



1509 Group

Annual Report & Financial Statements

For the Year Ended

31 July 2024

Charity Number 1084866
Company Number 4104101

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Directors

1509 Group is holding company of a number of organisations. All directors and members of 1509 Group are directors of Royal Grammar School Guildford and all are governors of the School.

DIRECTORS OF THE COMPANY			Appointed by
F,N, E,P	Mrs S K Creedy MA	Chairman of Governors	Board – co-opted
E	Mr SGS Gimson MSc (Def Tech)		Surrey County Council
F	Mr NEJ Vineall KC MA		Board – co-opted
F, N	Mrs H Styche-Patel BSc, MBA	Vice-Chairman of Governors Chairman of Nominations Committee	Board – co-opted
E, N	Mr M Windsor BA, MA	Chairman of Education Committee	Board – co-opted
F, N	Mr T Lingard BSCI MINSTP	Vice-Chairman of Governors	Board – co-opted
MEMBERS OF THE COMPANY			
E	Dr L S K Linton MA MB ChB MRCP		Staff
	The Earl of Onslow, High Steward of Guildford		Ex Officio
F, N	Mr J D Fairley BA	Resigned 4 December 2023	Board – co-opted
E	Mrs F E Carter BA PGCE		RGSG Prep Parents’ Association (LPA)
P	Mrs N Nelson-Smith BA		Guildford Borough Council
F,P, N	Mrs M-L Logue MA	Chairman of RGSG Prep Committee	Board – co-opted
E	Prof MJ Humphreys MBE PhD LLB PFHEA		University of London
P	Mrs K Atkinson BDS		Board – co-opted
E	Prof H Treharne BSc MSc PhD SFHEA FBCS		University of Surrey
F	Ms K Spasic ACMA CGMA		Board – co-opted
F, N	Mr S Meredith BA FCA ChA	Chairman of the Finance and General Purposes Committee	Board – co-opted
	Mr M More-Molyneux		Board – co-opted
E	Mr C Ngweni	Appointed 4 December 2023	Board – co-opted
F	Mr R Waterhouse	Appointed 4 December 2023	Board – co-opted
P	Canon S Butler BSc CNA MA	Appointed 18 March 2024	Bishop of Guildford
P	Mrs PA Barrow BCom LLB	Appointed 1 October 2024	Royal Grammar School Parents’ Association
F P E N	Members of the Finance and General Purposes Committee RGSG Prep Committee Members of the Education Committee (formerly the Academic Committee) Members of the Nominations Committee		
Officers			
	The Headmaster	Dr JM Cox BSc PhD	
	Secretary & Treasurer	Mr RA Ukiah MA	
	The Head (RGS Prep)	Mr T Freeman-Day BA PGCE	

Registered Office

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Surrey GU1 3BB

Principal Bankers

National Westminster Bank Plc
Guildford Commercial Office
PO Box 1, 2nd Floor G3
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Auditors

HaysMac LLP
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London EC4R 1AG

Principal Solicitors

Moore Barlow LLP
The Oriel
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Guildford
Surrey GU1 3SR

The Members and Directors of 1509 Group present its annual report (including the Directors' Report and Strategic Report) together with the audited accounts for the year ended 31st July 2024 and confirm that it complies with the requirements of the Companies Act 2006, Charities Act 2011 and the Charities Statement of Recommended Practice (SORP) 2019.

DIRECTORS' REPORT

THE STATUS OF THE GROUP

1509 Group (the Group) is a registered charity, number 1084866, and a company limited by guarantee, number 4104101.

1509 Group is the holding company of a number of subsidiaries which are outlined below. Further details of the organisational structure are included in the Group Structure and Relationships section.

- Royal Grammar School Guildford ('the School', 'RGSG') - a company limited by guarantee, company registration number 10874615 and charity number 1177353.
- Royal Grammar School, Guildford Foundation - a charitable company, company number 4232306 and charity number 1089955.
- The RGS Guildford International Ltd – company number 09633181.
- The RGS Guildford International (Dubai) Ltd - company number 11422203.
- The RGS Guildford International (China) Ltd - company number 12104378.
- The RGS Guildford International (Oman) Ltd - company number 13833679
- RGS Guildford Enterprises Ltd - company number 12248925

The School is a single entity operating on two school sites: the Royal Grammar School Guildford (RGSG) educates boys aged 11-18 while RGS Prep's pupils are aged 3-11.

