income from investment portfolio	6	6
- Bank interest	14	-
- Endowed income	64	58
	84	64
e) Other Activities		
- Sundry Income	6	106
- CJRS	-	143
	6	249
4. NET INCOME IS STATED AFTER RECOGNISING		
Auditor's remuneration - Audit	30	22
Auditor's remuneration - Tax Advice	7	3
(Profit) / Loss on disposal of fixed assets	(1)	49
Depreciation - Owned assets	1,142	1,207

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

2022	Staff Costs £'000	Other £'000	Depreciation £'000	Total £'000
Charitable Activities				
- Teaching Costs	8,596	855	166	9,617
- Education Support	605	908	5	1,518
- Premises	620	1,013	948	2,581
- Admin Support	1,158	1,170	23	2,351
School Operating Costs	10,979	3,946	1,142	16,067
- (Profit)/Loss on disposal of FA	-	(1)	-	(1)
- Grant Awards Prizes	-	22	-	22
	10,979	3,967	1,142	16,088
Raising Funds				
- Financing	-	623	-	623
- Fund-Raising	51	48	-	99
	11,030	4,638	1,142	16,810
2021	Staff Costs £'000	Other £'000	Depreciation £'000	Total £'000
Charitable Activities				
- Teaching Costs	7,771	542	220	8,533
- Education Support	523	688	45	1,256
- Premises	587	618	935	2,140
- Admin Support	1,091	948	7	2,046
School Operating Costs	9,972	2,796	1,207	13,975
- Profit/Loss on disposal of FA	-	49	-	49
- Grant Awards Prizes	-	-	-	-
	9,972	2,845	1,207	14,024
Raising Funds				
- Ancillary Trading	-	3	-	3
- Financing	-	600	-	600
- Fund-Raising	125	37	-	162
	10,097	3,485	1,207	14,789

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
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6. STAFF COSTS	2022	2021
	£'000	£'000
Total staff costs comprise:		
- Wages and Salaries	8,673	7,908
- Social Security costs	948	847
- Pension contributions	1,489	1,342
	<u>11,110</u>	<u>10,097</u>

No Governor received any remuneration during either the current or previous year

Governors Expenses for Courses attended including travel	<u>14</u>	<u>2</u>
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Aggregate employee-benefits of key management personnel (Those holding a position within the school's Executive)	<u>1,221</u>	<u>1,181</u>
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The average number of employees (full time & part time) during the year

- Teaching staff (Teachers, Sports Coaches, Technicians)	140	127
- Educational Support staff (Nurse, Library, Admin)	22	19
- Premises staff (Facilities Manager, Maintenance, Cleaning)	30	31
- Admin Support staff (other secretarial & Support staff)	23	24
	<u>215</u>	<u>201</u>

Headcount of higher salary bandings

£60,000 - £70,000	30	27
£70,000 - £80,000	5	2
£80,000 - £90,000	3	2
£90,000 - £100,000	-	1
£100,000 - £110,000	3	2
£220,000 - £230,000	1	1
	<u>42</u>	<u>35</u>

37 of the above employees are in a defined benefit scheme. 4 of the above employees are in a defined contribution pension scheme.

During the year there were no redundancy payments and 1 termination payment totalling £1.9k (2021: 26.5k).

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
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7. TANGIBLE FIXED ASSETS (GROUP AND COMPANY)

	Freehold Land and Buildings	Boat Club Equipment	Equipment and Motor Vehicles	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 August 2021	23,784	734	6,867	31,385
Additions	87	17	581	685
Disposals	-	-	(11)	(11)
At 31 July 2022	<u>23,871</u>	<u>751</u>	<u>7,437</u>	<u>32,059</u>
Depreciation				
At 1 August 2021	7,255	641	3,569	11,465
Charge for the Year	508	40	594	1,142
Disposals	-	-	(11)	(11)
At 31 July 2022	<u>7,763</u>	<u>681</u>	<u>4,152</u>	<u>12,596</u>
Net book value				
At 31 July 2022	<u>16,108</u>	<u>70</u>	<u>3,285</u>	<u>19,463</u>
<i>At 1 August 2021</i>	<u>16,529</u>	<u>93</u>	<u>3,298</u>	<u>19,920</u>

The School's tangible assets are all held for use by the School. The Governors are confident the market values of those assets currently in use are in excess of the value reflected in these Financial Statements.

Finance costs that are directly attributable to the construction of tangible fixed assets are capitalised as part of those assets.

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
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8. INVESTMENTS

	2022	2021
	£'000	£'000
Stocks and Shares		
At 1 August 2021	4,423	3,487
Additions at cost	44	311
Disposals	-	(104)
Net investment (losses)/gains	(68)	729
Market value at 31 July 2022	4,399	4,423

The Governors' investment powers are governed by the Company's Memorandum and Articles of Association.

Investments comprise:	2022	2021
	£'000	£'000
Equities	3,847	4,130
Fixed Interest	493	242
Property	59	51
Market value at 31 July 2022	4,399	4,423

All investments above are held by the charity KGS Limited.

The investments above include the School's £100 investment in the share capital of each of Kingston Grammar School International Limited and KGS International Limited (note 21).

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

9. DEBTORS

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Tuition fees from parents	235	151	235	66
Prepayments and sundry debtors	234	308	203	308
Recoverable income tax	10	10	10	10
HM Loan (note 21)	500	500	500	500
KGS International	-	-	234	-
	<u>979</u>	<u>969</u>	<u>1,182</u>	<u>884</u>

All debtors are due within one year, except for £500k for HM Loan, which is due after more than one year.

10. CREDITORS: Due within one year:

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Bank Loans (see Note 12)	925	856	925	856
Fees paid in advance	640	558	640	558
Parental deposits	1,538	1,686	1,538	1,686
Trade creditors	799	764	799	764
PAYE/other taxation and social security	262	236	262	236
Pensions creditor	182	168	182	168
Sundry creditors and accruals	573	167	564	164
Fees in advance scheme	584	470	584	470
	<u>5,503</u>	<u>4,905</u>	<u>5,494</u>	<u>4,902</u>

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

11. CREDITORS: Due after more than one year:	2022	2021
Group and Company	£'000	£'000
From one to two years:		
- Bank loans (see Note 12)	991	925
- Fees in advance scheme	291	204
	<u>1,282</u>	<u>1,129</u>
From two to five years:		
- Bank loans (see Note 12)	3,440	3,202
- Fees in advance scheme	254	235
	<u>3,694</u>	<u>3,437</u>
More than five years		
- Bank loans (see Note 12)	1,285	2,515
	<u>1,285</u>	<u>2,515</u>
Total	<u>6,261</u>	<u>7,081</u>

Fees in Advance scheme

Parents may enter into a contract to pay the school up to the equivalent of five years' tuition fees in advance. The money may be returned subject to specific conditions on receipt of one term's notice. Advance fees have been applied assuming students remain in the school. The balance represents the accrued liability under the contracts. Amounts received under the school's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

The movements during the year were:

	2022	2022	2021
	£'000	£'000	£'000
At 1 August 2021		908	850
Funds received during the year 2021/22		1,114	705
Amounts utilised in payment of fees:			
- Prior year funds	469		459
- Current year funds	<u>424</u>		<u>188</u>
		(893)	(647)
At 31 July 2022		<u>1,129</u>	<u>908</u>

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

12. LOANS	2022	2021
Group and Company	£'000	£'000
Due within five years by instalments:		
- within one year	925	856
- from one to two years	991	925
- from two to five years	3,440	3,202
- more than five years	1,285	2,515
	<u>6,641</u>	<u>7,498</u>

In 2004 the Charity entered into long term arrangements to finance the development of the Queen Elizabeth II building. These arrangements provided a fixed loan totalling £12.4 million commencing in May 2010 and lasting 18 years. The loan covered £10.4 million of costs with the capitalisation of £2 million of interest arising between May 2004 and May 2010. Loan repayments commenced in November 2010. Interest is payable at a rate of 7.3%.

During the year ended 31 July 2022 the loan schedule provided for total payments of £1253k against this loan (2021: £1,253k). At 31 July 2022 the balance on this loan was £5,998k (2020: £6,765k).

In June 2006 the Charity entered into an agreement to replace an existing variable loan facility, which was expiring in October 2010, with a fixed loan totalling £2.4 million, at a fixed interest rate of 6.61% and repayment over 18 years starting in November 2010. In October 2010 the Charity drew £1.4 million of this fixed loan, terminating £1.0 million of the facility at a break cost of £174k. For the year ended 31 July 2022 the loan schedule provided for total payments of £136k (2021: £136k). At 31 July 2022 the balance on this loan was £644k (2021: £733k).

All the loans are secured on certain freehold land and buildings of the School.

13. TAXATION

No taxation liability arises on the results for the year due to the charitable status of the School.

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

14. ALLOCATION OF NET ASSETS BETWEEN FUNDS

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

2022	Fixed Assets	Investments	Net Current Assets / (Liabilities)	Long Term Liabilities	Total
	£'000	£'000	£'000	£'000	£'000
Endowed Funds					
- Permanent endowment	-	4,399	1,011	-	5,410
- Expendable endowment	153	-	-	-	153
Restricted Funds	-	-	508	-	508
Unrestricted Funds	19,310	-	3,346	(6,261)	16,395
	19,463	4,399	4,865	(6,261)	22,466

2021	Fixed Assets	Investments	Net Current Assets / (Liabilities)	Long Term Liabilities	Total
	£'000	£'000	£'000	£'000	£'000
Endowed Funds					
- Permanent endowment	-	4,423	100	-	4,523
- Expendable endowment	165	-	-	-	165
Restricted Funds	-	-	374	-	374
Unrestricted Funds	19,755	-	2,208	(7,081)	14,882
	19,920	4,423	2,682	(7,081)	19,944

15. ENDOWED FUNDS

The School has three classes of Endowed Funds: the Permanent Endowment, the Expendable Endowment and the Permanent Bursary Endowment.

The Permanent Endowment was created under a Charity Commission Scheme of 14 September 1978, when the School became independent, and which has subsequently been amended by a Charity Commission Scheme of 30 December 1999 when the School was incorporated as a charitable company Limited by guarantee. The endowment comprises the endowed School land at £nil value and the invested proceeds of subsequent land disposals.

The Expendable Endowment represents capital expenditure on the School buildings on the permanently endowed land up to the date of the 1978 Scheme, subject to annual depreciation.

The Permanent Bursary Endowment is comprised of three permanent Bursary endowed funds. Of these funds, the Governors have resolved to apply a total return accounting policy to two of the funds: the RD Finlay Bursary Fund and the KGS Bursary Fund.

