



Reigate Grammar School

A Registered Company Limited by Guarantee

Consolidated Financial Statements

for the year ended 31 August 2022

together with Governors' and Auditor's reports

Registered Company Number: 3954365

Registered Charity Number: 1081898

Report of the Governors for the year ended 31 August 2022

The Governors, who are also directors, present their annual report on the affairs of the Group, together with the financial statements and auditors' report for the year ended 31 August 2022, and confirm that the financial statements comply with the requirements of the Companies Act 2006 and the Charities SORP (FRS102).

Reference & Administrative Information

The School was incorporated as a company limited by guarantee in 2000 and has been granted exemption under S60 Companies Act 2006 from the requirement to use 'Limited' as part of its name. The liability of its members is limited to £1 each. The School is also a registered charity.

The three principal operating arms of the School are Reigate Grammar School ('RGS'), and its two junior schools, Reigate St Mary's Preparatory & Choir School ('RSM' or 'Reigate St Mary's') and Chinthurst School (Chinthurst) together known as 'the School'. There is also a subsidiary charity, the Reigate Grammar School Trust ('RGS Trust'), and two subsidiary trading companies, Reigate Grammar School Trading Limited and Reigate Grammar School International Limited. During the prior year, there was one dormant subsidiary, Chinthurst School Educational Trust, which was fully dissolved in August 2021.

Chinthurst School Educational Trust, an independent preparatory school in Tadworth, Surrey, merged with RGS in early 2017. Chinthurst School Educational Trust was initially maintained as a separate legal entity, with RGS as its sole member until the trading activities of Chinthurst School (Chinthurst) were formally transferred to RGS on 2 September 2019. In this current year 2021/2022 and in the prior year, the School has three principal operations: RGS, RSM and Chinthurst.

Governors

Mr Mark Elsey *[∞] (Chair from 6 December 2021)
Mr James Dean *[∞]† (Chair, resigned 6 December 2021)
Dr Shrilla Banerjee [∞]
Mr Marc Benton * [∞]
Mrs Mary Braugher-Edmunds [∞]
Mr Colin Cobain * [∞]
Mr David Cole [∞] (resigned 7 November 2022)
Mr Brian Day † [∞] *
Mr Christopher Dixon †
Mr Luke Herbert [∞]
Mrs Maxine Hulme [∞] †
Mrs Lisa Page [∞]
Mr Nicholas Weber *
Mr Edward Wheeler †
Mr Matthew Adshead [∞] (appointed 7 November 2022)

- [∞] Member of the Education & Welfare Committee
- * Member of the Finance & Foundation Committee
- † Member of the Estates & Premises Committee
- [∞] Member of the Governance & Risk Management Committee

Headmaster - Senior

Mr Shaun A Fenton MA Med OBE

Headmaster – Reigate St Mary's

Mr Marcus B Culverwell MA

Headteacher – Chinthurst School

Miss Cathy Trundle BA QTS

Bursar & Company Secretary

Mr Stephen P Douty BA FCMA

Address and Registered Office

Reigate Grammar School
Reigate Road
Reigate
Surrey
RH2 0QS

Bankers	Barclays Bank Plc Level 12, 1 Churchill Place London E14 5HP
Auditors	Haysmacintyre LLP Statutory Auditors 10 Queen Street Place London EC4R 1AG
Solicitors	Goodyear Blackie Herrington LLP Oak House Tanshire Park Shackleford Road Elstead Surrey GU8 6LB Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH

Structure, Governance & Management

Governing Document

The School is governed by its Articles of Association last amended on 8 September 2015.

Governing Body

The Governors aim to achieve a wide spread of knowledge and experience amongst its Board members in order to fulfil its statutory obligations and determine the aims and overall conduct of the School. When vacancies on the Board arise, nominations are received and decisions on whom to select for appointment are made at a general meeting of the Board. This procedure is reviewed by the Governance & Risk Management Committee of the Board, prior to decisions being taken at full Board meetings. It is the Governors' policy that all Governors will be appointed to serve on at least one Committee of the Governing Board. All Governors serve for an initial 3-year term after which they become eligible for re-election for up to two further 3-year terms. All Governors retire automatically at the end of their third 3-year term, with limited exceptions.

Governor Training

New Governors are inducted into the operations of the School, and of the Group as a registered charity, including Board Policies and Procedures, via an initial information pack provided by the Bursar, as well as by attendance at Board Meetings and during term-time, at Governors' Days and Parent / Teacher meetings. Workshops for all Governors are held on an annual basis, usually on a day that coincides with a full Board of Governors Meeting. They are also encouraged to attend external courses run by AGBIS and other relevant professional organisations.

Organisational Management

The Governors meet as a Board at least three times a year to determine the general policy of the School, as well as reviewing its overall management and control, for which they are legally responsible. Implementation of the Board's policies are carried out by several committees of which the principal ones are the Education & Welfare Committee, the Finance & Foundation Committee, the Estates & Premises Committee and the Governance & Risk Management Committee, all of which meet at least once a term. These Committees are currently chaired by Luke Herbert (Education & Welfare), Colin Cobain (Finance & Foundation), Brian Day (Estates & Premises) and Maxine Hulme (Governance & Risk Management).

The day-to-day running of the three schools (Reigate Grammar School, Reigate St Mary's Preparatory & Choir School and Chinthurst School) is undertaken by the Headteachers of each school and the Bursar. These four individuals are the key management personnel. The Board sets remuneration, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success.

Objects, Aims, Objectives & Principal Activities

Our object remains the education of boys and girls at our schools in or near Reigate.

Aims and Intended Impact

Within the main object, the aims of the School are:

- To continue the traditions of the School in providing an excellent all-round education to talented students aged between two and eighteen from a wide range of social backgrounds.
- To stimulate intellectual curiosity in all areas of learning and to enable students to fulfil their academic potential.
- To provide a disciplined and caring environment that will encourage boys and girls to develop into morally and socially responsible young people.
- To provide all students with the essential skills and experiences that will equip them for the world outside School.
- To ensure that the development of these intellectual, physical, creative and social abilities is conducted in a happy and mutually respectful environment.

Ethos

The School is a charity that seeks to provide the best possible education to our students and thereby to provide public benefit. Our fees are set at a level to ensure the financial viability of the School and at a level that is consistent with the above aims.

Our School is committed to safeguarding and promoting the welfare of our students and we expect all staff and volunteers to share this commitment. The School's child protection policies may be accessed in full on our websites.

Admission to the School

The School welcomes students from all backgrounds. To admit a prospective student, we must feel reasonably sure that we will be able to educate and develop the prospective student to the best of his or her potential and in line with the general standards achieved by the student's peers. Entrance interviews and, where appropriate, academic assessments are undertaken to satisfy parents and ourselves that potential students can cope with the pace of learning and will benefit from the education we provide.

Prospective students are judged solely by the above criteria, which are published in more detail on the School's websites. The School is open to all students who meet these criteria regardless of economic status, gender, ethnicity, race, religion or disability.

Our School prides itself on being an inclusive institution that embraces equal opportunities for all. We are committed to providing an environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, gender, sexual orientation or disability. We make reasonable adjustments to meet the needs of staff or students who are or become disabled.

Grant-making policy

This academic year the net cost of scholarships, bursaries, sibling and staff discounts made to the School's students was £3,713,947 (2021: £4,017,325), which is 11.8% of gross income (2021: 14.1%). Details of the value of awards are also set out in Note 1 to the accounts.

a) Bursaries

The Governors are determined to ensure that they provide education to students from a wide range of backgrounds. To achieve this aim, funds are provided each year to help families who cannot afford the full fees. This provides assistance to those who meet our general entry requirements and awards are made solely on the basis of parental means. All bursaries are means-tested, including Harrison scholarships, Gershon scholarships and 1675 scholarships. Funds for the Harrison, the Gershon and 1675 scholarships are all obtained from external philanthropic donations.

In assessing parents' means, we take a number of factors into consideration including family income, investments and savings, and family circumstances, for example, dependant relatives and the number of siblings. The provision of funds from external sources as a contribution towards funding our awards helps the School in its objective of ensuring a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

The value of a Bursary ranges from 10% to 100% remission of fees. In cases of extreme hardship, we sometimes also offer help with extras such as school transport, lunches and uniform. Information about our Bursary scheme is included in the prospectus and on the School's websites. We also advertise our awards regularly in the local press and via a leaflet, which is distributed widely in the local area.

Harrison Scholarships (Reigate Grammar School only)

The School is delighted to be able to work with a local charity, The Peter Harrison Foundation, which for many years has provided a level of additional financial assistance to students of the School over and above that provided directly by the School itself. Families who live in the borough of Reigate and Banstead who are applying for a place at Reigate Grammar School and who already qualify for a Bursary may also receive fee assistance from the Peter Harrison Foundation (Charity No. 1076579). Approximately four students each year receive such assistance and are known as Harrison Scholars. Further details of the scheme can be found at www.peterharrisonfoundation.org.

1675 Scholarships (Reigate Grammar School only)

From donations provided largely by alumni and others with an interest in the School's wellbeing, the 1675 Bursary Fund supports the provision of 1675 Scholarships. During the academic year, five new 1675 Scholarships were awarded (2021: eight), bringing the total number of 1675 Scholars currently in school to 39 (2021: 42), including one Gershon scholar. Details of the 1675 Bursary Fund can be found in Note 16 on pages 40 to 43, and the role of the RGS Foundation is described on page 16.

Temporary Bursaries

These provide short-term assistance only and are offered to relieve hardship where a student's education and future prospects would otherwise be at risk, for example, in the case of the redundancy of a parent.

b) Scholarship policy (Reigate Grammar School only)

The purpose of our scholarship awards is to recognise either high academic potential, or the ability to excel in Sport, Music or the ability to excel in our extra-curricular activities. Scholarships are awarded with a remission of up to 30% of fees per annum, but where further assistance is required, awards may be supplemented by a means-tested Bursary. We advertise the availability of scholarships regularly in the local press and directly to local schools. Further details of our scholarships are available on our website.

c) Choral Scholarships

During the year ended 31 August 2022 the Godfrey Searle Choir, a semi-professional choir of boys and girls, which draws its boys and girls exclusively from the School, provided scholarships with a fixed remission of fees ranging between £1,000 and £2,800 per annum in return for singing at services in St. Mary's Parish Church and elsewhere. Children normally enter the choir at the age of eight whilst at Reigate St. Mary's, but can continue through to the Grammar School until the age of 13. The choir makes a major contribution to the musical life of the School.

d) Sibling discounts

To underline the value we place on continuity for families, we offer sibling discounts where parents have more than one child at the School: a 5% discount is allowed in respect of the second child, and a 10% discount for the third and any subsequent children.

e) Staff discount

In order to enable us to attract and retain the very best quality staff, we offer a discount scheme for members of staff who educate their children at our School (subject to the normal entry requirements).

Objectives for the Year

The principal objective for the year has been maintaining and improving the educational provision across the School. This includes not only the academic standards as measured by public examinations, but also the extra-curricular life of the School. From March 2020 onwards, the key priority has been to continue to provide a high-quality education to students throughout the Covid-19 pandemic, including during the national lockdowns and when pupils are self-isolating. This has included using a variety of online tools from online lessons on Teams to applications such as Firefly, Seesaw and Tapestry to facilitate learning and promote mental wellbeing to children of all ages in the school. This was a

particular priority during the earlier part of the 2021/2022 academic year before Covid-19 restrictions were eased in the latter part of the year.

Other objectives have included:

- The maintenance of student numbers at Reigate Grammar School above 1,000, Reigate St Mary's above 370 and Chinthurst School above 250;
- The provision of continuing support of our students already in receipt of fee assistance through Bursaries;
- To continue to develop and extend the School estate; and
- To retain and develop our teaching and support staff.

In setting our objectives and planning our activities our Governors continued to give careful consideration to the Charity Commission's general guidance on public benefit.

Strategies to achieve the year's objectives

Each year, the Governors agree the School Development Plan for the schools. These plans outline actions and targets for each of the strategic priority medium term development goals. Governors review progress for each of the medium-term development goals, which have a strategic priority at the appropriate committee meetings and at each full Board meeting. The impact of the Covid-19 pandemic on the school's immediate strategy on education, finances, health and safety and staffing has been covered by the various Committees and in full Board meetings.

The continuing improvement of academic standards at Reigate Grammar School is achieved by further use of value-added data to track the progress of students against national standards, supported by an extensive performance management system to deliver high quality professional development to all teaching staff. The school also remains committed to its sporting and cultural programme and has ensured that students continue to receive the broadest possible range of opportunities.