As a result of its special relationship with the Cathedral (being the Choir School for the Cathedral) and with the Bishop of Guildford nominating a Governor, Royal Grammar School Guildford is designated as 'a School with a Religious Character'.

GOVERNANCE AND MANAGEMENT

Governing Body

Details of the directors and members of the Group, together with the Group's officers and principal advisers, are given on pages 1-2.

The directors and members are appointed from the governor body of Royal Grammar School Guildford. New governors are elected on the basis of nominations from the Nominations Committee based on the candidate's suitability for the vacancy.

The directors and members are aware of The Charity Governance Code published in 2020 which sets out the principles and recommended practice for good governance within the sector. The directors and members are satisfied that the Group applies the principles of the code within its current Governance arrangements. Directors and members are referred to as Governors in the remainder of these financial statements.

Recruitment and Training of Governors

The Nominations Committee oversees the identification of potential Governors and their induction. New Governors are provided with the opportunity to view the School, provided with relevant background material about the School and the role of a charity Trustee and provided with an experienced governor as a mentor during first year of appointment. Opportunities are provided to attend School events that may give insight into the working of the School and appropriate training courses are offered to governors. Particular attention is given to the identification of suitable courses for new governors. During the year governors attended seminars to enable them to remain up to date. The Chairman participates in the Chairman of Governors' Forum.

Organisational Management

The Board of Governors has established permanent committees: the Finance and General Purposes Committee to supervise the management and administration of the Group and School's affairs; the Education Committee to oversee curricular and educational matters; the RGSG Prep Committee to oversee all matters pertaining to RGSG Prep; and the Nominations Committee to review arrangements for the nomination of Directors of the Company and appointments to the Board of Governors and its committees, as well as conduct an annual review of strategic issues. Panels of Governors are selected to form disciplinary and appeals committees as required.

The Chairs of these Committees in the year were as follows:

Education Committee	Mr M Windsor
RGSG Prep Committee	Mrs M-L Logue
Finance and General Purposes Committee	Mr J Fairley – to December 2023 Mr S Meredith – from December 2023
Nominations Committee	Mrs H Styche-Patel

There is a separate trust board for Royal Grammar School, Guildford Foundation and separate boards of directors for each of the subsidiaries which are not charities.

The Chief Strategy Officer (CSO) oversees the general business operations of the Group and in particular focuses on long-term building programmes, international developments and wider business opportunities, with the day to day running of the School delegated to the Heads and the Bursar. The Heads and Bursar are in turn supported by their Senior Management Teams (SMTs)¹ and together these groups are the key management personnel.

Remuneration is set by the Board, with the objective of providing a competitive package to attract and retain the best possible staff.

The appropriateness and the relevance of remuneration is reviewed annually, including reference to benchmarking data of other similar independent schools to ensure that the Group remains sensitive to the broader issues of pay and employment conditions elsewhere.

The Group aims to recruit the best possible staff in all areas and from the widest pool of talent. Delivery of the Group's charitable vision and purpose is primarily dependent on key management personnel and staff costs are the largest single element of charitable expenditure.

Group Structure and Relationships

1509 Group is the holding company which retains control of Royal Grammar School Guildford and all other subsidiaries. 1509 Group is the sole voting member of The Royal Grammar School, Guildford Foundation ('the Foundation'), a charitable company (company number 4232306 and charity number 1089955) which worked to promote, provide for and raise funds for the School. On 17 July 2024 the Foundation merged with, and became a cost centre of, the School, the new cost centre being known as the Development and Alumni Relations Office ('DARO'; see note 20). Considering the financial and non-financial benefit provided by the Foundation, until the merger on 17 July 2024 the School provided operational resources for the Foundation free of charge.