KINGSTON GRAMMAR SCHOOL
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15. ENDOWED FUNDS

The movements on the Endowed Funds not accounted for under a total return policy during the year are as follows:

2022	Permanent endowment	Expendable endowment	Permanent Bursary Endowment	Total
	£'000	£'000	£'000	£'000
Balance as at 1 August 2021	705	165	599	1,469
Investment gains	15	-	(7)	8
Transfers	-	(12)		(12)
At 31 July 2022	720	153	592	1,465

The movements on the Endowed Funds accounted for under a total return policy during the year are as follows:

2022	RD Finlay Bursary Fund Trust for Investment	Trust for Application	KGS Bursary Fund Trust for Investment	Trust for Application	Total
	£'000	£'000	£'000	£'000	£'000
Gift component of the permanent endowment as at 1 August 2021	2,218	-	730	-	2,948
Unapplied total return as at 1 August 2021	-	259	-	12	271
Total balance as at 1 August 2021	2,218	259	730	12	3,219
Movements in year:					
- Gifts of endowment funds	1,000	-	-	-	1,000
- Dividends and interest	-	49	-	15	64
- Investment (losses)	-	(64)	-	(12)	(76)
- Investment costs	-	(15)	-	(5)	(20)
Payment of bursaries & fee assistance	-	(67)	-	(22)	(89)
At 31 July 2022	3,218	162	730	(12)	4,098

Total of all Endowed Funds

At 31 July 2022 **5,563**

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
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The comparative amounts for the movements on the Endowed Funds not accounted for under a total return policy are as follows:

2021	Permanent endowment	Expendable endowment	Permanent Bursary Endowment	Total
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Balance as at 1 August 2020	598	177	514	1,289
Investment gains	105	-	85	192
Transfers	-	(12)	-	(12)
At 31 July 2021	705	165	599	1,469

The comparative amounts for the movements on the Endowed Funds accounted for under a total return policy are as follows:

2021	RD Finlay Bursary Fund Trust for Investment	Trust for Application	KGS Bursary Fund Trust for Investment	Trust for Application	Total
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Gift component of the permanent endowment as at 1 August 2020	2,093	-	730	-	2,823
Unapplied total return as at 1 August 2020	-	(122)	-	(83)	(205)
Total balance as at 1 August 2020	2,093	(122)	730	(83)	2,618
Movements in year:					
- Gifts of endowment funds	125	-	-	-	125
- Dividends and interest	-	44	-	14	58
- Investment gains	-	411	-	125	536
- Investment costs	-	(14)	-	(4)	(18)
Payment of bursaries & fee assistance	-	(60)	-	(40)	(100)
At 31 July 2021	2,218	259	730	12	3,219
Total of all Endowed Funds					
At 31 July 2021					4,688

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
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16. RESTRICTED FUNDS

The School maintains a number of Restricted Funds of which the principle funds are:

- the Prize Fund, used to finance in part the provision of prizes to the students of the School;
- the Sherriff Bequest Fund, used to finance in part the provision of capital expenditure principally in connection with rowing. Funds retained for future replacement of minibuses used by the rowing department and capital expenditure on rowing;
- the Appeal fund, which represents donations received and expended in connection with specified capital expenditure projects or to support bursaries; and
- the PSA and other School Societies Funds. These are used for the provision of specific equipment for use in the school.

The movements on the Restricted Funds during the year are as follows:

2022	Prize & Other Fund	Sherriff Bequest Fund	Appeal Fund	College Fund	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2021	-	117	257	-	374
Income arising in year	2	33	140	27	202
Expenditure	(2)	-	(43)	(23)	(68)
Transfers	-	-	-	-	-
At 31 July 2022	-	150	354	4	508

The comparative amounts for the movements on the Restricted Funds are as follows:

2021	Prize & Other Fund	Sherriff Bequest Fund	Appeal Fund	PSA/ School Fund	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2020	-	102	230	-	332
Income arising in year	4	16	65	-	85
Expenditure	(4)	-	(39)	-	(43)
Transfers	-	-	-	-	-
At 31 July 2021	-	118	256	-	374

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

17. UNRESTRICTED FUNDS

The School maintains three Unrestricted Funds being:

- the Fixed Assets Fund, which represents amounts expended on tangible fixed assets required for the operation of the School, less additions financed from bank loans or from the Permanent Endowment Fund (under a recoupment order) and assets transferred to the Permanent Endowment Fund. It also retains annual surpluses generated by the School.
- the Appeal 450 Campaign Fund, which represents cash carried forward from Appeal 450 Campaign. The Appeal 450 Campaign is designated towards the refurbishment of School premises; and
- the General Fund, within which the School is operated.

The movements on the Unrestricted Funds during the year are as follows:

2022	Fixed Assets Fund	Appeal 450 Fund	KGSI Fund	General Fund	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2021	14,680	120	82	-	14,882
Income arising in year	-	-	679	17,455	18,134
Expenditure	-	-	(314)	(16,319)	(16,633)
Transfers	1,148	-	-	(1,136)	12
At 31 July 2022	15,828	120	447	-	16,395

The movements on the Unrestricted Funds during the year are as follows:

2021	Fixed Assets Fund	Appeal 450 Fund	KGSI Fund	General Fund	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2020	13,020	120	-	-	13,140
Income arising in year	-	-	85	16,274	16,359
Expenditure	-	-	(3)	(14,626)	(14,629)
Transfers	1,660	-	-	(1,648)	12
At 31 July 2021	14,680	120	82	-	14,882

18. TRANSFERS

Transfers represent:

- A transfer of £1,136k from the general fund to the fixed assets fund representing the purchase of additional fixed assets and depreciation.
- A transfer of £12k representing the conversion of expendable endowment funds to unrestricted funds relating to the depreciation on the buildings held in the expendable endowment.

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
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19. FUTURE CAPITAL EXPENDITURE

Capital expenditure contracted for in 2022 was very modest as the school is currently focused on its Estates strategy and associated projects.

	2022 £'000	2021 £'000
Future capital expenditure	<u>24</u>	<u>287</u>

Funding is planned from existing funds and donations.

20. PENSION SCHEMES

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,250k (2021: £1,115k) and at the year-end £nil (2021 - £nil) was accrued in respect of contributions to this scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

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

Until the cost cap mechanism revision is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

For other support staff the School also made contributions to various defined contribution pension schemes (Money Purchase) of £239k (2021: £227k) and at the year-end £nil (2021: £nil) was accrued in respect of contributions to these schemes.

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NOTES TO FINANCIAL STATEMENTS
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22. INVESTMENT IN SUBSIDIARY

	2022	2021
	£	£
KGS International Limited	100	100
Kingston Grammar School International Limited	100	100
Net book value at 31st July 2022	200	200

The cost of the above investment totalled £200. The School's interest is as follows:

Company	Country of incorporation	Shares held Class	%
KGS International Limited	England and Wales	Ordinary	100
Kingston Grammar School International Limited	England and Wales	Ordinary	100

The registered office of KGS International Limited (Company Number 12093612) is at the same address as the School. The principal activity of the subsidiary is to develop the Kingston Grammar school brand in overseas locations. The net assets of this company at 31st July 2022 were £447k (2021: £82k). The company's profit and loss account for the year ended 31st July 2022 showed turnover of £679k (2021: £84k) and an operating profit of £366k (2021: £82k). Gift aid relating to the year ended 31 July 2022 of £366k is scheduled to be paid post year end.

The registered office of Kingston Grammar School International Limited (Company Number 11949288) is at the same address as the School. The company was dormant during the year.

KGS INTERNATIONAL LIMITED

	2022	2021
	£'000	£'000
Income	679	85
Expenditure	(314)	(3)
Net Profit	365	82
Assets	690	85
Liabilities	(243)	(3)
Net Assets	447	82

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
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22. RELATED PARTY TRANSACTIONS

In October 2015 the School entered into a loan agreement with the Head Master for an amount of £500k for the purchase a principal residence within a reasonable distance of the School in order to assist him in the efficient discharge of his duties. The amount is repayable within twelve months of cessation of employment with the School.

The School owns the full £100 share capital of Kingston Grammar School International Limited which is registered in England and Wales under company number 11949288. The company was registered on 16 April 2019 and is dormant during the year.

The School owns the full £100 share capital of KGS International Limited, also registered in England and Wales, with a company number of 12093612. The company was registered on 9 July 2019. The registered address for both companies is Kingston Grammar School, London Road, Kingston upon Thames, KT2 6PY.

23. POST BALANCE SHEET EVENTS

There are no post balance sheet events to report.

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

24. PRIOR YEAR CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Notes:	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	2021 £'000	2020 £'000
Income and endowments from:						
Charitable activities						
- School fees receivable	2	15,418	-	-	15,418	14,830
- Other charitable income	3a	499	-	-	499	840
Activities for raising funds:						
- Donations	3b	-	84	124	208	217
- Ancillary trading	3c	187	-	-	187	187
- Investment income	3d	6	-	58	64	119
Other activities - Other income and Grants	3e	249	-	-	249	499
Total income		16,359	84	182	16,625	16,692
Expenditure on:						
Raising funds						
- Ancillary trading	5	(3)	-	-	(3)	(41)
- Financing	5	(600)	-	-	(600)	(649)
- Fundraising & Development	5	(144)	-	(18)	(162)	(210)
		(747)	-	(18)	(765)	(900)
Charitable activities						
- Education and grant making	5, 15, 16	(13,881)	(43)	(99)	(14,024)	(14,179)
Total expenditure		(14,628)	(43)	(117)	(14,789)	(15,079)
Net income before transfers and investment gains / (losses)		1,730	41	65	1,836	1,613
Net gains/(losses) on investments	8	-	-	729	729	(347)
Transfers between funds	15, 18	12	-	(12)	-	-
Net income		1,742	41	782	2,565	1,266
Fund balances brought forward at 1 August 2020		13,140	333	3,906	17,379	16,113
FUND BALANCES CARRIED FORWARD AT 31 JULY 2021		14,882	374	4,688	19,944	17,379

Accounts

Registered company number: 3883748
Registered charity number: 1078461

KINGSTON GRAMMAR SCHOOL



KINGSTON
GRAMMAR SCHOOL

FOUNDED 1561

(A CHARITABLE COMPANY LIMITED BY GUARANTEE)

**REPORT OF THE GOVERNORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**



**KINGSTON GRAMMAR SCHOOL
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

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**KINGSTON GRAMMAR SCHOOL
GOVERNORS, OFFICERS & ADVISERS
FOR THE YEAR ENDED 31 JULY 2021**

DIRECTORS, CHARITY TRUSTEES & GOVERNORS

Under the Memorandum and Articles of Association the Governors are the charity trustees and are also the directors and members of the Company. The Governors of Kingston Grammar School who served during the year are:

<u>Name</u>	<u>Committee membership and roles</u>
Robert O'Dowd (Chair)	S&R (Chair); I (Acting Chair from Sept 21); F&GP
Lorraine Adam (Vice-Chair)	M&A (Chair); N&G (Chair); E&S
Catherine Chevallier	S&R; F&GP; N&G
Liz Dux	M&A; F&GP (to December 21); E&S (from December 21)
Andrew Evans	F&GP (Chair); A&RM; I; S&R
Jatinder Harchowal	F&GP; B&E
Nima Khandan-Nia	E&S; M&A
Frances Le Gry	A&RM; M&A; N&G
Julia Mikardo	E&S
Diana Rose	E&S (Chair)
Na'eem Ahmed ³	M&A
Ed Bowyer ²	A&RM
Nicholas Cole ⁴	E&S

Resignation / Retirement:-

Mark Annesley ¹	A&RM (Chair); I (Chair); F&GP; S&R
Kerstin Sonnemann ⁵	F&GP

<u>Basis of, and changes in, appointment</u>	<u>Committees</u>
¹ Resigned as Governor on 15 September 2021	Staffing and Remuneration S&R
² Appointed as Governor on 23 September 2021	Education & Safeguarding E&S
³ Appointed as Governor on 11 August 2020	Finance & General Purposes F&GP
⁴ Appointed as Governor on 22 March 2021	Investment I
⁵ Retired as Governor on 4 December 2020	Marketing & Admissions M&A
	Nominations & Governance N&G
	Audit & Risk Management A&RM