At Reigate St. Mary's the system of staff performance reviews has continued to ensure both consistency and delivery of quality throughout the school. Heads of Department are required to draw up action plans for their areas of responsibility to meet the objectives of the School Development Plan. The enhancements previously made to the admissions process to ensure better targeting and follow up of all potentially interested parents have again proved to be very effective with student numbers remaining close to full capacity on 31 August 2022.

At Chinthurst School additional market research has been performed to ensure that the school focuses its resources in the right areas and also puts in place measures to strengthen the marketing and PR of the School, in order to continue to expand its pupil numbers, Chinthurst has recruited additional teachers and teaching support staff to ensure it retains quality teaching provision for its pupils.

Principal activities of the year

As stated above, the Charity's main object is the provision of day school education, in or near Reigate, to both boys and girls. Students up to the end of Year 6 (age 11) are educated at Reigate St. Mary's or at Chinthurst School and those in Years 7 to 13 at Reigate Grammar School.

The objectives listed above had all been met by the end of the year. Student numbers in Reigate Grammar School reached 1,082, with Reigate St Mary's and Chinthurst ending the year with pupil numbers of 388 and 277 respectively. Future applications to all three schools remain healthy. At RGS there are 1,087 pupils in the 2022/23 academic year, with RSM maintaining pupil numbers at 402 and Chinthurst increasing their pupil numbers to 282 by the Spring Term 2023.

The Governors' policy is to set tuition fees at a level that covers both ongoing operational costs and the need to reinvest, as appropriate, in new facilities. The termly fees for the 2021/2022 academic year were £6,875 for Years 9 and above and £6,775 for years 7 and 8 per term at Reigate Grammar School, and a maximum of £5,420 per term at Reigate St. Mary's and at Chinthurst. Termly fees for the current academic year 2022/23 have been set at £7,195 for Years 9 and above and £7,050 for years 7 and 8 and a maximum of £5,670 for both Reigate St. Mary's and Chinthurst, an increase of between 4.05% and 4.65% over those for 2021/22.

Public benefit

The School demonstrates its public benefit in the following ways:

High quality education.

The School provides a public benefit through the provision of high-quality education. In 2021/22, over 90% of Year 6 students at RSM were awarded places at RGS, whilst 25 Chinthurst pupils accepted places at RGS (which is 75% of pupils), amongst other independent secondary schools. At RGS, 97% of all grades were A* to B, with 79% of grades being either A or A*. We are proud to note that we have a 100 per cent pass rate for the 20th year running. Large numbers of students study these subjects, and many go on to study them at university. At GCSE over 53% of grades awarded were grade 9 with 79% of grades 8 or 9 while 93% of grades were 7 or better.

Bursaries.

The Governors' aim is to enable all students who fulfil our admission criteria to be able to attend RGS. To facilitate this, RGS provides means-tested Bursaries, and Temporary Bursaries, which can be up to 100% of full fees. In the year ending August 2022, we were able to provide bursary funding worth £2,362,045 (2021: £2,288,721). A proportion of these bursaries are funded by the School's 1675 Bursary Fund which contributed £1,000,000 (2021: £700,000), an external charity, the Peter Harrison Foundation (Charity No. 1076579), which provided £120,307 (2021: £122,015) of funding for a number of additional places at RGS, as well as a Bursary Fund established by Sir Peter Gershon to support individuals who excel in STEM subjects. After the contribution of the RGS Trust to bursary funding of £3,000 in the year (2021: £3,000), the net cost of bursaries to the School was £1,238,738 (2021: £1,463,706). In cases of extreme hardship, the school also subsidises other expenses such as uniform, school meals, transport and school trips.

Partnerships and use of facilities.

Throughout last year there were several Outreach ventures by the Reigate Community. At RGS, in the Autumn Term we ran two Master Classes for our local primary schools. The English Master Class was hosted by our teachers and sixth form pupils. Classics was run by the Classics department with the help of its A Level pupils. Both were wonderfully received and enjoyed by our local community.

In September we saw our 'Electives' programme running for the second year for the Third and Fourth form. Students have had the opportunity to go to help younger pupils with their reading at our local state primaries of St John's, Reigate Parish and St Joseph's. Pupils also made a weekly visit to Beaumont and Eversfield Care Homes where they played cards and scrabble with the elderly residents and performed music for them. Pupils also took part in the Elective to Stripey stork, a charity for vulnerable local families, where they helped with sorting items in their warehouse and with raising awareness, and Loveworks, our local Foodbank. We also have some of our pupils collaborating with The Orpheus Centre, a school for 16+ children with special needs, to put on a joint music and drama production at Easter.

Throughout the year we have also reached out to our RGS community to help with donating stationery, toiletries, and coats to the charity 'Stripey Stork' for children of vulnerable families. We have carried on our Partnership with local charity 'Loveworks', and pupils of the third form have been visiting the warehouse weekly, and raising awareness on the streets of Reigate. December saw the annual collection of food from all pupils for Loveworks, to help create hampers for the homeless and those on low incomes for Christmas. Throughout the year RGS has also hosted termly foodbank donation drops where parents and the local community can drive through the playground and donate food items.

In October one of our own pupils sold Krispy Kreme donuts to help raise money for Woodfield Special Needs school and we also did a non-uniform day to raise money for the same cause. In November we held a non-uniform day to raise money for Children in Need. At Christmas we had a non-uniform day to raise money for George and the Giant Pledge, and we also sold school calendars to raise money for Loveworks, Stripey Stork and George and the Giant Pledge.

Recently we partnered with our local branch of The Samaritans to coordinate a mobile phone drop, whereby they can use old phones to help to raise money and awareness for The Samaritans.

First and Second Form students baked cakes for the MacMillan Big Coffee Morning; at Christmas time all the pupils of the First Form wrote Xmas cards to the residents of the Live at Home Scheme. 1st Formers also took part in a giant Zumbathon to raise money and awareness for Leprosy. Some of our pupils have also helped with the Reigate Parish Primary school sports day, giving up their time to help coach and umpire. Our Music department has also seen

some of its members of staff visiting the Lime Tree School and St John's this year to give music lessons to their pupils.

House Charities have also continued to raise awareness and money for local charities, with Cranston making George and the Giant Pledge their House Charity. Throughout the year we have lent our minibuses to many local schools and charities. Our head of Careers also regularly volunteers to go into state secondary school to give careers advice and mock interviews.

At RSM the Sports Hall is used widely by local community sports groups for cricket, badminton, five-a-side football and by local youth groups for both the Baptist and Anglican churches, including Sunday morning church activities.

At Chinthurst, the Sports Hall is used by external clubs and the local resident association, and swimming lessons are provided to local children in the school's on-site swimming pool, including children from a local state school.

The Arts.

The School provides a public benefit by promoting music, drama and art. Concerts and plays are held regularly, often outside the School and open to the public. Local primary and preparatory schools are often invited to performances at no cost, both for school productions and for performances given by outside groups. The Godfrey Searle Choir, a semi-professional choir of boys and girls, with some adult choristers, sings services regularly at churches in the local area as well as further afield, and RSM is a member of the Choir Schools' Association. The RGS Activities Week, which runs for a week at the end of each summer term, holds performances, exhibitions and workshops, which are open to the public. RSM has developed relationships with local care homes providing fund raising. RSM pupils also provide Harvest donations to local charity, Loveworks, and the Choirs sing for the elderly. They contribute to the Reigate Christmas Fair and produce art for residential care homes. At Chinthurst pupils raise funds for different charities, such as the local food bank and the Red Nose Day appeal. Chinthurst has a strong relationship with the local church, regularly raising funds to support them.

Sports.

The School provides a public benefit by providing coaching in amateur sports including rugby, football, hockey, netball, cricket, athletics, tennis, badminton, squash, golf and swimming. Students are encouraged to develop to the best of their ability and many have gone on to county and international honours. Students frequently play for local clubs, especially the Old Reigatians Rugby and Hockey clubs, and Reigate Priory Hockey and Cricket clubs.

Outdoor Activities.

The School promotes a healthy lifestyle amongst its students, including taking part in outdoor activities. All students over the age of 14 are encouraged to join either the Duke of Edinburgh Award Scheme or the Combined Cadet Force, both of which teach leadership skills, self-reliance, teamwork, and community understanding. The Combined Cadet Force also contributes to the promotion of the efficiency of the Armed Forces.

Strategic Report

Review of Activities 2021-2022 - Reigate Grammar School

Examination Results

Reigate Grammar School's A Level results with 97% of all grades being A* to B, 79% of grades being either A or A* and a 100 per cent pass rate for the 20th year running demonstrates the continued success of the school. At GCSE over 53% of grades awarded were grade 9 with 79% of grades 8 or 9 while 93% of grades were 7 or better.

For the seventh year running, all Reigate Grammar School students applying to medical, dental and veterinary schools gained an offer and secured their place. This is testament to the students' hard work, the dedication of their teachers and the effectiveness of the school's programme which prepares students for medical school application.

Careers and UCAS

The Careers department held careers talks every two weeks providing up-to-date information for students on a wide range of career options. Working online brought wide-ranging talks and we now have a large bank of recorded presentations on our Careers Presentations Microsoft Team. As we came out of Covid we ran a mixed programme of online and face-to-face events; there was a bespoke evening on Health Careers; one on Green and Environmental Careers; and one on Law. The Higher Education Information evening with Mike Nicholson (Director of Undergraduate

Admissions and Outreach at the University of Bath) took place online including breakout sessions on Oxbridge admissions and degree apprenticeships. We also held a hugely successful Higher Education Convention online, in which we heard from 30 students direct from their universities. Students also enjoyed a face-to-face Q&A with former RGS university students about their university courses; students were helped to prepare for university interviews at the interview evening and MMI evenings; Fifth and Lower Sixth Form students took part in a careers profiling and interview exercise; and students and parents were invited to attend a CV and interview preparation evening. Every year group had a careers lesson during Careers week, and Fourth Form students all undertook a 5-week careers course. Lower Sixth Form students had a UCAS/alternatives preparation course, two UCAS days and trips to University of Oxford and Bath University. A weekly newsletter included feedback from students on their university courses and ideas for online courses, work experiences and reading that students could undertake at home. In addition, the Careers department offered feedback on student CVs.

Combined Cadet Force (CCF)

Numbers continue to grow in the CCF reaching a high of 70 cadets on our books. This year we are delighted to have started a partnership with Reigate School welcoming ten of their students on a weekly basis. This was particularly important for us to be able to share this unique opportunity with a local state school. Parallel to the partnership, we have for the first time in recent history open the DofE bronze award to cadets. This is a step towards increasing numbers and widening the outdoors education provision in the school.

Again, this year some outstanding individual achievements with, for the second year in a row, a senior cadet being appointed Lord Lieutenant Cadet, allowing her to attend prestigious events and meet with members of the Royal Family.

The Corps of Drums is thriving with record numbers and a growing repertoire. Highlights of this year have been our visit to a local care home, playing for the residents and more recently a trip to the Royal Hospital Chelsea for a performance in front of the pensioners.

Our trip to Canada was a frank success with overwhelming positive feedback received from parents and students. We look forward to more trips and opportunities in the months and year to come.

Drama

Drama performed a full programme of shows for the first time since 2019 this year, including a full-scale production of the classic musical *Oliver!* in the Concert Hall in December. Over 100 students took part onstage and backstage, and the show was brilliantly received by sold out audiences throughout its run, including a full matinee of students from local prep and primary school children. The autumn term saw full attendances at the Junior Monologue Slam, where students performed for a panel of invited judges, and the launch of the Masterclass programme, where visiting theatre professionals came in to share their skills across a range of disciplines. Theatre trips for various year groups saw *The Woman In Black*, *The Ocean At the End of the Lane*, *Oleanna*, *A Number*, & *Juliet*, *Harry Potter and the Cursed Child*, *Camp Seigfried* (starring Reigatian Lauren Koster). In the spring term, the Concert Hall was transformed into a forest floor for *Monstrous Stories*, a new adaptation based on the best-selling novel *A Monster Calls*. In the summer term, alongside a Shakespeare Slam and a Choreography Slam, eight Second and Third Form students toured to local primary schools to perform an educational puppet show about friendship and loneliness. The Concert Hall was again transformed, this time to fairy-tale Bavaria, for the junior production *Hansel + Gretel*. The show featured a live student band, as well as over fifty students from the Second and Third Form.