¹ The SMTs comprise the Heads, four Deputy Heads, the Senior Master, nine Assistant Heads, the CSO and the Bursar.

The RGS Guildford International Ltd (company number 09633181), The RGS Guildford International (Dubai) Ltd (company number 11422203), The RGS Guildford International (China) Ltd (company number 12104378) and The RGS Guildford International (Oman) Ltd (company number 13833679) are all subsidiaries of 1509 Group and supply intellectual property and guidance to our partners in Qatar, Dubai, China and Oman to support the development and ongoing operation of their schools. RGS Guildford Enterprises Ltd (company number 12248925) is a subsidiary of 1509 Group and generates ancillary trading income from letting RGS Guildford's facilities.

All companies are registered in England and Wales. All companies report independently but their figures are consolidated into those of 1509 Group.

Engagement with Employees and Employee Interests

Taking care of our people

The Governors recognise the enormous contribution made by all staff and the importance of valuing and developing staff. The group reserves an extensive budget for training and development and staff are encouraged to consider their personal and professional development. The well-being of staff is of paramount importance, and mechanisms are in place to support staff and colleagues. This ranges from regular catch-up sessions with line managers, staff social events and school wide events to support from the school counsellor, school nurse and head of human resources.

Communication

Regular updates, meetings and briefings are provided to staff on the day-to-day operations of the organisation as well as sharing high level changes within the organisation as these arise. Financial updates are provided to staff so they are kept briefed on the financial stability of the organisation or risks that may be facing the group or the sector. Staff observers are invited to attend the full board of Governors' meetings, so they are aware of the high level issues being discussed. Strategy groups meet regularly to determine the future direction of a range of areas within the School and each group contains a mix of staff who have volunteered to be a member of each group.

Benefits

Staff are eligible for a range of employee benefits including employer contributions to pensions and healthcare. Attention is paid to ensure that packages offered remain competitive against the market. Incentive schemes are not considered appropriate to our school environment and ethos, but success is shared and genuinely celebrated across the organisation, which operates in a supportive and collegiate manner to ensure that staff feel valued.

Training and Development

There are many opportunities for staff to develop their skills through training courses or taking on different roles within the organisation. Several staff have been trained in mental health and also as coaches and now coach and develop others. Staff have the opportunity to apply for additional responsibilities within the organisation and, on many occasions, senior roles are filled internally rather than bringing in external candidates. In general, staff who leave go on to more senior roles within other organisations.

Health and Safety

There is a health and safety policy group which covers the whole organisation, with separate committees for each site. These committees are formed of a range of staff based at each site and focus on the immediate needs of that site. All staff are trained in the key elements of health and safety and understand that everyone has a part to play in this area. A full-time health and safety manager ensures that adequate time and resource is devoted to this area.

Diversity and Inclusion

The Governors seek to recruit and retain the best staff they can and encourage applications from as wide a range of candidates as possible. We welcome all employees regardless of their age, gender, faith, disability, ethnic or racial origin, sexual orientation or gender identity. We take care to ensure that our employment policies and practices are non-discriminatory and that all appointments are made solely on the basis of merit. As a result of an independent review of our recruitment process, a full-time recruitment manager has been appointed and other recommendations implemented.

It is part of our ethos that all our people have a fundamental right to respect and dignity in the workplace. We actively promote these behaviours and do not tolerate disrespect or discrimination in any form. We continually review how we can best promote and advance a culture in which all staff feel comfortable being themselves in the workplace and to ensure a diverse workforce is recruited for the benefit of the pupils and the wider organisation. A working party meets regularly to seek to further improve the School's performance in this area on an ongoing basis.

All staff and Governors continue to receive diversity and inclusion training.

Stakeholder Relations

1509 Group has a wide community of stakeholders including pupils, employees, parents of pupils, Governors, suppliers and our local community. As further outlined in the Strategic Report, a wide range of activities is undertaken by pupils and staff as part of the local and extended community. The Governors aim for the organisation to be run in the best possible way and strict adherence to regulatory and legal requirements is of paramount importance. RGSG is inspected by the Independent Schools Inspectorate and this covers compliance with a range of regulatory matters as well as the educational provision for pupils. The financial operations of all subsidiaries are independently audited each year and other audits and regulatory inspections happen on a regular basis. There is a wide range of policies for staff which set out what is expected in respect of Health and Safety, GDPR, Safeguarding, anti-bribery and corruption through to whistle blowing and a staff code of conduct.