OFFICERS

Head Master	Stephen Lehec
Director of Finance & Operations	David Leen
Deputy Head Pastoral	Sarah Humphrey
Deputy Head Academic	William Cooper
Clerk to the Governors	Dinah Coomes

**KINGSTON GRAMMAR SCHOOL
GOVERNORS, OFFICERS & ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

ADVISERS AND REGISTRATION NUMBERS

Auditor:	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers:	Barclays Bank plc Level 27, 1 Churchill Place Canary Wharf London E14 5HP
Investment Advisers:	CCLA Investment Management Ltd 80 Cheapside London EC2V 6DZ PMN Financial Management LLP 10 Crown Place London EC2A 4FT
Solicitors:	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA
Pension Advisers:	JLT Benefit Solutions DC Consulting South 36 Ridgmont Road St Albans Hertfordshire AL1 3AB
Insurance Brokers:	S Ellis Consulting Ltd 28 Park Road North Leigh Witney Oxfordshire OX29 6RX on behalf of AON UK Limited
Principal Address & Registered Office:	70 London Road Kingston upon Thames Surrey KT2 6PY
Website:	www.kgs.org.uk
Registered Charity Number	1078461
Registered Company Number	3883748

**KINGSTON GRAMMAR SCHOOL
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2021**

The Governors present their Annual Report for the year ended 31 July 2021. This is prepared in accordance with the Companies Act 2006 and the Charities Act 2011 and includes the Directors' Report and Strategic Report, together with the audited Financial Statements for the year. The Governors confirm that the latter comply with the requirements of the Companies Act 2006, the Company's Memorandum and Articles of Association and the Charities SORP 2015.

DIRECTORS' REPORT

CONSTITUTION AND OBJECTS

The Charity, Kingston Grammar School Foundation, was founded in 1561. On 22 November 1999 Kingston Grammar School was incorporated as a charitable company, limited by guarantee, registered in England No. 3883748, and is registered with the Charity Commission under Charity No. 1078461. The company is the corporate trustee of the Kingston Grammar School Foundation. The governing document is the Articles of Association, last amended 4 December 2019.

The objects of the Charity are the advancement of education generally and in particular through the provision and conduct of schools including (but not exclusively) in or near the Royal Borough of Kingston upon Thames.

In furtherance of these objects for the public benefit, the Charity has established and administers fee assistance/bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects.

VISION, AIMS AND OBJECTIVES

With a long tradition of nurturing individual talent, our vision is to enable all of our young men and women to achieve their very best, fulfilling their considerable potential. Their outstanding academic achievements and wider educational experiences at KGS will furnish them with the ability and desire to improve their own future, and that of others, in our fast-changing and increasingly diverse world.

Our aim is to create an environment in which we work together to encourage the highest academic aspiration and to promote independent thought; one which provides opportunity for engagement in a rich and diverse co-curricular programme, which expects everyone to show a proper regard for people and our environment and which develops in all of us a culture of service, partnership and personal integrity. Our values are:

Aspiration

We strive to equip all of our young men and women with the skills and confidence to achieve their individual ambitions. From gaining places at top universities and competitive internships, to performing at the highest level in a variety of fields including international sport and renowned artistic performances. We instil in them the belief that they can succeed, as well as developing the resilience to manage disappointment, bounce back and try again.

Integrity

We expect the highest standards of personal conduct, integrity and honesty from all members of our community, engendering an atmosphere of mutual respect, a willingness to listen and to work together to achieve the very best results.

Regard

Our students are taught to value the world we live in, its people and its environment, to respect different traditions and ideas, to develop sportsmanship and a spirit of generosity, and to care for others through active service and charitable engagement.

They are taught to understand the importance in life of a spiritual dimension which goes beyond material possessions, seeing value in the beauty of academic discourse, the creative arts and the natural world, engaging with political, religious and philosophical debate, and developing an understanding of the importance of citizenship and friendship.

**KINGSTON GRAMMAR SCHOOL
ANNUAL REPORT OF THE GOVERNORS
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In May 2017 ISI Inspectors conducted an Educational Quality and Focused Compliance inspection of the School. The school meets all the requirements of the Education (Independent School Standards) Regulations 2014 and achieved the top category of **Excellent** for students' academic and other achievements as well as personal development. The reports are very positive noting:

- "The high levels of achievement derive significantly from the impact of a culture of all-round accomplishment for all students that is so effectively promoted by the senior leadership and governors. Students are determined to live up to the school motto '*Work well and be happy*' and in this they are conspicuously successful."
- "Without exception, those spoken to feel that this is a kind school where unkindness is never acceptable."
- "Students show great enthusiasm in their work and display excellent attitudes to their learning.... These attributes are prodigious, because they form highly supportive relationships with their teachers who inspire them to enjoy learning and do their best."
- "Students exhibit very strong study skills and are able to think for themselves and work independently, due in large part to carefully planned and well-structured lessons and a curriculum that challenges and captivates students."
- "Students have a pronounced sense of right and wrong and instinctively understand the importance of taking responsibility for their own behaviour and being mindful of its impact on others."
- "Students' success is also enhanced by the academic enrichment activities that give them opportunities to develop their learning beyond the classroom."
- "Key contributory factors to students' personal development are the strong ethos and commitment to students' well-being and the clear sense of purpose promoted by school leaders and governors, the coherent and well-planned pastoral care provision, and the strong and supportive community which values equally academic success and personal growth."
- "Success in sport is particularly notable."
- "Nearly every sport offered is available to both boys and girls, and the equality of opportunity is valued by them."
- "Students show outstanding development and display particularly mature personal qualities for their age."
- "Students possess outstanding communications skills. Their oral contributions, both spontaneous and prepared, are of a particularly high quality. They write with clarity, accuracy, fluency and imagination, often at extended length. Students greatly enjoy learning through discussions and debate. They listen well to each other."
- "Students enjoy marked success in the wide and challenging co-curricular programme that not only enables them to achieve at a high level, but also to develop their talents and interests."
- "The achievement of so many students outside the classroom is due significantly to the breadth of the co-curricular programme which caters fully for their interests and talents, and to the high levels of staff involvement and commitment."
- "Students learn to balance success and failure. They persevere with the challenges presented to them and develop strong self-reliance and independence."
- "Students creative, design and performance skills are notable and strongly displayed around the school, through their bold and sensitive artwork in many different media, the high-quality artefacts produced in design technology, and the strong performance of many musical groups and ensembles."
- "Virtually every student responding to the pre-inspection questionnaire felt they were making good progress as a result of the supportive teaching they receive, and their parents agreed."

The Inspection report made one recommendation for improvement, which was to continue to develop our strategic vision for ICT so that students' collaborative learning and preparation for higher education can be enhanced further using the excellent framework of tools already in place. This recommendation has been taken forward by the Education and Safeguarding Committee.

**KINGSTON GRAMMAR SCHOOL
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2021**

In December 2021 ISI inspectors conducted their routine Regulatory Compliance Inspection. This inspection checks that a schools' policies and practices are compliant with the regulations set by the Department for Education. The school met all 8 Standards inspected.

Our objectives are set to reflect our educational aims and the vision of the School. In setting our objectives and planning our activities Governors have given careful consideration to the Charity Commission's general guidance on public benefit and to its supplementary public benefit guidance on fee-charging and advancement of education. The focus of our objectives is on the development of our students, their continued high levels of academic, co-curricular achievement and pastoral wellbeing and to further widen access to the education our School provides. Our key objectives for the year, in line with our three-year School Development Plan are to:

- Attract and admit the students who have the greatest potential to benefit from an education at Kingston Grammar School.
- Recruit and retain the most suitably qualified teaching and support staff who are committed to the vision and values of the School.
- Promote and deliver an exceptional level of teaching and learning in order to achieve the best possible outcomes for our students.
- Provide unrivalled levels of pastoral care to enable all our students to fulfil their potential.
- Offer an enriching and engaging co-curricular programme that allows every student the opportunity to benefit from an enhanced educational experience.
- Maintain and grow income to enable investment in the School's long term future and to provide high quality facilities to deliver education to the highest standards.

GOVERNANCE AND MANAGEMENT

Governing Body

Membership of the Governing Body and its Committees is set out on page 1. As noted on page 1 since 31 July 2020 two Governors have stood down and three new Governors have been appointed.

Under the Articles of Association in force until 9 March 2020, the Governing Body consisted of at least twelve and not more than fifteen individuals. Three of the Governors were nominative: the University of Oxford or Cambridge; a local University; and the Old Kingstonian Association. The remaining Governors were self-appointed. At least one of the remaining Governors was a parent of a student attending Kingston Grammar School when the parent is first appointed. All appointments were for a four-year term of office and under certain circumstances a Governor could be re-elected for a further two terms, each of four years.

The Articles of Association were revised pursuant to a special resolution dated 4 December 2019. The revised Articles came into force with effect from 9 March 2020, with the exception of revisions to the Objects which came into force on 30 April 2020. Under the revised Articles of Association, the Governing Body is composed of no fewer than ten and not more than fifteen individuals appointed by resolution of the Board. The normal term of office is four years. A Governor may serve two consecutive terms after which, in the absence of exceptional circumstances, they are not eligible for re-election until after a year has elapsed.

Recruitment and training of Governors

New members of the Governing Body are appointed in accordance with criteria and procedures set out in an agreed Recruitment and Induction Policy, seeking to maintain an appropriate balance in terms of age, gender, ethnicity and a range of backgrounds, as well as an appropriate mixture of skills and experience. Under the Policy, the Governing Body will seek to ensure that it includes at least one governor who is a parent of a current pupil when the parent is first appointed as governor, at least one who is a former pupil of the school and at least one Governor who is involved in higher education.

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New Governors are inducted into the workings of the Charity and the School, including Governing Body Policy and procedures, at meetings with the Head Master, Director of Operations & Finance, other members of the School Executive and the Clerk to the Governors. Safeguarding training is delivered annually to Governors and an internal training workshop on a topic of strategy is organised each year. In addition, Governors are encouraged to attend training courses to enhance their skills in areas relevant to their role at the school such as finance, marketing and good governance organised by external organisations. Circulation of briefing notes and newsletters from relevant organisations keep them informed and updated on current issues in the sector and regulatory requirements.

Organisational management

The Governing Body is legally responsible for the overall management and control of the School, and usually meets four times a year. The Governing Body delegates specific duties to committees and may refer particular matters to them from time to time. The committees of the Governing Body currently operated as follows:

The Audit & Risk Management Committee - consists of no more than four Governors. The Chair should not also be the Chair of the Finance and General Purposes Committee. The Committee usually meets twice a year. Its terms of reference are to receive reports from the School's auditors, to agree the form of the annual audit, to recommend to the Governing Body the adoption of the Annual Accounts, to monitor the risk management process and allocate risk management responsibilities to other committees or the Executive, and to monitor Health & Safety at the School. In December 2021, this committee was renamed as The Audit, Risk and Compliance Committee and its terms of reference were updated.