Exam Drama continued to stretch and harness the political and social brains of the students, with GCSE devised performances exploring topics including loneliness, poverty, mental health, the justice system and missing children. GCSE scripted exams ranged from Harold Pinter to Caryl Churchill, and were excellently received by the exam board, who were effusive in their praise for the depth and quality of the work. A Level work included a reworking of the musical *Dear Evan Hansen* to look at the treatment of Nazanin Zaghari-Ratcliffe, a verbatim exploration of women's safety at night, using extracts from the musical *London Road*, devised pieces looking at the threat to democracy of populist leaders, and scripted performances from Jean Paul Satre's *Huis Clos*.

Duke of Edinburgh Award (DofE)

RGS has had another successful year with 220 students completing their Bronze, Silver and Gold Awards and is ever popular with another 285 students taking on one of these challenges in 2021-2022. Many of our Gold students were invited to the Buckingham Palace Gardens to collect their Gold certificates. DofE expeditions continue to be a highlight

with students, pushing themselves to demonstrate their resilience and determination. This year Bronze students completed expeditions on local terrain, exploring new footpaths and campsites and learning to hone their newly acquired skills, many camping for the first time. Silver award students were challenged with the North and South Downs for their practice and qualifying hikes, hiking over 130km in total. The Gold students explored the Brecon Beacons and Mid-Wales. The qualifying hike was a particular challenge with temperatures around 30°C at times but all succeeded in these testing times. In addition to the expeditions, our DofE students have completed thousands of hours of volunteering as part of the Award, helping local charities, environment, and the community. DofE also provides students with the opportunity to dedicate time towards improving a skill and sport, or simply trying something new. RGS consistently appears as one of the most successful DofE school units in the country.

House System

The House system at RGS is embedded not just in a competitive sense, but in continuing to grow a sense of community from the oldest to the youngest students. This is evident in the enthusiastic support at all events and participation in weekly House assemblies. Whilst these took place virtually up to the end of the spring term 2022 to maintain Covid-safe guidelines, the sense of community spirit remains a central strength to the RGS provision. House Singing (with both unison and harmony performances from each House) set the tone for the year to come as a harmonious delight filled the playground. Other House activities such as House Chess, Gun Run, Bake Off, Junior and Senior Debating and the Junior Quiz were as hotly contested as ever. The House Sports Cup was contested with the usual gamut of sports, including well-supported Sixth Form Football, House Golf and Swimming whilst events continued to be held throughout the year in support of the joint House Charities. With the need to maintain social distancing the student House leaders found an incredible number of ways to keep that House spirit going, especially when working virtually. From trick shots to baking competitions, House activities centred on fun, community and participation to keep students, and staff, in no doubt as to how integral the House system continues to be in these times.

Model United Nations

The Model United Nations Society at RGS has proven one of the most popular and diverse clubs in the school, particularly among sixth form students who are interested in pursuing studies in politics, law or medicine. We are currently attracting large turnouts for both our senior and junior clubs which meet weekly to discuss and debate topical issues which affect us globally. We returned to a full live programme of conferences, including our own ReiMUN (celebrating its 25 conference in October 2021) and Junior ReiMUN Conferences at which we hosted a range of schools, both independent and state, in a full programme of activities and debates. We were excited to receive a high level of interest from the surrounding area. These conferences offer students an opportunity to initiate, manage and oversee a six-month long project, unlike virtually any other club or society. We were delighted to return to the conference circuit and attended conferences at Royal Russell School, Lingfield College in and Haberdashers' Boys' School. The students had a globally positive response to these lively conferences, many having taken part for the first time. We were delighted to receive a range of awards at all three and look forward to another successful MUN year!

Music

The Music department returned for the new academic year excited to get back to a full programme of concert performances from informal concerts and Showcase concerts for soloists and small ensembles to the ever-popular bands, orchestras and choirs which feature in the major concerts of the year. Live musical performances continued to be an integral part of all school events with open morning, assemblies, services and evening events invariably prominently featuring RGS musicians.

In September 2021, the RGS Music Partnership Project launched, built on the premise of enhancing and developing the provision of music education in our community. Central to our community music-making was RGS Saturday Music College, creating musical opportunity for students aged 6 to 18 from a variety of education settings. Events included an improvisation workshop with professional jazz musicians, an interactive family concert with a professional wind quintet, and the RGS Godfrey Searle Chorister Project, inviting young singers to prepare for a joint evensong service with the RGS Godfrey Searle Choir. In addition, Music department staff visited local primary schools on a weekly basis, working with class teachers to deliver an engaging and inspiring music education programme. We have been bowled over by the enthusiasm for these collaborations and look forward to seeing where they might take us in the future.

A sell-out performance of *Oliver!* took place in December 2021, demonstrating the enviable talent of a huge number of on-stage singers as well as a 20-piece stage band.

Singers in the numerous school choirs had the opportunity to perform extensively, both locally and nationally. In January 2022, Godfrey Searle Choir and Polyphony had the privilege of an afternoon workshop with Ralph Allwood at Queens College, Cambridge, followed by a joint Evensong with the college choir. All one hundred and twenty members of the

First Form sang as a massed chorus in Dorking Halls as part of the major choral and orchestral concert of the autumn term featuring all our large ensembles. RGS musicians returned to Cadogan Hall in March with a stonking programme from all large ensembles. This concert also celebrated the Music Partnership Project in a collaborative performance with 120 primary school students accompanied by students from RGS and RGS Saturday Music College. In June, we hosted the second Hartsfest: our outdoor summer festival of music featuring all ensembles, student bands, RGS Corps of Drums and even some audience participation!

Jazz and pop concerts included a sell-out Cabaret Night, the ever-popular Plugged and Unplugged evenings plus our inaugural Jazz After Dark at Kingswood Golf Club – a fantastic evening celebrating our Swing Bands, newly-formed Jazz Choir and soloists accompanied by a professional jazz trio.

Instrumentalists also performed in St Mary's and St Matthew's Churches as well as in showcases for piano, brass, wind and strings. We hosted the first Instrumental & Vocal Evenings featuring simultaneous multi-venue solo and ensemble performances from over a hundred students of all levels of ability and ages. A record number of RGS students participated in the Reigate & Redhill Festival of Music, winning several trophies including the Overall Winner's Prize – awarded to the best of over 700 entries.

Academic music continued to thrive with excellent GCSE and A Level results.

Sport

Sport continues to evolve at RGS with increasing emphasis on our vision to develop great people through sport. The stories from sport this year have been increasingly rooted in a values-based and behaviours-driven approach, where sport is about being part of something bigger than yourself. We balance sport around the two pillars of engagement and performance and presented this to parents and pupils. Since 2021 we have introduced the High-Performance Hub (HPH), a fully inclusive programme which provides access to experiences and performance habits that are designed to support and challenge in equal measure. We want to nurture risk-taking, determination, authenticity, selflessness and adaptability in all students as we believe this is how we will enable students to flourish. HPH Talks and workshops have focused on nutrition, sleep habits, psychological skills and student workload awareness. This focus on holistic development and developing great people through sport has underpinned the approach throughout.

For our senior male and female cricket scholars and our high-performance indoor hockey squads, there have been weekly (or more) sessions throughout the off season to enable them to prepare for the upcoming competitive phases of their respective programmes. These have been well attended and allowed our coaches to provide an individualised and bespoke programme of development. In a similar vein, the Athletic Development Programme has enabled students to access sessions before, during and after school. It has been great to see so many First and Second Form students in particular attending these, laying the foundations for great movement and engagement in sport as they move through the school.

PE and Games lessons have been redesigned to focus on different goals: The Physical Education programme now uses a modular approach including: Healthy Lifestyles, Creative and Athletic Development, Aquatics, Invasion Games, Net Games and Striking & Fielding Activities. Games is more focused on developing teams and preparing pupils for competition. After-school clubs and activities programme continue from where the games programme stops, we now offer over 60 weekly sports clubs where students can further develop their passion in sport and physical activities.

Our top teams continue to excel with the 1st teams in netball, cricket, rugby and hockey all progressing through the early round of the respective National competitions. Continuing a long-standing trend we have double figures of pupils representing the county or in equivalent Academy development programmes in netball, rugby and hockey. In cricket three of the nine players selected for the South-East Stars Elite pathway programme were from RGS. Our senior girls swim team retained the Surrey Championship trophy for the third consecutive year after stand-out performances at the Guildford Spectrum and we had individual winners in the County 50m and 100m competitions. 29 biathletes qualified for the National competition. There are now 150 pupils attending football practices on a weekly basis with a full two term fixture programme in place. Our golfers won the Smarden Bell Trophy and won the British Championship Pairs competition. There are now 35 competitive sports across nine distinct categories of sport with the latest introduction of Judo into the curriculum and co-curricular programme proving to be highly popular. Our cricketers now have identical winter nets programmes for both boys and girls.

Academic PE continues to thrive with outstanding results. 45 pupils sat a PE GCSE with 64% achieving a grade 9 compared to the school average of 51%. Our six A Level students achieved three A* and three A grades. All BTEC Sport students gained triple distinctions and thus accessed Russell Group universities or Big Four Accounting Apprenticeships.

Review of Activities 2021-2022 - Reigate St Mary's Preparatory and Choir School

During the academic year 2021/2022 school operations started getting back to normal following the Covid pandemic. However, at Christmas increases in cases meant that a variety of high-profile PR events including Christmas concerts had to be cancelled. Despite this the academic year was surprisingly successful with 90% of our Year 6 moving to our selective senior school Reigate Grammar School, three to Dunottar School and one to Manor House including a total of 10 scholarships.

Estates improvements and developments included the building of a new four classroom block for Years 5 and 6 with state-of-the art insulated rooms with air-source heat pumps improving our eco-school credentials.

Residential trips to North Wales resumed for our senior pupils and our Forest School onsite facilities were further improved for the use of children across the age range.

Professional development training for staff included more safeguarding, first aid, differentiation, study skills, BAME, philosophy for children and an inclusivity audit.

Benefits of adaptations for Covid-19 has meant that the school has continued with a number of online training and information meetings for parents as well as continuing with our online learning platforms, Firefly and Tapestry, so that there is greater partnership between the school and parents.

Community outreach which was hindered during Covid lockdown also started to resume with outreach events to the elderly in the local community and fund raising for a number of causes, both local and national. The school also continues to sponsor 5 children in developing countries through the charity Compassion enabling them to have an education, a healthy meal and medical and social care where needed.

Review of Activities 2021-2022 - Chinthurst School

During the 2021/22 academic year, excellent results were again achieved, with 33 Year 6 children all gaining places at the schools of their choice. Out of this cohort 25 accepted offers from RGS (this was 75% of the year group). Two children (6%) accepted offers to Cranmore, two children (6%) accepted offers to Dunottar, two children (6%) accepted offers to Epsom College, one child (3%) to Box Hill and one child (3%) went to Glyn. Offers were received from St Johns, City of Freeman's School and Homefield, 12 RGS Scholarships were awarded (6 academic, 5 sport and 1 music).

In September 2021 the sports department pioneered a new concept of fully mixed sports teaching throughout the school, where following a trial in either football, rugby, hockey or netball, each child was free to choose which sport they played regardless of gender. Our new mixed teams demonstrated strong performances in all four disciplines, with excellent results achieved in fixtures across the board. The success of this scheme resulted in the school being awarded the highly sought-after Independent School of the Year for Sporting Achievement. The music department also saw significant changes with the appointment of a new Head of Music and as such musical opportunities greatly increased during this year. A new Chinthurst mixed instrument ensemble and new Little Voices choir for Years 1 and 2 was introduced to compliment the Years 3 & 4 and Years 5 & 6 choirs. New instruments purchased to increase more practical musicianship in lessons with all year groups. 20 violins for Y3 class teaching, Class set of Samba instruments, 20 Djembe drums, 24 Ukuleles. Three additional peripatetic teachers were employed to teach violin, piano and trumpet. The number of children learning a musical instrument increased to 59% in Years 1 to 6. During the 2021/2022 academic year 51 children were entered in the spring term for their LAMDA exams, with a further 57 children in the summer term.

This year brought further improvements at Chinthurst with the installation of new double-glazed windows throughout Morris House, as well as repairs to the flat roof and general refurbishment of the building. The library was updated and refreshed to create a more child friendly space, incorporating new soft furnishings and a smart new media zone. The swimming pool boilers were replaced with a more energy efficient system and the sports hall also received a minor revamp with the re-plastering and painting of the walls as well as the replacement of lighting in the sports hall changing areas. The sporting facilities were further enhanced with the forging of a business relationship with Tadworth Leisure Centre to improve the facilities offered for football and hockey. The security system at the school was upgraded with a restricted time coded entry to the gate and an InVentry sign-in/out system for guests and staff was installed. The school also received the recognition of an Eco Schools Green Flag for its efforts to continually improve its sustainability and further enhance its eco-credentials.

RGS International

RGS International Ltd (RGSi) was established five years ago as a 100% owned trading subsidiary of Reigate Grammar School with a strategic vision to establish British-style schools around the world under licence to RGS. RGSi aims to deliver an increasing international dimension to the understanding and experiences of our pupils; financial support for

further investment and bursaries; and the opportunity to enhance the educational experiences and outcomes of pupils in countries with less developed education systems. We consider RGS expansion opportunities carefully and only pursue these if we are satisfied that the international schools share our ethos and values and we are able to exert material influence in key areas such as pupil welfare and pastoral matters, teaching and learning philosophy, and curriculum design.

RGS has a schools agreement in China, with our first school in Nanjing being now open at both Kindergarten and primary school level, with plans being underway for other schools. Recent regulatory changes in China means that plans for further schools under this agreement are currently on hold.

During 2021/22 RGS signed two new multi-school partnerships, one in Vietnam (signed in September 2021) and the other in Saudi Arabia. Two schools have been re-branded to become RGS Vietnam and RGS Riyadh, with further schools being discussed in both countries.

RGS continues to work in other territories to diversify its geographical coverage and global reach and we are continuing to explore other potential projects.

Development of the School estate

Across the Reigate Grammar School group, we have undertaken a number of projects this academic year. At Reigate Grammar School this has included the refurbishment of the Cornwallis building, to create a new pupil Reception area and a new Medical Centre. This has enhanced our facilities for students, as the Cornwallis building is now dedicated to student services. We also refurbished a number of rooms in Broadfield House to create additional office space.

At Reigate St Mary's we completed a project to install four additional classrooms, which in turn has allowed other classrooms within the school to become dedicated art, music and science facilities. At Chinthurst we have replaced all of the old single-glazed windows in the Morris Building with new double-glazed windows, which has resulted in classrooms both being warmer and has reduced energy usage.

Plans for the future

During the 2022/23 academic year, the schools continue to largely focus upon repair programmes for the school estates. At RGS we are in the process of seeking planning for a new Sports Hall. Throughout the year we have been developing the conceptual design for a new Sports Centre to establish the best location and outline design in order to formulate our planning application.

We have plans to improve the School estate at each of the three schools this academic year. During the 2022/23 academic year at RGS, we are planning to further improve our outdoor spaces for students, our heating systems and fire and security systems.

At Reigate St Mary's, we are planning two toilet projects within Beech House to increase the number of toilets for the Reception year group and create a new toilet block which will be used by the whole school. At Chinthurst School we are planning a number of minor projects for the summer months.

During the past year, we have continued to learn substantial lessons from the periods of remote learning in the pandemic and to develop our IT. One-to-one devices have been launched at RGS, as we strive to further develop the use of technology in the classroom across the schools. The school will continue to invest in the IT infrastructure to support the delivery of this continued development of IT in the classroom.

All three schools are operating with high pupil numbers and to continue our success as a group of schools. Our target is to maintain exam results at the very high levels of recent years and to continue to help students on to the best next step beyond school. In the future that will continue to be Oxbridge and Russell Group universities alongside assisting pupils with applications for programs such as degree apprenticeships.

Reserves Policy

The Governors adopt a prudent and cautious approach in managing the financial resources of the School. They maintain close control over expenditure and set fee income at a level which will:

- meet all revenue expenditure, as well as the cost of providing some bursaries;
- generate a surplus sufficient to provide an adequate level of interest cover on the School's financing costs;
- provide a level of cash flow that is appropriate for the financing of the School's capital expenditure programme;
- maintain, as far as possible, stability in student numbers; and

- recognise the surplus (or deficit) on the Surrey County Council defined benefit pension scheme, which we have recognised as zero as at 31 August 2022 (2021: a deficit of £3,854,000) and which is classified within the general funds of the group. When in a deficit position, this represents a long-term obligation in respect of some of its employees but it does not represent an immediate call on the Group's resources so there is no resultant limitation on the application of the Group's general fund or of its restricted funds.

The RGS Charity has nine restricted funds totalling £4.5m, as follows (please refer to Note 16 for more details):

- The RGS Foundation was set up to hold monies from fundraising undertaken by the School. All monies received have been credited, on the instructions of the individual donors, either to the 1675 Bursary Fund (which has £4.4m at 31 August 2022), or to a General Fund (which has £89k at 31 August 2022);
- In the prior year, the school was gifted a property in Monks Walk, Reigate, in the legacy of a former teacher, Mr Robin Bligh, which has been valued at £800,000. Now that this has been sold for £971,232, the funds have been moved to the 1675 Bursary Fund.
- There are eight smaller restricted funds, with their associated values as at 31 August 2022, with the most notable being: the 100 Club fund (for providing opportunities for school trips, £12k), the Stanley James Osmond Bequest (for the house system at RSM, £5k) and the Daniel Clarke fund (£3k).
- Chinthurst has one fund, the Illing Prize Fund, which is used towards annual prizes given by the School, which totalled £9k.

The RGS Trust has three restricted funds totalling £2.27m as follows (please refer to Note 16 for more details):

- The Paul Bewshea Fund (to provide financial assistance to students who have shown an interest in aviation or science as a career, £33k);
- The Foundation and Charity Funds (for prizes and awards, £13k); and
- The Godfrey Searle Property Fund (created by the donation of land and buildings by the Godfrey Searle Choir Trust in 2011, £2,222k).

The designated funds relate to a building development fund for the Balance Building and total £282,814 (2021: £282,814).

Unrestricted reserves (general reserves) total £21,691,509 (2021: £19,460,109).

As a consequence of this approach, all of the School's unrestricted reserves have been re-invested to improve the facilities of the School so it has no free reserves as defined by the Charity Commission. The Governors consider that the School's assets are sufficient to meet its obligations.

Financial Results

In these Financial Statements for the year ended 31 August 2022, 'the Charity' represents the results of RGS, RSM and Chinthurst. 'The Group' results include the Charity, Reigate Grammar School International, the RGS Trust and Reigate Grammar School Trading Limited for the twelve months ended 31 August 2022.

During the year the Group achieved net income before other recognised gains and losses of £2,367,693 (2021: £2,789,987). This has been a successful year for the School, with excellent results, increased pupil numbers and a stable staff body. The overall impact is that the net assets of the Group increased from £22,343,409 to £28,762,496 during the year.

Structure, Governance and Management

Governors' duties under Section 172 of the Companies Act 2006

Section 172(1) of the Companies Act 2006 requires that a director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and in doing so have regard to:

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the company.

The Governors of the School have undertaken the following measures to maintain open working relationships and engage with employees at all three schools:

- Governors engage with senior staff from across the three schools in the Board Committees and Board of Governors meetings which occur regularly during each term. There is ongoing liaison between senior staff and governors on a range of matters ranging from educational, estates, financial, Safeguarding, recruitment to health and safety and the wellbeing of staff and pupils. Governors are also in active dialogue with senior staff regarding any issues or concerns as they arise, such as any parental complaints, Safeguarding or pastoral matters. There is also a designated HR Governor who oversees all HR matters;
- The progress of all staff, from performance to wellbeing, is monitored by the Education and Welfare Committee of the Board. Governors meet new staff who join during the year at an informal event held prior to the first Committee meeting of each academic year. All governors are now available to contact on school email accounts, which has increased their accessibility to all staff across the three schools;
- Through the ongoing dialogue with the senior teams of the schools, Governors have been ensuring there has been ongoing information and communication with all staff. For example, this occurs at RGS with weekly staff bulletin and a whole teaching staff weekly meeting; and
- Governors and senior staff encourage a culture of openness and discussion, which helps ensure employees are well briefed on developments impacting their employment.

The Governors ensure that they are up-to-date and engaged with parents, pupils, the school community and suppliers of the school through the following:

- Governors regularly attend school events, from concerts to art exhibitions to parents' evenings to ensure that they are abreast with school matters which impact upon staff, parents and pupils;
- Governors continue to monitor and foster the engagement between the schools and the community, which has been outlined in detail in the 'Public Benefit' section of this report on pages 6 and 7.
- Governors have recently been fully involved in our 'Inclusion and Diversity Review' as we continue to review Equality, Diversity and Inclusion of both pupils and staff within our schools.
- Governors have also input to developing areas of the curriculum, such as Relationship & Sex Education (RSE).
- Governors also review third party reports, such as the Independent Surrey Safeguarding Review (which took place in November 2021) and Health and Safety reviews from the consultants, Assurity.
- Governors have regard to the need to ensure good working relationships with the School's suppliers and suppliers are paid on or before invoices are due. Throughout the pandemic, there have been no changes to the School's payment practices, so relationships with suppliers are being maintained.

Risk Management and Internal Control

The School maintains a Major Risk Register which the Governance & Risk Management Committee reviews annually, prior to this being circulated to the Board of Governors. This was fully revised in Summer 2022. The key risks identified, which are common to most independent schools, are the impact of the present economic climate on the ability of parents and prospective parents to afford fees (particularly if VAT was levied on school fees), changes in the political climate and the challenges which would face the School if there was a major incident. The Governors will continue to monitor the financial, health and safety and other impacts of the pandemic on the schools during the 2022/23 year and beyond.

Every major risk in the register has a number of separate actions which are taken in order to mitigate them as far as is possible. For example, fee increases are kept to a minimum to ensure that they remain affordable for current and prospective parents and budgets are prepared with contingencies for unexpected events. The school updates its Fire Procedures regularly and performs routine risk assessments of all extra-curricular and co-curricular activities.

The Committee monitors the effectiveness of internal and other controls which have been instigated to mitigate these perceived risks. The Committee also reviews any major risks that may arise from time to time, as well as the systems and procedures established to manage them. The Governors are satisfied that all major risks have been mitigated as much as is possible.

Simplified Energy and Carbon Reporting - Annual Submission for the year ended 31 August 2022

The energy use is predominantly from school buildings with a small amount from transport which is mainly minibuses. This report has been prepared in accordance with the Environmental Reporting Guidelines January 2019. Data reported here is based on two applicable sources. Scope 1 - Direct emissions derived from road fuel use for transport and the combustion of gas within stationary plant and equipment. Scope 2 - Indirect emissions are derived from metered electricity supplies to the various buildings which comprise the estate.

UK Energy Use by Scope

SCOPE	TOTAL kWh USED	TOTAL kWh USED
	31 August 2022	31 August 2021
Scope 1 -Transport	78,156	53,445
Scope 1 -Grounds equipment	21,231	39,979
Scope 1 -Temp marquee	25,477	46,193
Scope 1 - Gas	3,319,679	3,866,785
Scope 2 - Electricity	1,396,685	1,241,312
Total kWh Used	4,841,228	5,247,714

UK Emissions by Scope

SCOPE	TOTAL kgCO ₂ e	TOTAL kgCO ₂ e
	31 August 2022	31 August 2021
Scope 1 - Transport	18,609	12,573
Scope 1 -Grounds equipment	5,520	9,469
Scope 1 -Temp marquee	6,624	11,862
Scope 1 - Gas	597,542	708,240
Scope 2 - Electricity	270,091	263,568
Total kgCO₂e	898,386	1,005,712

Emissions Intensity Ratio

It has been decided to use the total full-time population of the schools as the metric for comparison for SECR. This comprises the full headcount of staff of 445 (2021: 396) plus the average pupil numbers across the three schools for the school year 1,747 (2021: 1,715). The total population of the schools for the year 2021/22 was therefore 2,192 (2021: 2,111), resulting in the 2021/2022 EIR being 409.85 (2021: 476.42) kgCO₂e/person.

It should be noted that the school year 2021/2022 was less disrupted by the Covid 19 pandemic and that the school this year was back to more normal operations save for the measures explained above. Despite adherence to the DFE guidelines on enhanced ventilation a further absolute reduction of 110,698 kWh of gas consumption was achieved. Kerosene heating oil continued to be deployed within a temporary marquee to relieve pressure on catering space and to facilitate social distancing during the Covid 19 pandemic, although at a significantly lower level than last year.

Emissions reductions during the year

Reigate Grammar School have an ongoing programme to reduce energy consumption, and hence CO₂ emissions, which has been running for some years now. This year's projects have included:

At RGS:

- Double glazing and a new lobby has been installed to the Cornwallis Building as part of the refurbishment of the same.
- New double glazing has been installed to the upstairs of the Leckhampstead West building.
- All boiler running hours have been reduced by an average of 2 hours per day (in both warm-up and cool down cycles) across the five weekdays.
- The most energy efficient building, the Harrison Centre, has been prioritized for use for parents' evenings and the use of less efficient ones avoided.
- Enhanced energy awareness programme introduced to curb any non-essential uses such as lighting.