The Education and Safeguarding Committee - consists of up to five Governors and usually meets three times a year. Its terms of reference are to consider all educational matters and proposed developments of the educational and safeguarding provision, to receive reports from relevant members of staff on issues of note concerning the whole educational provision of the School or raised by any member of the Governing Body, to receive and review the School's Academic, Pastoral and Co-Curricular Development Plans, to review educational Key Performance Indicators, and to monitor compliance with safeguarding requirements.

The Finance and General Purposes Committee consists of up to seven Governors and usually meets four times a year. Its terms of reference are to make recommendations to the Governing Body relating to the strategic plan of the School and to monitor its implementation; to recommend revenue and capital budgets and fee levels to ensure a sound commercial operation; to monitor the financial position of the School; to explore opportunities for the development, expansion and refurbishment of the School's buildings and property; to submit proposals and to monitor the implementation of major projects; to advise on the financial implications of projects and recommendations from other committees; and to approve or recommend changes to the School's financial policies.

The Investment Committee - meets twice a year and consists of up to five members including the Chair or Vice-Chair of the Governing Body, the Chair of the Finance and General Purposes Committee, the Chair of the KGS Foundation and a Governor with relevant financial experience. Its terms of reference are to make recommendations on investment policy, review compliance with the policy and to monitor performance.

The Marketing and Admissions Committee - consists of up to five Governors and meets twice a year. Its terms of reference are to agree the Admission policy, to ensure a strategy for marketing and publicity and to agree the Bursary parameters.

The Nominations and Governance Committee - consists of up to four Governors including the Vice-Chair of the Governing Body, and meets at least twice a year. Its terms of reference are to lead on matters of succession planning and composition of the Governing Body; to co-ordinate and follow the required process for recruitment of new Governors; to ensure that new Governors receive a proper induction; to integrate and co-ordinate all aspects of governance and legal and

**KINGSTON GRAMMAR SCHOOL
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regulatory compliance; to keep under review the Governors' register of interests and to advise on conflicts of interest where required.

The Staffing and Remuneration Committee - meets at least once a year and consists of the Chair of Governors, the Chair of the Finance & General Purposes Committee and up to two other Governors. Its terms of reference are to review the pay and conditions of all staff including determining the remuneration of the Head Master, the Deputy Heads, the Director of Finance and Operations and Assistant Heads; and to consider other staff related matters.

During the year 23 meetings of the Governing Body or one of the committees were held and attendance by Governors at these meetings averaged 93%.

All Governors are linked to a member of the School Executive and spend time during the year so that they can experience and understand better how the School operates. Certain Governors fulfil functional roles, relating to Health & Safety and Child Protection, to ensure legal compliance.

All Governors give their time freely and no remuneration was paid in the year. Where Governors have children who are students at the school there are no special arrangements in respect of the fees payable. Governor's children are eligible for means-tested fee assistance or scholarships in accordance with normal school policies and practice. Governors do not participate in decisions regarding awards of fee assistance or scholarships insofar as their own children are involved.

The day-to-day running of the School is delegated to the Officers, known collectively as the School Executive, who attend relevant meetings of the above governors' committees. The School's Executive comprises: Stephen Lehec (Head Master), David Leen (Director of Finance & Operations), Sarah Humphrey (Deputy Head - Pastoral), Will Cooper (Deputy Head - Academic), Deborah Sherwood (Assistant Head), Andy Beard (Assistant Head), Anoushka Lett (Assistant Head), Alison Williams (Head of Marketing & Admissions) and Nicola Sloan (Director of Human Resources).

The framework for remuneration of the School staff is set by the Governing Body and is reviewed annually, including reference to comparisons with other independent schools to ensure the School remains sensitive to the broader issues of pay and employment conditions in the local area.

The School has developed a HMC Teacher Training programme to offer professional development to support wider education with well trained teachers in all areas. It brings an outlook of modern teaching methods at the School and provides community benefit as teachers exchange with their state school counterparts. Delivery of the School's charitable vision and purpose is primarily dependent on our key staff and their costs are the largest single element of our charitable expenditure.

Employment Policy

The School actively supports the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards.

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

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

Company law requires the Governors to prepare Financial Statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that

**KINGSTON GRAMMAR SCHOOL
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2021**

they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

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

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

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

In preparing these Financial Statements, the Governors, having duly considered the benefits to the School of so doing, have resolved to adopt a total returns accounting approach to two of the Schools permanent endowments: the RD Finlay Bursary Fund and the KGS Bursary Fund. The following information is relevant to these funds:-

For the RD Finlay Bursary Fund:

- the initial value of the funds trust for investments was established as at 29 June 2017 when Mr RD Finlay gave the School £2,000,000 in cash;
- at that date the value of the Fund's unapplied total return was £nil; and
- It is the object of the RD Finlay Bursary Fund to fund the provision of bursaries and fee assistance for students of the School who satisfy the Fund's Bursary Policy and the Governors consider that this object is best served by maximising the capacity of the Fund to finance these bursaries and fee assistance. Consequently, it is currently the Governors policy to make annual transfers of the unapplied total return arising on the Funds trust for investment to the Funds trust for application. The resulting cash and investments held within the trust for application are subject to the same investment as apply to the trust investment.

For the KGS Bursary Fund:

- the initial value of the funds trust for investments was established as at 1 November 2017 when the School received a donation in cash of £532,221. This together with a founding contribution to the Fund of £10 established the Funds initial trust for investment of £532,231;
- at that date the value of the Fund's unapplied total return was £nil; and
- It is the object of the KGS Bursary Fund to fund the provision of bursaries and fee assistance for students of the School who satisfy the Fund's Bursary Policy and the Governors consider that this object is best served by maximising the capacity of the Fund to finance these bursaries and fee assistance. Consequently, it is currently the Governors policy to make annual transfers of the unapplied total return arising on the Funds trust for investment to the Funds trust for application. The resulting cash and investments held within the trust for application are subject to the same investment as apply to the trust investment.

STRATEGIC REPORT

MISSION STATEMENT

Kingston Grammar School aims to provide the best and broadest educational opportunities possible, in a caring and supporting environment where all are instilled with the virtues of regard, integrity and aspiration. The School also encourages all staff and students to be engaged in productive partnerships whilst fostering a high degree of independence, both now and in future life.

ACTIONS TO ACHIEVE THE PRIMARY OBJECTIVES

Following the emergence of the global Covid 19 pandemic in Spring 2020, the 2020/21 school year was, as with the year before, significantly impacted including school sites having to shut for the spring term 2021, examinations cancelled and financial uncertainties.

After school sites were closed in the summer term 2020, sites were permitted to re-open for autumn term 2021 for the start of the 2020/21 academic year. Managing the on-going Covid risk meant that many aspects of school life were modified and certain activities could not take place such as inter school sport and onsite events. Enhanced hygiene practices, staff and student Covid testing, face coverings and protective screens all became part of everyday school life. Both normal routines and physical set ups were modified as part of the School Risk Management Plan: the School was fortunate that Covid related absences during the term were comparatively low.

With the first closure of our school sites in March 2020, the Governors moved quickly to ensure delivery of high quality remote education and maintaining parental support and engagement and a dedicated Governing Body task group was formed to oversee our overarching response and risk management. The experience of teaching and support staff from this time enabled the school to once again react quickly to be deliver a full online curriculum for spring 2021 when sites were once again closed in January 2021, for the majority of the term. Students returned to site just before the Easter holiday and remained for the summer term 2021, albeit with modified activities all risk assessed for Covid safety.

Building on the experience on 2019/20, detailed financial modelling continued throughout the year in order to assess the ongoing impact on both cashflow and budgets. The Covid Hardship Fund initiated in spring 2020 was continued and the autumn 2020 fee review held fee rates fixed until summer 2021.

Despite the uncertainties of the pandemic, the School had its highest ever student roll and the School is very grateful for the support, both financial in paying fees and in the wider sense of the whole School community. In addition to strong income figures, the restrictions on some activities due to Covid meant costs were controlled (even with the additional expenditure on health and safety required in the year).

Our actions to achieve the year's objectives included:

- promoted available fess assistance and support to potential students and their families;
- maintained positive engagement with parents through various channels, including newsletters;
- monitor the entrance assessment to ensure a balanced experience despite increased numbers;
- ensured that all communication is of the highest standard with a consistent message and responded to the recommendations of the external communications review;
- assessed the opportunities for further interest in subjects outside and beyond the curriculum;
- used department meetings and INSET to share areas of good practice and development points that needed to be worked on/eradicated;
- celebrated student successes and achievements within an established framework of assemblies and publications, online and hard copy.

To promote high academic standards and broaden access, the School has the following specific policies:

- **Scholarships** - Our scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to our co-curricular activities. Scholarship

**KINGSTON GRAMMAR SCHOOL
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awards are normally set at 10% but do range from honorary awards up to 40% remission of full fees at 11+, 13+ and 16+, allowing the School to provide further resources to means-tested fee assistance, whilst not increasing the burden on fee-paying parents. Where further assistance is required, scholarship awards may be supplemented by a means-tested bursary, up to a total of 100%.

- **Fee Assistance (formerly Bursaries)** - Our means-tested fee assistance, up to 100% of full fees, are used to make places available for deserving students from families who might otherwise not be able to afford school fees or to those students whose education may be at risk due to financial hardship. We also make additional awards when necessary to pay for co-curricular activities, school trips and uniform.
- **Assistance for staff** - As part of our emphasis on attracting and retaining high calibre staff, we offer a discount scheme where staff members choose to educate their children at the School.
- **Fee payment** - a monthly payment facility is available to help those who wish to fund education through regular payments.

The Governors' policy is to offer the School's educational provision to as many children as possible, regardless of means, whilst continuing to promote high academic standards. Our aim is to allow 35 students at any one time to be in receipt of free places or a greater number in receipt of lower levels of support. We actively promote the availability of fee assistance and scholarships in our promotional material and at all events and activities designed to recruit and attract prospective students.

We welcome students from all backgrounds and seek to ensure access to the education we offer is not restricted to those who can afford our fees as we believe our students benefit from learning within a diverse community. To be admitted to the School, we need to be satisfied that we will be able to educate and develop a prospective student to the best of their potential and in line with the general standards achieved by their peers. In addition to the sitting of entrance examinations, we interview all those prospective students where, on the evidence of their written papers, there is a possibility that we might make an offer of a place, to satisfy ourselves and parents that potential students can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment.

Our fees are set at a level to ensure the financial viability of the School, at a level that is consistent with our aims of providing a first-class education to boys and girls, and at a level that balances the aim of providing wide access with the needs of full-fee paying parents.

ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Principal activities of the year

This year has again been a successful year, the School's student population averaged 856 students (2020: 854). The ratio of boys to girls was 52%:48% (2020 54%:46%).

The level of interest in joining the School remains high, as witnessed by attendance at open events, 155 candidates applied for 6th Form entry and 1244 sat the entrance examinations in January 2021, 967 for entry in 2021 and 277 for deferred entry in 2022 (2020: 734; 248).