At RSM:

- Completion of additional classroom space at Reigate St Marys with energy efficient fabric and provision of heat via dedicated air source heat pumps.
- Completion of installation of new LED security lighting and car parking lighting.
- Addition of a new energy efficient pod to accommodate SEN needs.
- Enhanced energy awareness programme introduced to curb non-essential uses such as lighting.

At Chinthurst:

- All of the old single glazed windows in the Morris Building at Chinthurst have been replaced with thermally efficient uPVC double glazing which will reduce heat losses.
- New gable end and flat roof insulation added to the Morris building in October 2021 to further reduce heat losses.
- Enhanced energy awareness programme introduced to curb any non-essential uses such as lighting.

Scope 3 emissions are beyond the mandated scope of this report as they deal with emissions arising from the activities of suppliers or customers of an organisation which are not directly controlled by the organisation itself. RGS has, however, been instrumental in encouraging its contracted supplier of coach transport for pupils to change their fleet to coaches whose emissions meet Euro 5 or 6 standards, which mandates a higher specification for vehicles of this type. As a major customer, RGS has been proud to encourage and support this change.

Emissions reductions in the year ahead

The following actions are planned to go ahead at the time of writing this report:

- New energy efficient boilers to replace the old models at the Peter Masefield Hall
- There are a number of fairly major medium-term projects which are now under active consideration which once enacted will encompass a range of energy efficiency measures. These may however span more than one year hence are not detailed fully at this stage.
- The preferred use of the more energy efficient buildings such as the Harrison Centre for out of hours activities, parent's evenings etc will continue to reduce non-core consumption.
- Energy efficiency policies for staff and pupils will continue to be further developed in order to increase awareness and create an ethos around the same.
- As with all years, older lighting types are being replaced with modern LED fittings on failure.

Emissions Reductions Ambitions and General Policies.

- All new buildings are built to enhanced standards so heating and ventilation are predominantly natural.
- As boilers are replaced, they are replaced with more efficient ones.
- The school's energy comes from certified renewable energy sources.
- In any new building projects photovoltaic panels for the roofs are actively scoped to produce energy for the school.
- In any new building projects ground or air source heat pumps are actively scoped with a view to installation in preference to traditional heating sources.

Investment Policy and Performance

The school has an Investment Manager, Investec Wealth and Investment Limited (Investec), to manage funds on behalf of the RGS Foundation. A core strategic objective for the RGS Foundation and the 1675 Bursary Fund is to provide at least fifty sustainable places for 1675 Scholars by 2025 and to build an Investment Fund of at least £4m by this date. The RGS Foundation seeks to produce the best long-term financial return within an acceptable level of risk. We assume a 'medium' level of risk. The mandate to Investec as the Investment Manager is discretionary. As at 31 August 2022, the school had transferred £3.69m into this new Investec fund (2021: £2.535m) and an unrealised investment loss of £281,631 (2020: a gain of £425,282) is recognised in the year. The net losses on other investments across the group totalled £2,271 in the year to 31 August 2022 (2021: a gain of £21,558). Considering current market conditions, the Governors are satisfied with the investment performance of both funds.

The RGS Foundation – 1675 Bursary Fund

The Foundation and Alumni Office has the twin purpose of maintaining contact with alumni through various events and reunions and the important task of obtaining donations for the Changing Lives campaign. With clusters of alumni now in contact in North America, Singapore, Hong Kong, the Middle East and Australia, as well as those in this country, these twin objectives have been very successfully achieved, resulting in support being provided during the 2021/2022 academic year for thirty-seven recipients of 1675 scholarship awards, with a value of £1,000,000 (2021: £700,000).

Fundraising standards

The Governors recognise the importance of meeting the highest standards of practice and care in relation to fundraising activities. The school has signed up to the fundraising code of practice and voluntarily registered with the Fundraising Preference Service. The school keeps benefactors informed about fundraising activities through regular newsletters and reports. All fundraising activity is carried out by the school's staff, who all have received training on fundraising standards. No complaints have been received. The school only raises funds from former pupils, parents, staff and those with a personal connection with the school and does not undertake fundraising campaigns to members of the public.

Statement of Governors' Responsibilities

The Governors (who are also directors of Reigate Grammar School for the purposes of Company Law) are responsible for preparing the Annual Report of the Governors, incorporating the Strategic Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the Group and of the incoming resources and application of resources of the Group. 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity and the Group will continue in business.

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

In so far as we are aware:

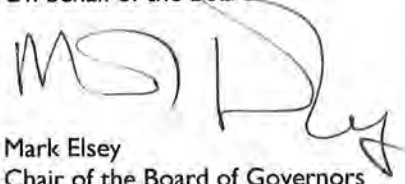
- There is no relevant audit information of which the Charity's auditors are unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The auditors Haysmacintyre LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be submitted to the Governors.

In signing this Report, the Board are also approving the Strategic Report included within these Financial Statements in their capacity as company directors.

On behalf of the Board



Mark Elsey
Chair of the Board of Governors

20 March 2023

Reigate Grammar School
Reigate
Surrey
RH2 0QS

Independent auditors' report to the members of Reigate Grammar School

Opinion

We have audited the financial statements of Reigate Grammar School for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2022 and of the group's net movement in funds, including the 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 Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Governors (which includes the strategic report and the directors' 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 Report of the Governors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors (which incorporates the strategic report and the directors' report).

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

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

Responsibilities of Governors for the financial statements

As explained more fully in the Statement of Governors' Responsibilities set out on page 17, the Governors (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 Governors 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 Governors are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the group or the parent 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 design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group, the parent charitable company and the environment in which it operate, we identified that the principal risks of non-compliance with laws and regulations related to The Education (Independent School Standards) Regulations 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, the Statement of Recommended Practice for Charities (SORP 2019)), and consider other factors such as payroll taxes and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to improper recognition of revenue and management bias in certain accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Inspecting the outcomes of any regulatory inspections;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with significant values; and
- Challenging assumptions and judgements made by management in their critical accounting estimates and challenge of the underlying assumptions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial

statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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



Tracey Young (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 3 April 2023

Consolidated Statement of Financial Activities

(incorporating income and expenditure account)
for the year ended 31 August 2022

		Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	Notes	£	£	£	£
Income from:					
Charitable activities:					
School fees receivable	1	27,761,897	-	27,761,897	24,556,589
Registration fees		75,503	-	75,503	79,426
Trip income		516,392	-	516,392	240,990
Catering income		544,296	-	544,296	485,138
Coach income		331,364	-	331,364	254,266
Other educational income	2	146,908	8,666	155,574	176,642
Furlough income		-	-	-	181,522
Donations and legacies	3	-	1,597,147	1,597,147	1,793,847
Lettings		158,817	-	158,817	104,358
Investments		5,527	22,718	28,245	30,717
Trading income		288,536	-	288,536	309,623
Total Income		29,829,240	1,628,531	31,457,771	28,213,118
Expenditure on:					
Raising funds:					
Fundraising & Development		431,363	113	431,476	397,453
Charitable activities:					
Education		27,642,901	1,015,701	28,658,602	25,025,678
Total Expenditure	4	28,074,264	1,015,814	29,090,078	25,423,131
Net Income from operations before transfers and investment gains		1,754,976	612,717	2,367,693	2,789,987
Unrealised investment (losses)/ gains	8	(4,872)	(279,030)	(283,902)	446,840
Gain on disposal of tangible fixed assets		1,296	-	1,296	950
Net Income		1,751,400	333,687	2,085,087	3,237,777
Pension scheme actuarial gain/(losses)	19	4,334,000	-	4,334,000	347,000
Net Movement in Funds for the year		6,085,400	333,687	6,419,087	3,584,777
Balance brought forward at 1 September 2021		15,889,917	6,453,492	22,343,409	18,758,632
Balance carried forward at 31 August 2022		21,975,317	6,787,179	28,762,496	£22,343,409

There were no recognised gains and losses other than those shown in the above Statement of Financial Activities. The accompanying notes form an integral part of this Statement of Financial Activities. Detailed comparative figures are shown in note 23.

Balance Sheets as at 31 August 2022

Registered Company number: 03954365

		Group		Charity	
		2022	2021	2022	2021
	Notes	£	£	£	£
Fixed Assets					
Tangible	7	38,246,161	38,004,707	36,653,876	36,400,956
Investments	8	4,174,100	3,302,571	4,171,813	3,300,199
		<u>42,420,261</u>	<u>41,307,278</u>	<u>40,825,689</u>	<u>39,701,155</u>
Current Assets					
Debtors due within one year	9	546,464	1,179,855	945,978	1,457,114
Cash at bank and in hand		2,113,896	1,304,943	1,901,426	1,089,114
		<u>2,660,360</u>	<u>2,484,798</u>	<u>2,847,404</u>	<u>2,546,228</u>
Creditors: due within one year	10	(6,843,549)	(6,900,814)	(7,636,667)	(7,693,581)
Net Current Liabilities		<u>(4,183,189)</u>	<u>(4,416,016)</u>	<u>(4,789,263)</u>	<u>(5,147,353)</u>
Total Assets less Current Liabilities		<u>38,237,072</u>	<u>36,891,262</u>	<u>36,036,426</u>	<u>34,553,802</u>
Creditors: due after more than one year	11	(9,474,576)	(10,693,853)	(9,474,576)	(10,693,853)
Net Assets excluding Pension Scheme Liability		<u>28,762,496</u>	<u>26,197,409</u>	<u>26,561,850</u>	<u>23,859,949</u>
Pension Scheme Asset/(Liability)	19	-	(3,854,000)	-	(3,854,000)
Net Assets		<u>£28,762,496</u>	<u>£22,343,409</u>	<u>£26,561,850</u>	<u>£20,005,949</u>
Represented by:					
Unrestricted Funds:					
Designated Funds	15	283,808	283,808	283,808	283,808
General Reserve	15	21,691,509	19,460,109	21,759,261	19,384,113
Pension Scheme Reserve	15	-	(3,854,000)	-	(3,854,000)
Restricted Funds	16	6,787,179	6,453,492	4,518,781	4,192,028
		<u>£28,762,496</u>	<u>£22,343,409</u>	<u>£26,561,850</u>	<u>£20,005,949</u>

The Parent charitable company's net movement in funds for the year was a surplus of £8,493,901 (2021: a surplus of £3,512,750).

The financial statements were approved and authorised for issue by the Board and signed below on its behalf on 20 March 2023 by:

Mark Elsey )
GOVERNORS
Colin Cobain )

The accompanying notes are an integral part of this balance sheet.

Consolidated Cash Flow Statement for the year ended 31 August 2022

	2022		2021	
	£	£	£	£
Net cash outflow from operations (note (i))				
Net cash provided by operating activities		6,325,357		5,393,835
Cash flows from investing activities:				
Payments for tangible fixed assets	(1,829,426)		(1,409,415)	
Proceeds from disposal of fixed assets	1,296		950	
Payments to acquire investments	(1,155,432)		(685,000)	
Investment income and bank interest received	28,245		30,717	
Net cash used in investing activities		(2,955,317)		(2,062,748)
Cash flows from financing activities:				
Finance costs paid	(412,030)		(414,830)	
Repayment of bank loan	(2,149,057)		(3,149,057)	
Net cash used in financing activities		(2,561,087)		(3,563,887)
Increase/ (decrease) in cash in the year		808,953		(232,800)
Opening cash and cash equivalents		1,304,943		1,537,743
Closing cash and cash equivalents		2,113,896		£1,304,943
Cash and cash equivalents comprise				
Cash at bank		2,113,896		1,304,943
		£2,113,896		£1,304,943

(i) Reconciliation of net income to net cash flow from operating activities

	2022		2021	
	£	£	£	£
Net income before investment gains	2,367,693		2,789,987	
Depreciation	1,587,420		1,590,952	
Investment income	(28,245)		(30,717)	
Interest payable	412,030		414,830	
Defined benefit pension scheme costs	914,000		804,000	
Defined benefit pension scheme contributions	(434,000)		(478,000)	
Decrease/(increase) in debtors	362,697		(44,350)	
Increase/(decrease) in creditors	714,586		261,596	
Increase/(decrease) in deferred income	429,176		85,537	
		£6,325,357		£5,393,835

(ii) Analysis of changes in net debt

	At 1 September 2021	Cash flows	Other movements	At 31 August 2022
	£	£	£	£
Cash in hand	1,304,943	808,953	-	2,113,896
Sub-total	1,304,943	808,953		2,113,896
Loans falling due within one year	(2,149,057)	2,149,057	(1,149,057)	(1,149,057)
Loans falling due after more than one year	(7,792,504)	-	1,149,057	(6,643,447)
Net debt	£(9,941,561)	2,149,057	-	£(7,792,504)

Accounting Policies for the year ended 31 August 2022

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

Critical accounting judgments and key sources of estimation uncertainty

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

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

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

The key judgements affecting the application of accounting policies relate to:

1. The useful economic lives of tangible fixed assets
2. The fair value of the group's investment property
3. The assumptions underlying the valuation of the defined benefit pension scheme position

(a) Accounting Convention

The accounts have been prepared under the historical cost convention as modified by the revaluation of investments.

(b) Basis of Consolidation

The activities of the School's one subsidiary charity (the Reigate Grammar School Trust) and its non-charitable trading subsidiaries (Reigate Grammar School Trading Limited and Reigate Grammar School International Limited) have been included in the consolidated accounts on a line-by-line basis and are classified appropriately within restricted and unrestricted funds.

(c) Going concern

The Governors consider that there are no material uncertainties that would cast doubt on the School's ability to continue as a going concern.

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

Upon the approval of these financial statements in March 2023, pupil numbers remain consistently high across all three schools (RGS, RSM and Chinthurst) for the remainder of the 2021/2022 academic year (and higher than when the pandemic began) and projections for the 2022/2023 academic year and beyond remain positive. A minimal number of notifications have been received across the three schools from parents to withdraw children from the schools at the end of the 2022/2023 academic year as a result of the current uncertain economic climate.

Accounting Policies for the year ended 31 August 2022 (continued)

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

(d) Revenue recognition

All income is recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Tuition fees, less any allowances, bursaries or scholarships awarded from unrestricted funds, are recognised in the period in which the service is provided.

Grants, investment income, including interest receivable, and other miscellaneous income are accounted for on a receivable basis.

Donations are accounted for on a received basis.

Other income, which includes fees from lettings and insurance commissions, is accounted for on a receivable basis.

Grant revenue claimed by the school under the government's Coronavirus Job Retention Scheme is recognised in the same period as the staff costs to which the grant relates.

(e) Expenditure

Expenditure is recognised as soon as the related liability is incurred and has been classified under headings that aggregate all costs relating to that category. Liabilities are recognised as soon as there is a legal or constructive obligation committing the School to the expenditure.

Employment benefits, including holiday pay, are recognised in the period in which they are earned. Termination benefits are recognised in the period in which the decision is made and communicated to the relevant employee(s).

Expenditure on raising funds comprises fundraising costs. Finance costs comprise loan interest payable and the net interest cost relating to the defined benefit pension scheme.

Expenditure on charitable activities comprises expenditure directly related to the provision of education.

Support costs represent indirect costs relating to raising funds and the School's charitable activity. Support costs, including governance costs, are allocated to activities on bases that represent the Trustees' best estimate of actual use.

Governance costs comprise the costs of running the School as a charity, including strategic planning for its future development, auditors' remuneration, certain legal costs and all costs of complying with constitutional and statutory requirements, such as costs of Board meetings and of preparing the statutory accounts.

Operating lease rentals are recognised on a straight-line basis over the term of the lease.

(f) Tangible fixed assets and depreciation

The School has elected to use the carrying value on 1 September 2014, the date of transition to FRS 102, of any of the freehold land and buildings previously carried at a valuation, as their deemed cost. All other fixed assets are recognised at cost.

Depreciation is provided on freehold buildings in use at two per cent per annum, other than the swimming pool (completed at the end of 2008) which is being depreciated over its estimated useful life of 20 years. The premises at Reigate St. Mary's are freehold assets held within The Reigate Grammar School Trust as a result of the transfer from The Godfrey Searle Choir Trust. The improvements thereon are held within the Charity balance sheet and depreciated at 2% per annum. Depreciation is not provided on Capital Works in Progress until final practical completion of the same.

Depreciation is provided on other fixed assets to write off their cost over estimated useful lives at the following rates:

Freehold Improvements	5% straight line
All weather pitch	5% straight line
Furniture, fittings and equipment	20% straight line
Motor vehicles	25% straight line
Computers	33% straight line

Accounting Policies for the year ended 31 August 2022 (continued)

(g) Investments

Investments are stated at market value and the investment property stated at open market value. Any gains or loss on revaluation is taken to the Statement of Financial Activities.

(h) Financial instruments

Basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable are accounted for on the following basis:

Cash and cash equivalents

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

Debtors and creditors

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

Bank borrowings

Liabilities for borrowings which are subject to a market rate of interest are measured at the value of the amount advanced, less capital repayments.

(i) Pension Schemes

The teaching staff are members of the Department for Education superannuation scheme, run by Teachers' Pensions.

Other (non-teaching) staff may be members of the Surrey County Council pension scheme. This is a defined benefit pension scheme. The School is a member of the Small Admitted Bodies Pool (SABP) within the overall pension fund. Some Support Staff also contribute to the Independent Schools Pension Scheme (ISPS).

In accordance with FRS 102 the following elements are charged to the SOFA:

- The service costs of pension provision relating to the year, together with the cost of any benefits relating to past service.
- The net finance cost represented by a charge equal to the increase in the present value of the Scheme liabilities and a credit equivalent to the long term expected return on assets.
- The actuarial gain or loss on the Scheme assets and liabilities.

The difference between the market value of assets of the Scheme and the present value of accrued pension liabilities is shown on the Balance Sheet.

(j) Funds

Unrestricted Funds comprise the accumulated surplus or deficit from the Statement of Financial Activities which is not restricted. They are available for use at the discretion of the Governors in furtherance of the general objectives of the School.

The Designated Funds portion of the Unrestricted Funds represents that part of the accumulated surplus which has already been specifically designated for future disbursement.

The Restricted Funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

The Pension Scheme Reserve represents the deficit on the Surrey County Council defined benefit pension scheme which is attributable to the school's employees.

Notes to the Financial Statements for the year ended 31 August 2022

1. Fees

	2022	2021
	£	£
Gross fees		
Total bursaries, scholarships and allowances	31,475,844	28,573,914
Less: 1675 bursaries	(4,837,253)	(4,842,340)
Less : Externally funded bursaries	1,000,000	700,000
	123,307	125,015
		(4,017,325)
		<u>£24,556,589</u>

The 1675 bursaries are represented by £1,000,000 from the RGS Foundation (2021: £700,000). The externally-funded bursaries are from the Peter Harrison Foundation of £120,307 (2021: £122,015) and grants awarded by the Paul Bewshea fund within the RGS Trust of £3,000 (2021: £3,000).

2. Other educational income

	2022	2021
	£	£
Insurance fees	50,997	50,328
Sundry other income	104,578	188,957
	<u>£155,574</u>	<u>£239,285</u>

3. Donations and legacies

	2022	2021
	£	£
1675 Bursary Fund donations	1,590,936	1,789,217
Other donations and legacies	6,211	4,630
	<u>£1,597,147</u>	<u>£1,793,847</u>

Notes to the Financial Statements
Continued

4. Analysis of Total Expenditure: 31 August 2022

	Staff Costs	Other	Depreciation	Total 2022
	£	£	£	£
Raising funds:				
Fundraising and development costs	332,595	98,881	-	431,476
Charitable activity:				
School operating costs				
Teaching costs	15,143,860	2,331,833	297,742	17,773,435
Trip expenditure	-	513,298	-	513,298
Welfare	12,275	1,731,392	-	1,743,667
Premises	1,267,683	1,780,413	1,289,678	4,337,774
Support	1,933,823	865,384	-	2,799,207
Grants, awards and prizes	-	1,012,191	-	1,012,191
Finance costs	67,000	412,030	-	479,030
	£18,424,641	£8,646,541	£1,587,420	£28,658,602
	£18,757,236	£8,745,422	£1,587,420	£29,090,078

The balance of finance costs included within the 'Staff costs' column in the table above, reflect the net finance costs/(income) on the Surrey County Council defined benefit scheme (see note 19 for further details).

Support costs include the following major categories of expenditure: Governance costs, marketing costs, professional fees and administrative costs. Governance costs comprise audit fees and expenses relating to Governors' meetings.

Notes to the Financial Statements
Continued

Analysis of Total Expenditure: 31 August 2021

	Staff Costs £	Other £	Depreciation £	Total 2021 £
Raising funds:				
Fundraising and development costs	308,809	88,644	-	397,453
Charitable activity:				
School operating costs				
Teaching costs	13,827,213	1,748,792	347,764	15,923,769
Trip expenditure	-	240,990	-	240,990
Welfare	45,390	1,289,284	-	1,334,674
Premises	1,153,276	1,543,349	1,243,188	3,939,813
Support	1,770,984	624,403	-	2,395,387
Grants, awards and prizes	-	708,215	-	708,215
Finance costs	68,000	414,830	-	482,830
	£16,864,863	£6,569,863	£1,590,952	£25,025,678
	£17,173,672	£6,658,507	£1,590,952	£25,423,131

Notes to the Financial Statements
Continued

4. Analysis of Total Expenditure (continued)

Other costs comprise:

	2022	2021
	£	£
Bank and loan interest (see Note 13)	411,701	414,787
Transport costs	424,763	279,529
Staff recruitment, training and travel	133,540	125,305
Syllabus (incl. printing)	694,857	502,269
School trips	513,298	240,990
Catering	1,108,955	754,602
Premises	634,662	676,405
Rent, rates light and heat	754,922	494,391
Marketing	177,364	153,962
Insurances	110,248	91,681
Postage and telephone	75,130	78,549
Professional fees	114,004	73,416
Bursaries funded from restricted funds	1,000,113	704,597
Other	1,680,197	1,391,263
	£7,833,754	£5,981,746

Notes to the Financial Statements Continued

5. Operating Expenditure

	2022	2021
	£	£
Auditors' remuneration:		
Parent charity audit	23,500	21,850
Subsidiary companies and charities audit	4,900	4,600
Total auditors' remuneration – for audit (excluding VAT):	26,550	26,450
Other services (excluding VAT)	13,140	2,000
Depreciation	1,587,418	1,590,952

6. Staff Costs

	2022	2021
	£	£
Staff Costs		
Salaries and wages	13,987,423	12,826,138
Social security costs	1,496,806	1,318,493
Pension costs	3,363,007	3,029,041
	£18,757,236	£17,173,672
Aggregate employee benefits of key management personnel	£988,820	£851,130

Notes to the Financial Statements

Continued

6. Staff Costs (continued)

The average weekly number of employees during the year was made up as follows:

	2022	2021
	No.	No.
Teaching (including teaching support staff)	327	298
Welfare	20	22
Premises	26	24
Support (including management and administration)	61	52
	434	396

Number of employees where emoluments exceeded £60,000 were:

£60,000 – 70,000	7	10
£70,000 – 80,000	4	2
£80,000 – 90,000	0	1
£90,000 – 100,000	2	4
£100,000 – 110,000	3	0
£110,000 – 120,000	0	1
£120,000 – 130,000	1	0
£130,000 – 140,000	0	1
£140,000 – 150,000	1	0
£240,000 – 250,000	0	1
£250,000 – 260,000	1	0
	19	20

All 19 of these employees have retirement benefits accruing under defined benefit pension schemes (2021: 20).

During the year there were no termination payments made in the years to 31 August 2022 or 2021.

Neither the governors nor persons connected with them received any remuneration or other benefits from the School. No governors received reimbursement of expenses in the current or prior year.