Governors' scholarships and fee assistance

Since the School has limited specific fee assistance or scholarship funds the provision of such grants is made in part from the School's general funds. In funding our awards, we are mindful to ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child or children's education, and those benefiting from the awards. During the year, grants totalled £2,086k (2020: £2,086k) representing 12.0% of our gross fees (2020: 13.8%). This amount comprised:

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- £560k (2020: £523k) to provide scholarships for Academic studies, Music, Art, Design & Technology, Drama and Sport to 167 students (2020: 177 students), with awards ranging from 10% to 40% (2020: 10% to 40%);
- Fee assistance awarded to those in need of financial assistance at the time they entered the School totalled £680k (2020: £763k) to 41 students (2020: 43 students) with awards ranging from 40% to 100% (2020: 33% to 100%), including: 22 students (2020: 23 students) with fee assistance awards of 100%; 9 students (2020: 6 students) who were in receipt of combined fee assistance and scholarship awards of 100%; a further 3 students (2020: 2 students) who were also in receipt of a scholarship award;
- Hardship fees assistance awards, including Covid related hardship, totalled £146k and benefitted 14 families.
- Staff grants and other discounts accounted for £280k (2020: £303k).

For those entering the school in September 2020 the School made the following awards:

- Scholarship awards: at 11+ 7 academic, 4 music, 2 art and 7 sport awards ranging from 10% to 30%; 4 awards at 13+; and 30 at 16+ 17 academic, 2 art, 5 drama, 1 design & technology and 5 sport awards ranging from 10% to 30%.
- Fee assistance awards to 9 students with awards ranging from 40% to 100%, including: 3 students with a fee assistance award of 100%.

Since September 2020, the KGS Foundation has been supporting 2 students with 100% fee assistance. Additionally, the RD Finlay Bursary Fund is supporting 3 students with awards of a 100% fee assistance and KGS Bursaries Fund is supporting 2 students at 100% fee assistance.

Academic achievements

Academic success is the main priority at KGS. Throughout the School we strive to provide flexibility and a personalised learning programme for each student. Aspiring to, and achieving, excellence is at the heart of everything we do and this year's examination results deservedly reflect the hard work of the students and teachers.

At GCSE in 2021, students produced excellent results with 90.2% at grades 9-7 (2020: 90.9%), including 71% at grades 9-8 (2020: 70.9%). 34 students gained 9/8 in all their subjects, and over 95% of students achieved at least one 9/8 grade. Impressive results were achieved by individuals, fourteen students with 10 9's and seven students with either 9 grade 9's & 1 grade 8 or 8 grade 9's and 2 grade 8's.

At A Level 46.6% (2020: 35.8%) of all grades were A's and 37.5% (2020: 37.8%) of all grades were As, giving a combined 84.1% (2020: 73.6%) A*-A. Of the students achieving at least an A grade in three or more subjects, 33 achieved 3 A's (2020: 19).

This year 94% (2020: 77%) of the students gained a place at their first-choice university of which 82% (2020: 82%) were Russell Group universities. The most popular destinations were Nottingham (16), Bristol (10), Exeter (8), UCL (6), Leeds (6), Bath (6), Loughborough (6), Durham (5). Six (2020: 5) students won places at Oxford and Cambridge colleges and 1 at Central St Martins.

Outreach & Partnership Programme

KGS continues to collaborate with Kingston Academy (TKA), the aim to provide inspirational and aspirational careers education events and advice through keynote events open to all students within the local community, this initiative was called Futures and continues to be promoted through social media, sixth forms and colleges in and around Kingston. Futures was launched as a marketing campaign in summer 2020 with events running from September 2020.

Read Up! Kingston (formally the Big Read) - this initiative continues and will involve the in-coming Year 7 supporting their transition to secondary school. This is a collaborative project involving Kingston University, Surbiton High and the Kingston Academy.

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Where we can assist the community, without detriment to advancing the education of our students and still meeting our commitment to safeguarding and promoting the welfare of our students, we make our facilities available to other schools and local organisations, in particular the Performing Arts Centre, the Lovekyn Chapel and our sports facilities. This gives us opportunities to interact with our community.

We cooperate with local charities and educational bodies in our ongoing endeavours to widen public access to the schooling we provide, to optimise the use of our cultural and sporting facilities and to awaken in our students an awareness of the social context of the all-round education they receive at the School.

Co-curricular achievements

Despite the School being closed from 5th January 2021 until 8th March 2021 due to 'Lockdown', our students benefitted from a wide range of activities which encourage self-confidence, heighten aspirations and develop the individual.

In Sport, KGS adopted a multi-sport approach in the Autumn Term of 2020, during the 'learning from home' period in the Spring of 2021 and in the Summer Term 2021. This saw students playing some sports 'out of season' as they sought to mitigate 'skill-fade' resulting from the loss of 'on-site' time in the Spring. Competitive fixtures did not come back online until May of 2021.

Team highlights in sport include:

- A gold medal and a new Championship Record for the Junior 16 Women's Quadruple Scull at the Great Britain National Junior Rowing Championships in July 2021.
- The same crew reached the final of the Junior Women's Quadruple Sculls event at the Henley Women's Regatta in June 2021.
- An additional crew, the Junior 18 Women's Coxless Four won a bronze medal at the Great Britain National Junior Rowing Championships in July 2021.

Individual highlights in sport include:

- One boy won a silver medal at the National Schools' Regatta in the championship single sculls.
- Three students participated in the England Hockey Future's Cup (for emerging talent) and were subsequently selected for England selection camps.
- One girls played for England U16 at Hockey.
- One boy played for England U16 at Hockey and was subsequently invited to the U18 assessment camp.
- One girl was selected for the England Netball Development programme.

In Music and Drama, a number of successes were recorded including:

- 28 students passed LAMDA examinations, with 70% of candidates attaining distinctions.
- A number of students attained success in ABRSM and Trinity Music exams.
- One student won a bronze award in the London Young Musician competition.
- One student was a Trinity Talent winner and featured in the Voice magazine.

The CCF were also successful; the CCF Corps produced a team of cadets who competed in a CCF competition in July for each of the London Schools' CCF Corps. The team performed extremely well and won the Denison Trophy, being adjudged as the best overall team.

**KINGSTON GRAMMAR SCHOOL
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FOR THE YEAR ENDED 31 JULY 2021**

FINANCIAL REVIEW

Results for the year

The School endeavours to ensure financial stability and continuing solvency year on year so that it can pursue its educational aims and objectives. School income in the year, was £16,5420k (2020: £16,692k), down by 0.9% on last year (2020: 0.6%). Fee rates increased by 1.0% (held at 2020 rates for the first two terms and then increased by 3% in the last).

School expenditure was £14,787k (2020: £15,079k) a decrease of 1.9% (2020: 3.39%). Staff costs were static for the year with a change of 0.26% (2020 increase: 1.6%) and amounts to 68.3% (2020: 67.4%) of total expenditure. As expected, financing costs decreased by 7.55% to £600k (2020: £649k). Details of the Charity's borrowings are given in note 12.

The net operating surplus before investment gains was £1,753k (2020: £1,613k). The results for the year include an unrealised investment gain of £729k (2020: £347k loss).

The net operating surplus for the year totals £2,482k (2020: £1,266k) and, as a result, total funds have increased from £17,379k to £19,862k. Details of the Charity's funds are given in note 15 to 17 in these Financial Statements.

During the year, capital expenditure was £517k (2020: £515k). At the balance sheet date, the School's net borrowings with Barclays Bank totalled £942k (2020: £4,572k). Details of the Charity's borrowings are given in note 12.

Despite the ongoing impact of the pandemic, through effective financial planning and sensible cost control measures, we have been able to end the year with a surplus, all of which will be reinvested in the School. Student numbers were unaffected despite the disruption, supported by the increased Hardship Fund.

Fundraising performance

The KGS Foundation has continued to make progress thanks to the many generous donations from the Old Kingstonians, parents, staff, governors and friends of the School.

Overall in our financial year to 31 July 2021, fundraising income of £208k was received, including £65k for the KGS Foundation, £4k for prizegiving, £16k of royalty income for the RC Sherriff fund, and a donation of £125k inclusive of gift aid to the RDF fund.

The contribution funded from the RD Finlay Bursary Fund totalled £60k for three students and from the KGS Bursary fund £40k for two students. The KGS Fundraising (Foundation) Bursaries allowed funding for two students totalling £39k and it is intended to continue fundraising to allow more students to attend the School regardless of their parents means to pay fees.

The Governors would like to thank all donors for their generosity which is hugely appreciated and which will make a real difference in shaping the future of the School. In addition, Governors would like to thank the KGS Foundation Board, the ambassadors and KGS Friends representatives for their considerable efforts and commitment.

No professional fundraisers carried out any fundraising activities on behalf of the School during the year. The School is formally registered with the Fundraising Regulator demonstrating our commitment to 'good fundraising practices' and adheres to the Code of Fundraising Practice. There are no instances to report of the School failing to comply with fundraising standards or schemes for fundraising regulation.

Investment Policy & Performance

Details of the Charity's investment policy are given in note 1 to these Financial Statements. The Charity retains permanent endowment investment securities and recorded an unrealised market value

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gain of £729k (2020 loss: £348k). The investments continue to be closely monitored by the Investment Committee to ensure they are able to meet their bursary funding requirements.

Total Return Accounting

The School adopted Total Return Accounting for the RD Finlay Bursary and KGS Bursary permanently endowed Funds from 29 June 2017 and 1 November 2017 respectively. The initial amounts of the trust for investments are represented by the donations of £2,000k in respect of the RD Findlay Bursary Fund received in June 2017, and £532k, received in November 2017 in respect of the KGS Bursary Fund. Since inception of each fund, further donations have been received for each fund: being £218k and £198k respectively.

Reserves policy

The Governors regularly review the level and nature of the School's reserve funds.

The School continues to invest substantial sums into new and upgraded buildings and for the provision of educational equipment. There are no free reserves and the majority of funds are invested in the tangible fixed asset properties. The Governors continue to be satisfied that cash holdings and the opportunity to obtain external financial facilities provide an additional and adequate safety net, if it should be required.

Funds total £19,862k at 31 July 2021 (2020: £17,379k) made up of £4,688k endowment capital, £374k restricted funds and £14,800k unrestricted funds which are all designated, mainly to the fixed asset fund.

Future Plans

The Governing Body continues to pursue the Charity's general objectives as set out earlier. Whilst the impact of the pandemic is ongoing the school can nevertheless face the future with some confidence supported by record number of students on roll as at March 2022. Governors intend to continue their current strategies of maintaining the School's position in a competitive market by investing to provide high quality education for our students. Constant aims are: achieving a high standard of academic achievement, as measured by external public examinations and independent calculations of value-added; maintaining the breadth and depth of the education provided, reflected in our co-curricular programme of activities allowing the development of sporting, social and other skills; and recruiting and retaining the best staff and maintaining the present student/teacher ratio, which we believe are important in developing both the academic and wider skills of our students to the full.

The Governing Body approved a Development Plan in March 2017. This is due for review in Spring 2022 but in the key objectives within the current Plan are to:

1. attract and admit the students who have the greatest potential to benefit from an education at KGS. Our approach to education is supported by the School's three core values of aspiration, integrity and regard, which are woven through daily school life;
2. recruit and retain the most suitably qualified teaching and support staff who are committed to the vision and values of the school;
3. promote and deliver an excellent level of teaching and learning in order to achieve the best possible outcomes for our students;
4. provide an unrivalled level of pastoral care that will enable all KGS students to fulfil their potential;
5. offer an enriching and engaging co-curricular programme that allows every student the opportunity to benefit from an enhanced educational experience; and
6. maintain and grow income to provide an optimum investment in the long term future of the School and to ensure high quality facilities to deliver education to the highest standards.