Notes to the Financial Statements
Continued

7. Tangible Fixed Assets – Group

Cost	Freehold Land & Buildings	Furniture, Fittings & Equipment	Motor Vehicles	Computers	Group Total
	£	£	£	£	£
At 1 September 2021	48,732,985	3,838,965	520,798	3,662,685	56,755,433
Additions	1,088,751	335,923	27,588	377,164	1,829,426
Disposals	-	-	(1,900)	-	(1,900)
At 31 August 2022	49,821,736	4,174,888	546,486	4,039,849	58,582,959
Depreciation					
At 1 September 2021	(11,482,554)	(3,388,318)	(454,359)	(3,425,495)	(18,750,726)
Charge for the period	(998,297)	(316,458)	(21,600)	(251,065)	(1,587,420)
Disposals	-	-	1,348	-	1,348
At 31 August 2022	(12,480,851)	(3,704,776)	(474,611)	(3,676,560)	(20,336,798)
Net Book Value					
At 31 August 2022	£37,340,885	£470,112	£71,875	£363,289	£38,246,161
At 31 August 2021	£37,250,431	£450,647	£66,439	£237,190	£38,004,707

Notes to the Financial Statements
Continued

7. Tangible Fixed Assets (continued) – Charity

Cost	Freehold Land and Buildings £	Furniture, Fittings and Equipment £	Motor Vehicles £	Computers £	Charity Total £
At 1 September 2021	47,016,484	3,838,965	520,798	3,662,684	55,038,931
Additions	1,088,751	335,923	27,588	377,164	1,829,426
Disposals	-	-	(1,900)	-	(1,900)
At 31 August 2022	48,105,234	4,174,888	546,486	4,039,849	56,866,457
Depreciation					
At 1 September 2021	(11,369,803)	(3,388,318)	(454,359)	(3,425,495)	(18,637,975)
Charge for the period	(986,831)	(316,458)	(21,598)	(251,065)	(1,575,952)
Disposals	-	-	1,346	-	1,346
At 31 August 2022	(12,356,634)	(3,704,776)	(474,611)	(3,676,560)	(20,212,581)
Net Book Value					
At 31 August 2022	£35,748,600	£470,112	£71,875	£363,289	£36,653,876
At 31 August 2021	£35,646,681	£450,647	£66,439	£237,189	£36,400,956

Notes to the Financial Statements Continued

8. Investments

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Market value brought forward	3,302,571	2,170,731	3,300,199	2,168,703
Additions	1,155,431	685,000	1,155,432	685,000
Change in market value	(283,902)	446,840	(283,818)	446,496
Market value carried forward	£4,174,100	£3,302,571	£4,171,813	£3,300,199
Historical cost	£3,704,999	£2,549,567	£3,704,652	£2,549,567

9. Debtors

Amounts due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Tuition fees	103,035	84,507	103,035	84,507
Legacy accrual	-	800,000	-	800,000
Prepayments	253,495	199,547	240,113	199,547
Sundry debtors	189,934	95,801	189,489	94,956
Intercompany debtors	-	-	413,341	278,104
	£546,464	£1,179,855	£945,978	£1,457,114

In 2016 the School was awarded a grant of £3,075,000 by the Peter Harrison Foundation towards the costs of the Merrick House project. The grant was to be received in six equal tranches of £512,500 over a six-year period, all of which had been received by 31 August 2021.

Notes to the Financial Statements
Continued

10. Creditors: falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Bank loan (Note 13)	1,149,057	2,149,057	1,149,057	2,149,057
Amounts due to group undertakings	-	-	800,000	800,000
Trade creditors	1,142,850	969,526	1,142,850	969,526
Tax and social security	330,385	330,385	330,385	330,385
Other creditors and accruals	840,978	570,263	834,096	563,030
Composition fees (Note 12)	1,586,526	1,510,982	1,586,526	1,510,982
Entrance deposits	82,600	88,624	82,600	88,624
Fees received in advance	1,711,153	1,281,977	1,711,153	1,281,977
	£6,843,549	£6,900,814	£7,636,667	£7,693,581

The bank loans are secured on certain freehold properties owned by the School.

11. Creditors: falling due in more than one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Bank loan (Note 13)	6,643,447	7,792,504	6,643,447	7,792,504
Entrance deposits	843,175	819,125	843,175	819,125
Composition fees (Note 12)	1,987,954	2,082,224	1,987,954	2,082,224
	£9,474,576	£10,693,853	£9,474,576	£10,693,853

Notes to the Financial Statements

Continued

12. Composition Scheme

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
After five years	89,422	49,137	89,422	49,137
Within two to five years	917,253	1,137,692	917,253	1,137,692
Within one to two years	981,279	895,395	981,279	895,395
Total over one year:	1,987,954	2,082,224	1,987,954	2,082,244
Within one year	1,586,526	1,510,982	1,586,526	1,510,982
	£3,574,480	£3,593,206	£3,574,480	£3,593,206

Parents may enter into the School's Composition Scheme, to pay school fees in advance. Parents can pay into the scheme for a period of up to 14 years, from the beginning of Reception in RSM or Chinthurst to the end of Sixth Form at RGS. The money may be returned to parents, subject to specific conditions upon the receipt of written notice from the parents who have provided funds to the School. A commutation rate of 2.375% p.a. is applied to the funds in the scheme. The funds in the composition scheme will be applied as shown in the table above.

Below is a reconciliation of movements in the balance of the Group Composition scheme from 1 September 2021 to 31 August 2022:

	2022	2021
	£	£
Balance as at 1 September 2021 (and 2020)	3,593,206	3,359,865
New payments into the Composition Scheme	1,822,803	2,003,280
Amounts repaid to parents during the year	(36,352)	(54,478)
Amounts drawn down from the Scheme to pay for school fees	(1,875,344)	(1,786,060)
Commutation rate applied	70,167	70,599
Balance as at 31 August 2022 (and 2021)	£3,574,480	£3,593,206

Notes to the Financial Statements

Continued

13. Loans

The bank loans are repayable as follows:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Within one year	1,149,057	2,149,057	1,149,057	2,149,057
One to two years	1,149,057	1,149,057	1,149,057	1,149,057
Two to five years	2,663,765	3,309,697	2,663,765	3,309,697
Over five years	2,830,625	3,333,750	2,830,625	3,333,750
	£7,792,504	£9,941,561	£7,792,504	£9,941,561

The long-term bank loans comprise of five loans. A Term loan was for £5m to build the Harrison Centre, of which £4.5m was drawn down as at 31 August 2022 (2021: £4.5m). The balance as at 31 August 2022 on this loan is £2,925,000 (2021: £3,290,625). An amortizing balance of £4.5 million of this long-term debt has been forward fixed at a rate of 4.01% from 7 June 2020 to 7 June 2026. The balance on this loan as at 31 August 2022 is £2,446,254 (2021: £3,092,186). Another term loan of £2m was used by the charity in July 2019, in order to complete the buy-back of the Chinthurst main school building from J.H. Lorimer, for the sum of £2,013,000. The balance on this loan as at 31 August 2022 is £1,760,000 (2021: £1,840,000). There is a £1.15m loan which was drawn down in December 2013, for which the balance as at 31 August 2022 is £661,250 (2021: £718,750). The School entered into a 'Revolving Credit Facility' ('RCF') in January 2016, which was renewed in January 2019 and again in January 2022, both for a period of three years. Under the RCF up to £3m can be drawn down at any one point in time. This facility was not drawn down as at 31 August 2022 (2021: £1m).

14. Operating Lease Commitments

At 31 August 2022, the Charity and Group had the following commitments under non-cancellable operating leases.

	2022	2021
	£	£
Operating leases which expire:		
Within one year	4,161	2,644
In two to five years	-	-
	4,161	£2,644

The 'Other' leases are in respect of equipment used by RGS and Chinthurst, such as water coolers.

Notes to the Financial Statements
Continued

15. Unrestricted Funds – Group

	01-Sep-21	Income	Expenditure	Transfers and Investment Gains and Losses	31-Aug-22
	£	£	£	£	£
Designated Funds:					
Building Development Fund	282,814	-	-	-	282,814
Chinthurst	994	-	-	-	994
General Reserve	19,460,109	29,829,240	(28,074,264)	(3,576)	21,211,509
Pension scheme reserve	(3,854,000)	-	(480,000)	4,334,000	-
Total unrestricted funds	£15,889,917	29,829,240	£(28,554,264)	£4,330,424	£21,975,317

	01-Sep-20	Income	Expenditure	Transfers and Investment Gains and Losses	31-Aug-21
	£	£	£	£	£
Designated Funds:					
Building Development Fund	282,814	-	-	-	282,814
Chinthurst	994	-	-	-	994
General Reserve	17,423,936	25,715,711	(23,699,367)	19,829	19,460,109
Pension scheme reserve	(3,875,000)	-	(326,000)	347,000	(3,854,000)
Total unrestricted funds	£13,832,744	£25,715,711	£(24,025,367)	£366,829	£15,889,917

The Building Development Fund consists of receipts the Governors have set aside for repairs to the all-weather pitch and similar projects.

Notes to the Financial Statements
Continued

16. Restricted Funds – Group and Charity

Charity	01-Sep-21		Income		Expenditure		Transfers and Investment Gains and Losses		31-Aug-22	
	£		£		£		£		£	
RGS Foundation										
- 1675 Bursary Fund	3,272,101		1,590,933		(1,000,000)		518,371		4,381,405	
- General Fund	88,323		271		-		-		88,594	
- Monks Walk – property	800,000		-		-		(800,000)		-	
Stanley James Osmond Bequest	5,442		-		-		-		5,442	
Paul Flanagan Prize	290		-		-		-		290	
Daniel Clarke Award	2,926		-		-		-		2,926	
100 Club Fund	5,909		5,940		-		-		11,849	
Sports Camps	7,201		7,300		(112)		-		14,389	
Illing Prize Fund	6,178		-		-		2,686		8,864	
CCF	3,658		1,366		-		-		5,024	
Total Charity:	4,192,028		1,605,810		(1,000,112)		(278,943)		4,518,783	
RGS Trust										
Paul Bewshea Fund	36,444		-		(3,300)		-		33,144	
Foundation and Charity Funds	13,290		114		(300)		(85)		13,019	
Godfrey Searle Property	2,211,730		23,410		(12,907)		-		2,222,233	
Total RGS Trust:	2,261,464		23,524		(16,507)		(85)		2,268,396	
Total Group Restricted Funds:	£6,453,492		£1,629,334		£(1,016,619)		£(279,028)		£6,787,179	

Notes to the Financial Statements

Continued

16. Restricted Funds – Group and Charity

Charity	01-Sep-20	Income	Expenditure	Transfers and Investment Gains and Losses	31-Aug-21
	£	£	£	£	£
RGS Foundation					
- 1675 Bursary Fund	2,559,481	989,217	(701,879)	425,282	3,272,101
- General Fund	88,073	250	-	-	88,323
- Monks Walk – property	-	800,000	-	-	800,000
Stanley James Osmond Bequest	5,442	-	-	-	5,442
Paul Flanagan Prize	290	-	-	-	290
Daniel Clarke Award	2,926	-	-	-	2,926
100 Club Fund	4,246	4,381	(2,718)	-	5,909
Sports Camps	7,201	-	-	-	7,201
Illing Prize Fund	4,793	-	-	1,385	6,178
CCF	-	3,658	-	-	3,658
Total Charity:	2,672,452	1,797,506	(704,597)	426,667	4,192,028
RGS Trust					
Paul Bewshea Fund	39,719	-	(3,275)	-	36,444
Foundation and Charity Funds	13,121	100	(275)	344	13,290
Godfrey Searle Property	2,200,596	23,990	(12,856)	-	2,211,730
Total RGS Trust:	2,253,436	24,090	(16,406)	344	2,261,464
Total Group Restricted Funds:	£4,925,888	£1,821,596	£(721,003)	£427,011	£6,453,492

Notes to the Financial Statements

Continued

16. Restricted Funds (continued)

The Charity has ten restricted funds, as follows:

- The RGS Foundation was set up to hold monies from fundraising undertaken by the School. All monies received have been credited, on the instructions of the individual donors, either to the 1675 Bursary Fund, or to a General Fund. This latter Fund is used to finance the cost of equipment or minor works that would not normally be funded by the School. Potential donors are made aware of these items which have been specifically identified in advance by the School. All Foundation monies held are recorded as separate restricted funds of Reigate Grammar School. In summer 2021, the school has been gifted a property in Monks Walk, Reigate, from a former teacher, Mr Robin Bligh, in his will. This was valued at £800,000 in the accounts as at 31 August 2021. During the year this property has been sold and has been included as an RGS Foundation restricted fund as at 31 August 2022 at the value it was sold, net of costs, which is £971,232 (this asset was held at £800,000, which was the probate value, as at 31 August 2021).
- The Stanley James Osmond Bequest represents monies left to Reigate St Mary's Preparatory & Choir School for the express benefit of the four "houses" at that school.
- The Paul Flanagan Prize represents money donated to the School by the widow of Paul Flanagan, late Head of Economics, for the express purpose of providing an annual prize for Economics.
- The Daniel Clarke fund represents money donated to the School by the family of Daniel Clarke, a former pupil of Reigate Grammar School, for the purpose of providing a memorial to Daniel.
- The 100 Club has been created to establish funds to subsidise students to go on school trips.
- The Sports Camp fund has been established during the year and represents monies generated by RGS running a variety of sports camps for children during the school holidays. These funds will be utilised to improve the school's sporting equipment and facilities.
- The income from the Illing Prize Fund is used towards annual prizes given by at Chinthurst School.
- The school runs a successful CCF programme at RGS and a restricted fund has been created to ensure these monies are treated as a separate fund.

Notes to the Financial Statements

Continued

16. Restricted Funds (continued)

The RGS Trust has three funds, as follows:

- The Paul Bewshea Fund was set up to provide financial assistance to students who have achieved excellent academic results and have also shown an interest in aviation or science as a career.
- The Foundation and Charity Funds were set up to provide for the cost of awarding, as appropriate, other prizes and awards.
- The Godfrey Searle Property Fund was created by the donation of land and buildings by the Godfrey Searle Choir Trust in 2011. The transfer of the land to the Trust, rather than to the School, reflected that the land, in part, is subject to permanent endowment. The costs of maintaining the properties are borne by the fund and income arising accrues to the fund.

17. Taxation

Reigate Grammar School and the RGS Trust are all registered charities and no taxation is payable on their income.

18. Capital Commitments

Group and Charity commitments for future capital expenditure and not provided for in these accounts were as follows:

	2022	2021
	£	£
Authorised and contracted	250,947	257,944
Authorised but not contracted	-	-

The balance at 31 August 2022 of £250,947 represented monies due to two contractors (Master Building and J.W. Cannon) for three projects performed during the summer 2022. Two of these projects were at RGS (the creation of a new Medical Centre in the Cornwallis building and the refurbishment of the first floor of Broadfield House) and one project was at Chinthurst (the replacement of windows in the Morris Building). At the prior year end, the balance of £257,944 primarily represented monies due to be paid by the school in relation to the construction of the new temporary classroom block at Reigate St Mary's, which was completed in early October 2021. The School also had commitments for a number of smaller projects occurred over the summer 2021, such as works on the dishwashing room at RGS and a landscaping project at the front of Chinthurst School. These amounts were fully settled in autumn 2021.

Notes to the Financial Statements

Continued

19. Pensions

The School operates the following pension schemes:

a) Teachers' Pension Scheme

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 £2,270,746 (2021: £2,120,098) and at the year-end £185,693 (2020: £177,886) 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 2021 on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a 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.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Notes to the Financial Statements

Continued

19. Pensions (continued)

Until the 2020 valuation 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.

b) Surrey County Council Final Salary Pension Scheme

Other (non-teaching) staff may be members of the Surrey County Council final salary pension scheme. The School is a member of the Small Admitted Bodies Pool (SABP) within the overall pension fund. The scheme is valued every three years by a qualified actuary using the projected unit actuarial method. The last two valuations have been performed by the actuary in March 2017 and March 2020 respectively. Rates of contribution have been set to meet 100% of the liabilities arising in respect of service after the valuation date over the average expected future membership period of the active members pertaining to each employer to reflect the shortfall of the value of each participating employer's notional share of the fund's assets compared with 100% of its accrued liabilities allowing for further pay increases.

The Audit & Governance Committee of the pension fund agreed that admitted bodies such as the School should make deficit contributions to the scheme over a period of 20 years. The rate of contribution for three years from 1 April 2014 to 31 March 2017 was £89,000 per annum. No deficit payments have been required to be paid into this scheme from 1 April 2017 onwards. Employers' contributions increased to 27.6% of salary with effect from 1 April 2017 and this level of contributions continued to be levied by the pension scheme until 31 March 2020. From 1 April 2020 employers' contributions have increased to 28.2% of salary following the valuation conducted in March 2020.

As required by FRS 102 provision has been made in the financial statements to incorporate the School's portion of the deficit attributed to it. The following underlying assumptions have been made in relation to the scheme:

Key financial assumptions

	2022	2021
	%	%
Pension increase rate (CPI)	3.2	2.9
Salary increase rate	4.1	3.8
Discount rate	4.25	1.65

Mortality assumptions

	Males	Females
Current pensioners	22.1 years	24.5 years
Future pensioners (aged 45 at the last valuation date)	23.1 years	26.2 years

Historic mortality

Prior period life expectancy is based on the fund's VitaCurves data: for both pensioners and prospective pensioners, the CMI 2020 model assumes the current rate of improvements has peaked and will converge to a long-term rate of 1.5% p.a.

Notes to the Financial Statements

Continued

19. Pensions (continued)

Amounts recognised in the Balance Sheet are as follows:

	2022	2021
Pension scheme liability	£'000	£'000
Fair value of scheme assets	14,473	14,994
Present value of defined benefit obligation	(12,535)	(18,848)
FRS 102 adjustment	(1,938)	(18,848)
Net liability	-	£(3,854)

	2022	2021
Fair value of scheme assets	£'000	£'000
Equities	10,999	11,245
Bonds	2,026	2,399
Property	1,158	1,050
Cash	290	300
Total Scheme assets	14,473	14,994
	100	100
	%	%
	76	75
	14	16
	8	7
	2	2

Reconciliation of fair value of scheme assets

	2022	2021
Opening fair value of scheme assets	£'000	£'000
Interest income on plan assets	14,994	11,952
Contributions by members	249	206
Contributions by employer	114	115
Return on assets excluding amount included in net interest	434	478
Estimated benefits paid	(995)	2,529
	(323)	(286)
Closing fair value of scheme assets	14,473	14,994

The expected employer's contributions for the year to 31 August 2022 for the Surrey County Council Pension scheme are £434k (2022: £450k).

Notes to the Financial Statements

Continued

19. Pensions (continued)

Reconciliation of defined benefit obligation

	2022 £'000	2021 £'000
Opening defined benefit obligation	18,848	15,827
Current service cost	847	736
Interest cost	316	274
Contributions by members	114	115
Change in financial assumptions	(7,228)	2,193
Change in demographic assumptions	(68)	209
Other remeasurement differences	29	(220)
Estimated benefits paid	(323)	(286)
Closing defined benefit obligation	12,535	£18,848

The following amounts have been included in the Statement of Financial Activities:

	2022 £'000	2021 £'000
Amounts recognised in charitable activities		
Current service cost	847	736
Past service cost	-	-
Interest cost	249	274
Interest income on plan assets	(316)	(206)
Total net cost	£1,163	£804
Actual return on scheme assets	£(746)	£2,735

Analysis of remeasurement differences

	2022 £'000	2021 £'000
Changes in financial assumptions	(7,228)	(2,193)
Changes in demographic assumptions	68	(209)
Other experience gains/(losses)	(29)	220
Return on assets excluding interest income	(995)	2,529
Total net remeasurement (loss)/gain	6,272	£347

Sensitivity analysis

0.1% increase in real discount rate	% increase to employer liability	Monetary amount £'000
1 year increase in member life expectancy	2%	241
0.1% increase in the Salary Increase Rate	4%	501
0.1% increase in the Pension Increase Rate (CPI)	0%	21
	2%	222

Notes to the Financial Statements

Continued

20. Subsidiary undertakings

The School has three subsidiary undertakings: Reigate Grammar School Trust (RGST); Reigate Grammar School Trading Limited (RGS Trading) and Reigate Grammar School International Limited (RGS International). The School is the sole Trustee of RGST, a charity registered in England and Wales (Charity Number: 312030). The School owns 100% of the share capital of RGS Trading, a company registered in England and Wales (Company number: 10163737). RGS Trading was incorporated on 8 May 2016. The School owns 100% of the share capital of RGS International, a company registered in England and Wales (Company number: 10815400). RGS International was incorporated on 13 June 2017. A summary of their results for the period and balance sheet position as at 31 August 2022 is set out below:

	RGST		RGS Trading		RGS International	
	2022	2021	2022	2021	2022	2021
	£	£	£	£	£	£
Income and expenditure						
Income	23,524	24,090	4,667	5,667	288,536	309,623
Expenditure	(16,507)	(16,406)	(3,652)	(4,764)	(349,593)	(225,681)
Investment (losses)/ gains	(85)	344	-	-	-	-
Surplus/(deficit) for the year	6,932	8,028	1,015	903	£(61,057)	83,942
Balance sheet						
Tangible assets	1,325,918	1,339,756	266,367	266,367	-	-
Investments	2,287	2,372	-	-	-	-
Current assets	941,459	922,879	7,654	6,353	77,301	87,442
Current liabilities	(1,268)	(1,170)	(280,953)	(280,667)	(138,357)	(3,499)
Long term liabilities	-	-	-	-	-	-
Net assets/(liabilities)	£2,268,396	£2,261,464	£(6,932)	£(7,947)	£(61,056)	£83,943
Represented by:						
Share capital	-	-	-	-	-	-
Unrestricted funds	-	-	(6,933)	(7,948)	£61,057	83,942
Restricted and designated funds	2,268,396	2,261,464	-	-	-	-
Total funds	£2,268,396	£2,261,464	£(6,932)	£(7,947)	£(61,056)	£83,943

Notes to the Financial Statements

Continued

21. Related Parties

In the 2021/22 academic year, five Governors had children who attend Reigate Grammar School as pupils and pay full fees.

The School occupies and maintains the main school building and associated land on behalf of the Reigate Grammar School Trust, which own the freehold. The School is the corporate trustee of Reigate Grammar School Trust which prepares, and submits, separate accounts. There is a £800,000 loan from the RGS Trust to RGS (2021: £800,000). The loan is repayable at any time on demand by the Trust, and the Trust may at any time, by notice to the school, cancel its commitment to advance the Loan or any part of it. The maximum amount to be lent to RGS is £1,000,000. Interest payable on the loan was £23,072 during the year (2021: £18,800).

RGS lent an amount of £277,884 to RGS Trading to facilitate the purchase of freehold assets within RGS Trading in 2016. An intercompany creditor of £277,884 (2021: £277,884) is contained within the RGS Trading entity, with an equal and opposite balance being included within RGS.

An intercompany creditor of £135,532 (2020: £3,499) is contained within the RGS International entity, with an equal and opposite balance being included within RGS. This intercompany balance has been cleared since the year end.

The School bears the cost of its own Bursary scheme other than as set out in Note 1 above. Assets raised for the purpose of funding the Bursary Scheme prior to 2000 are held by Reigate Grammar School Trust, and in the year ended 31 August 2022 an amount of £3,000 (2021: £3,000) was received by the School from the Trust by way of subsidy.

There were no other related party transactions.

Notes to the Financial Statements
Continued

22. Analysis of Group Funds

	Restricted Funds	Unrestricted Funds	Total 2022
	£	£	£
Tangible fixed assets and investments	4,512,880	37,907,381	42,420,261
Net current (liabilities)/ assets	2,274,299	(6,457,488)	(4,183,189)
Long term liabilities	-	(9,474,576)	(9,474,576)
Pension Scheme Liability	-	-	-
Net Funds	6,787,179	21,975,317	£28,762,496

	Restricted Funds	Unrestricted Funds	Total 2021
	£	£	£
Tangible fixed assets and investments	4,524,431	36,782,847	41,307,278
Net current assets/(liabilities)	1,929,061	(6,345,077)	(4,416,016)
Long term liabilities	-	(10,693,853)	(10,693,853)
Pension Scheme Liability	-	(3,854,000)	(3,854,000)
Net Funds	£6,453,492	£15,889,917	£22,343,409

Notes to the Financial Statements

Continued

23. Comparative statement of financial activities	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£
Income from:			
Charitable activities:			
School fees receivable	24,556,589	-	24,556,589
Registration fees	79,426	-	79,426
Trip income	240,990	-	240,990
Catering income	485,138	-	485,138
Coach income	254,266	-	254,266
Other educational income	172,984	3,658	176,642
Furlough income	181,522	-	181,522
Donations and legacies	-	1,793,847	1,793,847
Lettings	104,358	-	104,358
Investments	6,626	24,091	30,717
Trading income	309,623	-	309,623
Total Income	26,391,522	1,821,596	28,213,118
Expenditure on:			
Raising funds:			
Fundraising & Development	392,856	4,597	397,453
Charitable activities:			
Education	24,309,272	716,406	25,025,678
Total Expenditure	24,702,128	721,003	25,423,131
Net Income from operations before transfers and investment gains	1,689,394	1,100,593	2,789,987
Unrealised investment gains	19,829	427,011	446,840
Gain on disposal of tangible fixed assets	950	-	950
Net Income	1,710,173	1,527,604	3,237,777
Pension scheme actuarial gains	347,000	-	347,000
Net Movement in Funds for the year	2,057,173	1,527,604	3,584,777
Balance brought forward at 1 September 2020	13,832,744	4,925,888	18,758,632
Balance carried forward at 31 August 2021	£15,889,917	£6,453,492	£22,343,409