The Governing Body and School's management recognise the importance of strong cost control, seeking to contain cost increases as much as possible while ensuring that the School continues to deliver first

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class education and pastoral care and the requirement to meet student needs and parent requirements through major facility developments. In setting our future plans, which are financed primarily from fee income and from our reserves, Governors have tried to maintain an equitable balance ensuring our current students benefit whilst, at the same time, ensuring a sound infrastructure and financial base are preserved for the next generation of students in the same way as our current students benefit today from the investment made in the past.

In October 2021 the school, operating through its 100% owned subsidiary KGS International Limited signed a Project Agreement with a Chinese partner to collaborate with a view to establishing a series of educational institutions, including private bilingual school, schools for children of foreign national and other forms of educational institutions in the Peoples Republic of China.

GOING CONCERN

The Governors have assessed the School's ability to continue as a going concern. The Governors have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements including a review of management accounts to 31 January 2022, projected outturn for 2021/22 and the budget for 2022/23 and a consideration of key risks, including the ongoing impact of coronavirus that could negatively impact the charity.

The trustees therefore have a reasonable expectation that the school has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

RISK MANAGEMENT

The Governors annually consider the principal areas of the School's operations and consider the major risks faced in each of these areas. Utilising a Risk Management matrix, the School Executive and appropriate Committees identify new risks and monitor control over existing risks throughout the year. A formal review of the risk management process is undertaken by the School Executive and the Audit & Risk Management Committee on an annual basis.

The Governors are satisfied that the major risks identified have been adequately mitigated where necessary, recognising that systems can only provide reasonable, but not absolute assurance that risks have been adequately managed.

The principal risks identified are:

<u>Risk</u>	<u>Mitigation</u>
Operational, financial and economic risks of the COVID-19 pandemic	Governing Body Action Group overseeing the emerging and ongoing issues and School's response; dedicated Guidance Task Group monitoring financial KPI's including cashflow, pupil numbers and debtors
Effectiveness of the safeguarding policy including responsibilities of the "Prevent" duty.	Appointment of Designated Safeguarding Lead; regular training of staff and governors; regular reporting to School Executive and Governors.
Cyber-attack or hacking of data.	Robust Acceptable Use Policy; regular backups; external testing; insurance backed disaster recovery plans
Change of VAT status on fees.	Ongoing monitoring; impact assessment undertaken.
Revision to the requirements of the Public Benefit test.	Ongoing monitoring and recording of public benefits provided.

KINGSTON GRAMMAR SCHOOL
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2021

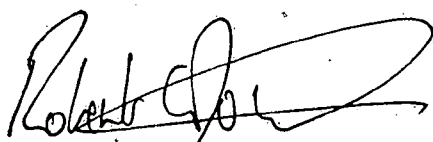
Parents experiencing financial difficulty and unable to afford the fees.

Availability of some hardship funding. Intention to grow bursary funds.

OUR COMMUNITY

The School and Governing Body greatly appreciate the important and valuable support given to the School in so many ways by the whole KGS Community, including all students, current and former parents, Old Kingstonians, and many other friends of the School. Above all, the Governing Body remains deeply grateful to the entire staff, both teaching and support, whose unstinting hard work and loyalty have enabled the School to achieve its major objectives reflected in the ISI report. We are grateful to all for their commitment, generous and continuing support and their efforts.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of Kingston Grammar School on 14th April 2022, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Robert O'Dowd
Chair



Lorraine Adam
Vice-Chair

**KINGSTON GRAMMAR SCHOOL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 JULY 2021**

Independent Auditor's Report to the Members of Kingston Grammar School

Opinion

We have audited the financial statements of Kingston Grammar School ('the charitable company') for the year ended 31 July 2021 which comprise the Statement of Financial Activities, the Balance Sheet, 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 the income and receipts of endowments and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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.

**KINGSTON GRAMMAR SCHOOL
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the 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 and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR) and Employment legislation.

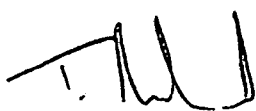
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Management Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tim Redwood
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor - London
Date: 22 April 2022

KINGSTON GRAMMAR SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021

	Notes:	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	Total Funds £'000	2020 £'000
Income and endowments from:						
Charitable activities						
- School fees receivable	2	15,418	-	-	15,418	14,830
- Other charitable income	3a	499	-	-	499	840
Activities for raising funds:						
- Donations	3b	-	83	125	208	217
- Ancillary trading	3c	102	-	-	102	187
- Investment income	3d	6	-	58	64	119
Other activities - Other income & Grants	3e	249	-	-	249	499
Total income		16,274	83	183	16,540	16,692
Expenditure on:						
Raising funds						
- Ancillary trading	5	-	-	-	-	41
- Financing	5	600	-	-	600	649
- Fundraising & Development	5	144	-	18	162	210
		744	-	18	762	900
Charitable activities						
- Education and grant making	5, 15, 16	13,882	42	102	14,025	14,179
Total expenditure		(14,626)	(42)	(120)	(14,787)	(15,079)
Net income before transfers and investment gains / (losses)		1,648	41	63	1,753	1,613
Net gains/(losses) on investments	8	-	-	729	729	(347)
Transfers between funds	15, 18	12	-	(12)	-	-
Net income		1,660	41	780	2,482	1,266
Fund balances brought forward at 1 August 2020		13,140	333	3,908	17,379	16,113
FUND BALANCES CARRIED FORWARD AT 31 JULY 2021		14,800	374	4,688	19,862	17,379

All of the School's operations represent continuing activities.

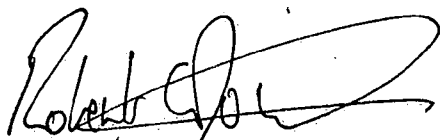
There were no recognised gains or losses other than those shown above.

A copy of the Statement of Financial Activities for the year ended 31 July 2020 is provided in note 24.

**KINGSTON GRAMMAR SCHOOL
BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2021**

	Notes:	2021 £'000	2021 £'000	2020 £'000
FIXED ASSETS				
- Tangible fixed assets	7		19,920	20,676
- Investments	8		4,423	3,487
			<u>24,343</u>	<u>24,163</u>
CURRENT ASSETS				
- Debtors	9	884		925
- Cash and short term deposits		6,618		4,157
		<u>7,502</u>		<u>5,082</u>
CREDITORS: amounts falling due within one year	10	(4,902)		(3,974)
NET CURRENT ASSETS			<u>2,600</u>	<u>1,108</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>26,943</u>	<u>25,271</u>
CREDITORS: due after one year	11		(7,081)	(7,892)
TOTAL NET ASSETS			<u><u>19,862</u></u>	<u><u>17,379</u></u>
THE FUNDS OF THE CHARITY				
ENDOWED FUNDS	15		4,688	3,907
RESTRICTED FUNDS	16		374	333
UNRESTRICTED FUNDS	17			
- Fixed assets fund		14,680		13,017
- Other designated funds		<u>120</u>		<u>122</u>
TOTAL UNRESTRICTED FUNDS			<u>14,800</u>	<u>13,139</u>
TOTAL CHARITY FUNDS			<u><u>19,862</u></u>	<u><u>17,379</u></u>

Approved and authorised for issue by the Governors on 14th April 2022 and signed on their behalf by:



Robert O'Dowd
Chair



Lorraine Adam
Vice-Chair

**KINGSTON GRAMMAR SCHOOL
STATEMENT OF CASH FLOWS
YEAR ENDED 31 JULY 2021**

STATEMENT OF CASH FLOWS

	2021	2020
	£'000	£'000
Cash flows from operating activities:		
Net income for the reporting period	1,689	1,657
Elimination of non-operating cash flows:		
- Loss/(Profit) on sale of tangible fixed assets	49	(8)
- Interest charged on loans and overdraft	600	649
- Interest received	(6)	(45)
- Amounts accrued to Fees in Advance	14	15
Depreciation charges added back	1,207	1,247
Decrease/(Increase) in Debtors	41	(89)
Increase/(Decrease) in Creditors	554	(336)
Increase in Parent Deposits held	282	132
(Increase)/Decrease in Fees in Advance	54	(35)
Net cash provided by operating activities	4,483	3,189
Cash flows from investing activities		
- Payments for tangible fixed assets	(517)	(515)
- Proceeds from sales of tangible fixed assets	67	26
- Amounts accrued to Fees in Advance	(14)	(15)
- Investment income and bank interest received	6	45
- Purchase of investments and investment costs	(176)	(73)
Net cash (used) in investing activities	(634)	(532)
Cash flows from financing activities:		
- Interest paid on loans	(600)	(649)
- Repayment of borrowings	(789)	(746)
Net Cash (used)/generated in financing activities	(1,389)	(1,395)
Change in cash and cash equivalents in the reporting period	2,460	1,262
Cash and cash equivalents as at 1 August 2020	4,157	2,896
Cash and cash equivalents as at 31 July 2021	6,618	4,157

ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021	2020
	£'000	£'000
Cash at bank	6,618	4,157
Deposits	-	-
Total cash and cash equivalents	6,618	4,157

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2021**

1 ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their account in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015.

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

The Financial Statements are drawn up on the historical cost accounting basis except that investment assets are carried at market value.

Kingston Grammar School Foundation was founded in 1561 and was registered by the Charity Commission for England and Wales under a scheme dated 14 September 1978 (Charity number 1078461). Under the Charity Commission Scheme made on 30 December 1999 the running of the School, together with all the Foundation's unendowed assets and all its liabilities were transferred to the Kingston Grammar School as corporate and trust funds, while the permanently endowed School premises remained with the Foundation.

The school is a public benefit entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 31 December 1999 (Company number 3883748).

The activities of the school's wholly owned subsidiary company, KGS International Limited, are immaterial to those of the school and consolidated accounts have, therefore, not been prepared.

1.1 Going Concern

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff. The Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date the sign-off of these accounts.

1.2 Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affected current and future periods. In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

1.3 Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, fee assistance granted by the school against those fees, but including contributions from restricted funds are accounted for in the period in which the service is provided.

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2021

1.4 Investment Income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accrual basis.

1.5 Donations, legacies, grants and other voluntary income

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the school is considered probable. Voluntary income for the school's general purposes is accounted for as unrestricted and is credited to the General reserves. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not. Gifts in kind are valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption, or at value to the school in the case of donated services or facilities.

1.6 Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Expenditure attributable to more than one cost category in the SoFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the items of expenditure to which it relates.

Governance costs comprise of the costs of complying with constitutional and statutory requirements.

1.7 Tangible Fixed Assets

Expenditure on the acquisition, construction or enhancement of land and buildings costing more than £10k together with any vehicles, IT equipment, boats and boat club equipment, office, admin or teaching equipment costing over £1k, with a life expectancy of over two years, are capitalised and carried in the balance sheet at historical cost.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal instalments over their expected useful economic lives typically as follows: -

Freehold buildings	2%
Artificial Pitch	10%
Boats and Boat Club equipment	15%
Motor vehicles	20%
Field equipment and tractors	20%
Computers, teaching, kitchen, cleaning, office equipment	20% - 33%
Plant, Fittings & Refurbishment	3% - 20%

Note: Each asset is assessed on acquisition for appropriate useful life

1.8 Investments

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of the investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund accordingly to the ownership of the underlying assets.

1.9 Fund Accounting

The charitable trust funds of the school are accounted for as unrestricted and restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or appeal to which they may have responded. Endowment funds are further sub-divided into permanent and expendable.

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2021**

Unrestricted income belongs to the school's reserves, spendable at the discretion of the governors either to further the school's objectives or to benefit the school itself. Where the Governors decide to set aside any part of these funds to be used in the future for a specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowed funds represent amounts donated to the School where the donor has specified that the capital is to be retained and only the income arising thereon may be spent. The income is treated as unrestricted income. The School has adopted total return accounting for two funds which results in all returns on the underlying investments whether dividends or gains being allocated to the fund and being available for application by the Governors. The Governors will decide each year on the level of application of any unapplied total return which is recorded in the Statement of Financial Activities.

Expendable endowed funds represent capital expenditure on the School buildings on the permanently endowed land up to the date of the 1978 Scheme, subject to annual depreciation.

1.10 Financial instruments

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

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2021

2. SCHOOL FEES	2021	2020
	£'000	£'000
The School's fee income comprised:		
Gross fees	17,365	17,048
Less : Total fee assistance, grants and scholarships	(2,086)	(2,358)
	<u>15,279</u>	<u>14,690</u>
Add back Bursaries paid for by RD Finlay Fund	60	60
Add back Bursaries paid for by KGS Bursaries Fund	40	39
Add back Fee Assistance paid for by KGS Fundraising	39	41
	<u>15,418</u>	<u>14,830</u>
3. OTHER INCOME		
a) Charitable activities		
- Registration	207	139
- School meals (students)	292	303
- Extras	-	398
	<u>499</u>	<u>840</u>
b) Resources from raising funds		
Donations		
- Appeal fund donations for general purposes	-	84
- Donations/royalties received for endowment	125	-
- Donations/royalties received for specific purposes	83	133
	<u>208</u>	<u>217</u>
c) Activities for raising funds		
Ancillary trading		
- Lettings	15	58
- Rent from properties occupied by School staff	74	84
- Other trading income	13	45
	<u>102</u>	<u>187</u>
d) Investment income		
- Income from investment portfolio	6	22
- Bank interest	-	23
- Endowed income	58	74
	<u>64</u>	<u>119</u>
e) Other Activities		
- Deposits and OKHC	106	66
- CJRS	143	433
	<u>249</u>	<u>499</u>
4. NET INCOME IS STATED AFTER RECOGNISING		
Auditor's remuneration - Audit	22	24
Auditor's remuneration - Tax Advice	3	3
Loss on disposal of fixed assets	49	(8)
Depreciation - Owned assets	<u>1,207</u>	<u>1,247</u>

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2021

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

2021	Staff Costs	Other	Depreciation	Total
	£'000	£'000	£'000	£'000
Charitable Activities				
- Teaching Costs	7,771	542	220	8,533
- Education Support	523	688	45	1,256
- Premises	587	618	935	2,140
- Admin Support	1,091	948	7	2,046
School Operating Costs	9,972	2,796	1,207	13,975
- Profit/Loss on disposal of FA		49		49
- Grant Awards Prizes		-		-
	9,972	2,845	1,207	14,024
Raising Funds				
- Ancillary Trading		-		-
- Financing		600		600
- Fund-Raising	125	37		162
	10,097	3,482	1,207	14,786
2020	Staff Costs	Other	Depreciation	Total
	£'000	£'000	£'000	£'000
Charitable Activities				
- Teaching Costs	7,827	1,060	260	9,147
- Education Support	534	592	44	1,170
- Premises	566	517	933	2,016
- Admin Support	1,035	804	10	1,849
School Operating Costs	9,962	2,973	1,247	14,182
- Profit/Loss on disposal of FA		(8)		(8)
- Grant Awards Prizes		5		5
	9,962	2,970	1,247	14,179
Raising Funds				
- Ancillary Trading		41		41
- Financing		649		649
- Fund-Raising	161	49		210
	10,123	3,709	1,247	15,079

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2021

6. STAFF COSTS	2021	2020
	£'000	£'000
Total staff costs comprise:		
- Wages and Salaries	7,908	7,922
- Social Security costs	847	845
- Pension contributions	1,342	1,356
	<u>10,097</u>	<u>10,123</u>

The average number of employees (full time & part time) during the year

- Teaching staff (Teachers, Sports Coaches, Technicians)	127	132
- Educational Support staff (Nurse, Library, Admin)	19	19
- Premises staff (Facilities Manager, Maintenance, Cleaning)	31	29
- Admin Support staff (other secretarial & Support staff)	24	28
	<u>201</u>	<u>208</u>

No Governor received any remuneration during either the current or previous year

Governors Expenses for Courses attended including travel	<u>£2,420</u>	<u>£451</u>
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Aggregate employee-benefits of key management personnel (Those holding a position within the school's Executive)	<u>£1,181k</u>	<u>£971k</u>
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£60,000 - £70,000	27	23
£70,000 - £80,000	2	5
£80,000 - £90,000	2	
£90,000 - £100,000	1	2
£100,000 - £110,000	2	1
£190,000 - £200,000		1
£220,000 - £230,000	1	
	<u>35</u>	<u>32</u>

32 of the above employees are in a defined benefit scheme. 2 of the above employees are in a defined contribution pension scheme.

During the year there were no redundancy payments and 2 termination payments totalling £26.5k (2020: Nil).

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2021

7. FIXED ASSETS

	Freehold Land and Buildings	Boat Club Equipment	Equipment and Motor Vehicles	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 August 2020	23,737	779	6,967	31,483
Additions	137	-	380	517
Disposals	(90)	(45)	(480)	(615)
At 31 July 2021	<u>23,784</u>	<u>734</u>	<u>6,867</u>	<u>31,385</u>
Depreciation				
At 1 August 2020	6,794	641	3,371	10,806
Charge for the Year	499	47	661	1,207
Disposals	(38)	(47)	(463)	(548)
At 31 July 2021	<u>7,255</u>	<u>641</u>	<u>3,569</u>	<u>11,465</u>
Net book value				
At 31 July 2021	<u>16,529</u>	<u>93</u>	<u>3,298</u>	<u>19,920</u>
At 1 August 2020	<u>16,942</u>	<u>138</u>	<u>3,596</u>	<u>20,676</u>

The School's tangible assets are all held for use by the School. The Governors are confident the market values of those assets currently in use are in excess of the value reflected in these Financial Statements.

Finance costs that are directly attributable to the construction of tangible fixed assets are capitalised as part of those assets.

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2021

8. INVESTMENTS	2021	2020
	£'000	£'000
Stocks and Shares		
At 1 August 2020	3,487	3,780
Additions at cost	311	54
Disposals	(104)	-
Net investment gains/(losses)	728	(347)
Market value at 31 July 2021	4,423	3,487

The Governors' investment powers are governed by the Company's Memorandum and Articles of Association.

Investments comprise:	2021	2020
	£'000	£'000
Equities	4,130	2,979
Fixed Interest	242	353
Property	50	154
Market value at 31 July 2021	4,423	3,487

The figures above include the School's £200 investment in the share capital of Kingston Grammar School International Limited and KGS International Limited (note 21).

9. DEBTORS	2021	2020
	£'000	£'000
Tuition fees from parents	66	9
Prepayments and sundry debtors	308	407
Recoverable income tax	10	9
HM Loan (note 21)	500	500
	884	925

All debtors are due within one year, except for £500k for HM Loan, which is due after more than one year.

10. CREDITORS: Due within one year:	2021	2020
	£'000	£'000
Bank Loans (see Note 12)	856	803
Fees paid in advance	558	528
Parental deposits	1,686	1,404
Trade creditors	764	172
PAYE/other taxation and social security	236	-
Pensions creditor	168	27
Sundry creditors and accruals	164	579
Fees in advance scheme	470	461
	4,902	3,974

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2021

11. CREDITORS: Due after more than one year:	2021	2020
	£'000	£'000
From one to two years:		
- Bank loans (see Note 12)	925	856
- Fees in advance scheme	204	235
	<u>1,129</u>	<u>1,091</u>
From two to five years:		
- Bank loans (see Note 12)	3,202	2,972
- Fees in advance scheme	235	158
	<u>3,437</u>	<u>3,130</u>
More than five years		
- Bank loans (see Note 12)	2,515	3,671
	<u>2,515</u>	<u>3,671</u>
Total	<u>7,081</u>	<u>7,892</u>

Fees in Advance scheme

Parents may enter into a contract to pay the school up to the equivalent of five years' tuition fees in advance. The money may be returned subject to specific conditions on receipt of one term's notice. Advance fees have been applied assuming students remain in the school. The balance represents the accrued liability under the contracts. Amounts received under the school's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

The movements during the year were:

	2021	2021	2020
	£'000	£'000	£'000
At 1 August 2020		853	889
Funds received during the year 2020/21		687	764
Amounts accrued to contracts as debt-financing costs		14	15
Amounts utilised in payment of fees:			
- Prior year funds	461		541
- Current year funds	<u>187</u>		<u>274</u>
		(648)	(815)
At 31 July 2021		<u>906</u>	<u>853</u>

**KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2021**

12. LOANS	2021	2020
	£'000	£'000
Due within five years by instalments:		
- within one year	856	803
- from one to two years	925	856
- from two to five years	3,202	2,972
- more than five years	2,515	3,670
	7,498	8,301

In 2004 the Charity entered into long term arrangements to finance the development of the Queen Elizabeth II building. These arrangements provided a fixed loan totalling £12.4 million commencing in May 2010 and lasting 18 years. The loan covered £10.4 million of costs with the capitalisation of £2 million of interest arising between May 2004 and May 2010. Loan repayments commenced in November 2010. Interest is payable at a rate of 7.3%.

During the year ended 31 July 2021 the loan schedule provided for total payments of £1253k (2020: £1,253k). At 31 July 2021 the balance on this loan was £6,765k (2020: £7,484k). In June 2006 the Charity entered into an agreement to replace an existing variable loan facility, which was expiring in October 2010, with a fixed loan totalling £2.4 million, at a fixed interest rate of 6.61% and repayment over 18 years starting in November 2010. In October 2010 the Charity drew £1.4 million of this fixed loan, terminating £1.0 million of the facility at a break cost of £174k. For the year ended 31 July 2021 the loan schedule provided for total payments of £136k (2020: £136k). At 31 July 2021 the balance on this loan was £733k (2020: £817k)

All the loans are secured on certain freehold land and buildings of the School.

13. TAXATION

No taxation liability arises on the results for the year due to the charitable status of the School.

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2021

14. ALLOCATION OF NET ASSETS BETWEEN FUNDS

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

	Fixed Assets £'000	Investments £'000	Net Current Assets / (Liabilities) £'000	Long Term Liabilities £'000	Total £'000
2021					
Endowed Funds					
- Permanent endowment	-	4,423	101	-	4,524
- Expendable endowment	165	-	-	-	165
Restricted Funds	-	-	374	-	374
Unrestricted Funds	19,755	-	1,979	(6,934)	14,800
	<u>19,920</u>	<u>4,423</u>	<u>2,454</u>	<u>(6,934)</u>	<u>19,863</u>
2020					
Endowed Funds					
- Permanent endowment	-	3,487	243	-	3,730
- Expendable endowment	177	-	-	-	177
Restricted Funds	-	-	333	-	333
Unrestricted Funds	20,499	-	532	(7,892)	13,140
	<u>20,676</u>	<u>3,487</u>	<u>1,108</u>	<u>(7,892)</u>	<u>17,380</u>

15. ENDOWED FUNDS

The School has three classes of Endowed Funds: the Permanent Endowment, the Expendable Endowment and the Permanent Bursary Endowment.

The Permanent Endowment was created under a Charity Commission Scheme of 14 September 1978, when the School became independent, and which has subsequently been amended by a Charity Commission Scheme of 30 December 1999 when the School was incorporated as a charitable company Limited by guarantee. The endowment comprises the endowed School land at £nil value and the invested proceeds of subsequent land disposals.

The Expendable Endowment represents capital expenditure on the School buildings on the permanently endowed land up to the date of the 1978 Scheme, subject to annual depreciation.

The Permanent Bursary Endowment is comprised of three permanent Bursary endowed funds. Of these funds, the Governors have resolved to apply a total return accounting policy to two of the funds: the RD Finlay Bursary Fund and the KGS Bursary Fund.

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2021

The movements on the Endowed Funds not accounted for under a total return policy during the year are as follows:

	Permanent endowment £'000	Expendable endowment £'000	Permanent Bursary Endowment £'000	Total £'000
2021				
Balance as at 1 August 2020	598	177	514	1,289
Investment gains	107	-	85	192
Transfers	-	(12)	-	(12)
At 31 July 2021	<u>705</u>	<u>165</u>	<u>599</u>	<u>1,469</u>

The movements on the Endowed Funds accounted for under a total return policy during the year are as follows:

	RD Finlay Bursary Fund		KGS Bursary Fund		Total
	Trust for Investment £'000	Trust for Application £'000	Trust for Investment £'000	Trust for Application £'000	£'000
2021					
Gift component of the permanent endowment as at 1 August 2020	2,093	-	730	-	2,823
Unapplied total return as at 1 August 2020	-	(122)	-	(83)	(205)
Total balance as at 1 August 2020	<u>2,093</u>	<u>(122)</u>	<u>730</u>	<u>(83)</u>	<u>2,618</u>
Movements in year:					
- Gifts of endowment funds	125	-	-	-	125
- Dividends and interest	-	44	-	14	58
- Investment gains / losses	-	411	-	125	536
- Investment costs	-	(14)	-	(4)	(18)
Allocation of unapplied total return to income	-	-	-	-	-
Payment of bursaries & fee assistance	-	(60)	-	(40)	(100)
At 31 July 2021	<u>2,218</u>	<u>259</u>	<u>730</u>	<u>12</u>	<u>3,218</u>
Total all Endowed Funds					£'000
At 31 July 2021					<u>4,688</u>

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2021

The comparative amounts for the movements on the Endowed Funds not accounted for under a total return policy are as follows:

2020	Permanent endowment £'000	Expendable endowment £'000	Permanent Bursary Endowment £'000	Total £'000
Balance as at 1 August 2019	592	190	512	1,294
Investment gains	6	-	1	7
Transfers	-	(12)	-	(12)
At 31 July 2020	<u>598</u>	<u>178</u>	<u>513</u>	<u>1,289</u>

The comparative amounts for the movements on the Endowed Funds accounted for under a total return policy are as follows:

2020	RD Finlay Bursary Fund		KGS Bursary Fund		Total £'000
	Trust for Investment £'000	Trust for Application £'000	Trust for Investment £'000	Trust for Application £'000	
Gift component of the permanent endowment as at 1 August 2019	2,093		730		2,823
Unapplied total return as at 1 August 2019		167		26	193
Total balance as at 1 August 2019	<u>2,093</u>	<u>167</u>	<u>730</u>	<u>26</u>	<u>3,016</u>
Movements in year:					
- Gifts of endowment funds	-		-		-
- Dividends and interest	-	57	-	17	74
- Investment gains	-	(272)	-	(83)	(355)
- Investment costs	-	(14)	-	(4)	(18)
Payment of bursaries & fee assistance		(60)		(39)	(99)
At 31 July 2020	<u>2,093</u>	<u>(122)</u>	<u>730</u>	<u>(83)</u>	<u>2,618</u>
					£'000
At 31 July 2020					<u>3,907</u>

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2021

16. RESTRICTED FUNDS

The School maintains a number of Restricted Funds of which the principle funds are:

- the Prize Fund, used to finance in part the provision of prizes to the students of the School;
- the Sheriff Bequest Fund, used to finance in part the provision of capital expenditure principally in connection with rowing. Funds retained for future replacement of minibuses used by the rowing department and capital expenditure on rowing;
- the Appeal fund, which represents donations received and expended in connection with specified capital expenditure projects or to support bursaries; and
- the PSA and other School Societies Funds. These are used for the provision of specific equipment for use in the school.

The movements on the Restricted Funds during the year are as follows:

2021	Prize	Sheriff		PSA/	
	Fund	Bequest	Appeal	School	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2020	-	102	230	-	333
Income arising in year	4	16	65	-	84
Expenditure	(4)		(39)		(43)
Transfers	-	-	-	-	-
At 31 July 2021	<u>-</u>	<u>118</u>	<u>256</u>	<u>-</u>	<u>374</u>

The comparative amounts for the movements on the Restricted Funds are as follows:

2020	Prize	Sheriff		PSA/	
	Fund	Bequest	Appeal	School	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 August 2019	2	95	163	-	261
Income arising in year	3	7	108	15	133
Expenditure	(5)	-	(41)	(15)	(61)
Transfers	-	-	-	-	-
At 31 July 2020	<u>-</u>	<u>102</u>	<u>230</u>	<u>-</u>	<u>333</u>

KINGSTON GRAMMAR SCHOOL
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 JULY 2021

17. UNRESTRICTED FUNDS

The School maintains three Unrestricted Funds being:

- the Fixed Assets Fund, which represents amounts expended on tangible fixed assets required for the operation of the School, less additions financed from bank loans or from the Permanent Endowment Fund (under a recoupment order) and assets transferred to the Permanent Endowment Fund. It also retains annual surpluses generated by the School.
- the Appeal 450 Campaign Fund, which represents cash carried forward from Appeal 450 Campaign. The Appeal 450 Campaign is designated towards the refurbishment of School premises; and
- the General Fund, within which the School is operated.

The movements on the Unrestricted Funds during the year are as follows:

2021	Fixed Assets Fund £'000	Appeal 450 Fund £'000	General Fund £'000	Total £'000
Balance as at 1 August 2020	13,020	120	-	13,140
Income arising in year	-	-	16,274	16,274
Expenditure	-	-	(14,626)	(14,626)
Transfers	1,660	-	(1,648)	12
At 31 July 2021	<u>14,680</u>	<u>120</u>	<u>-</u>	<u>14,800</u>

The movements on the Unrestricted Funds during the year are as follows:

2020	Fixed Assets Fund £'000	Appeal 450 Fund £'000	General Fund £'000	Total £'000
Balance as at 1 August 2019	11,506	36	-	11,542
Income arising in year	-	84	16,401	16,485
Expenditure	-	-	(14,900)	(14,900)
Transfers	1,513	-	(1,501)	12
At 31 July 2020	<u>13,019</u>	<u>120</u>	<u>-</u>	<u>13,139</u>

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18. TRANSFERS

Transfers represent:

- A transfer of £1,648k from the general fund to the fixed assets fund representing the purchase of additional fixed assets and depreciation.
- A transfer of £12k representing the conversion of expendable endowment funds to unrestricted funds relating to the depreciation on the buildings held in the expendable endowment.

19. FUTURE CAPITAL EXPENDITURE

With the advent of the Covid 19 pandemic the capital projects and works initially scheduled for Summer 2020 were deferred. These projects were subsequently completed in Summer 2021.

	2021	2020
	£'000	£'000
Funding is planned from existing funds and donations	287	-

20. PENSION SCHEMES

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,115k (2020: £1,127k) 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 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that

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there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

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

Until the cost cap mechanism revision is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

For other support staff the School also made contributions to various defined contribution pension schemes (Money Purchase) of £227k (2020: £228k) and at the year-end £nil (2020: £nil) was accrued in respect of contributions to these schemes.

21. INVESTMENT IN SUBSIDIARIES

	2021	2020
	£	£
KGS International Limited	100	100
Kingston Grammar School International Limited	100	100
Net book value at 31st July 2021	<u>200</u>	<u>200</u>

The cost of the above investment totalled £200. The School's interest is as follows:

Company	Country of incorporation	Shares held Class	%
KGS International Limited	England and Wales	Ordinary	100
Kingston Grammar School International Limited	England and Wales	Ordinary	100

The registered office of KGS International Limited (Company Number 12093612) is at the same address as the School. The principal activity of the subsidiary is to develop the Kingston Grammar school brand in overseas locations. The net assets of this company at 31st July 2021 were £84k (2020: Nil). The company's profit and loss account for the year ended 31st July 2021 showed turnover of £84k (2020: Nil) and an operating profit of £82k (2020: £Nil). Gift aid relating to the year ended 31 July 2021 of £82k was transferred over post year end.

The registered office of Kingston Grammar School International Limited (Company Number 11949288) is at the same address as the School. The company was dormant during the year.

22. RELATED PARTY TRANSACTIONS

In October 2015 the School entered into a loan agreement with the Head Master for an amount of £500k for the purchase a principal residence within a reasonable distance of the School in order to assist him in the efficient discharge of his duties. The amount is repayable within twelve months of cessation of employment with the School.

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The School owns the full £100 share capital of Kingston Grammar School International Limited which is registered in England and Wales under company number 11949288. The company was registered on 16 April 2019 and is dormant during the year.

The School owns the full £100 share capital of KGS International Limited, also registered in England and Wales, with a company number of 12093612. The company was registered on 9 July 2019. The registered address for both companies is Kingston Grammar School, London Road, Kingston upon Thames, KT2 6PY.

23. POST BALANCE SHEET EVENTS

In October 2021 the school, operating through its 100% owned subsidiary KGS International Limited signed a Project Agreement with a Chinese partner to collaborate with a view to establishing a series of educational institutions, including private bilingual school, schools for children of foreign national and other forms of educational institutions in the Peoples Republic of China.

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24. PRIOR YEAR CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Notes:	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	Total Funds £'000	2019 £'000
Income and endowments from:						
Charitable activities						
- School fees receivable	2	14,830			14,830	14,848
- Other charitable income	3a	840			840	1,022
Activities for raising funds:						
- Donations	3b	84	133		217	286
- Ancillary trading	3c	187			187	197
- Investment income	3d	45		74	119	109
Other activities - Other income and Grants	3e	499			499	14
Total income		16,485	133	74	16,692	16,476
Expenditure on:						
Raising funds						
- Ancillary trading	5	41			41	89
- Financing	5	649			649	702
- Fundraising & Development	5	191		19	210	199
		881		19	900	990
Charitable activities						
- Education and grant making	5, 15, 16	14,019	61	99	14,179	14,557
Total expenditure		(14,900)	(61)	(118)	(15,079)	(15,547)
Net income before transfers and investment gains / (losses)		1,585	72	(44)	1,613	929
Net gains/(losses) on investments	8			(347)	(347)	145
Transfers between funds	15, 18	12		(12)		
Net income / (expenditure)		1,598	72	(403)	1,266	1,074
Fund balances brought forward at 1 August 2019		11,542	260	4,311	16,113	15,039
FUND BALANCES CARRIED FORWARD AT 31 JULY 2020		13,140	332	3,908	17,379	16,113