The IT systems are carefully managed to ensure the safety and security of all data. Staff use devices issued by the organisation and training and security measures are regularly reviewed and updated. General Data Protection Regulations are complied with and any new systems or associated processes are subject to a risk assessment to ensure they are compliant with the existing systems. Staff receive training and updates in this area.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Trustees (and the Directors for the purposes of Company law) are responsible for preparing the Directors' Report (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 directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

THE VALUES AND AIMS OF THE SCHOOL AND THE GROUP

The object of the holding company, 1509 Group, is 'to promote and provide for the advancement of education in the United Kingdom and any part of the World and, in particular, but without limitation to the foregoing:

- to conduct, acquire and carry on, any boarding or day schools for the education of children of either sex or both sexes in all disciplines and fields of study, or otherwise provide education to persons, and
- provide scholarships, exhibitions and bursaries for young persons, to enable them to further their education.'

The Group's objects are fulfilled through the running of the School and other subsidiaries, whose activities and financial performance are reflected in these statements.

The object of the School, as described in its charity commission scheme, is the provision in or near Guildford of either a day school or a day and boarding school for boys, and ancillary thereto, the advancement of education. A preparatory school may be maintained at the discretion of the charity.

The current School priorities are:

- Collaboration;
- Diversity and Inclusion;
- Student Experience

In pursuit of these aims, RGSG holds and promotes the following values:

- Inclusivity: we remain loyal to our founding principles to educate bright local students, irrespective of background or financial circumstances, and we inherently believe in establishing a culture of diversity and acceptance, and in educating our students in a welcoming, tolerant community where each individual is valued and enjoys a deep sense of belonging.
- Scholarship: we encourage the growth of intellectual curiosity, independence, creativity, innovation and habits of learning within a scholarly community through inspirational subject specialists who provoke and stretch the students' minds and inculcate a lifelong love of learning.
- Integrity: we promote the development of self-discipline and responsibility, spirituality and a personal moral code, and cultivate an ethos where qualities of decency, honesty, courtesy, humility and good humour are celebrated.
- Respect: we nurture an atmosphere of mutual respect between all members of our community, and foster self-respect and self-esteem in terms of physical health, emotional maturity and personal well-being, while establishing lasting friendships in a positive, happy environment.
- Courage: we develop leadership, teamwork, resilience and life skills through a diverse range of activities where all students, regardless of their talents and attributes, are encouraged to challenge themselves, take appropriate risks and work hard to fulfil their potential.
- Collaboration: we work closely with others for mutual enrichment, and encourage a spirit of generosity and service, a sense of perspective, and a firm belief that we can work in partnership with others, locally and internationally, to make a difference and have a positive impact on society.

The Governors aim to provide public benefit and are mindful of the requirements of the Charities Act 2011. The Directors have monitored closely the guidance on public benefit produced by the Charities Commission together with its supplementary guidance on fee-charging.

STRATEGIES TO ACHIEVE THE AIMS OF THE SCHOOL AND THE GROUP

The Governors' objectives for the School and the Group are established to deliver a wide-ranging, high-quality education to students from Guildford and the surrounding area.

The School is focused on achieving the School's main objective and has developed both long term and short-term plans to achieve this. Governors monitor the School's progress by regularly reviewing the academic and extra-curricular work. This is achieved through the Education Committee and RGSG Prep Committee plus a programme of Governor visits.

All pupils are now required to have a specified mobile personal computer to support quality remote and in-class teaching and learning. The School continues to evolve its strategy around use of devices, to seek continuous improvements and achieve the best educational outcomes and to mitigate against future disturbances.

RGS Guildford has established an exceptional educational reputation in the UK. We have decided to develop this by opening first class schools overseas. RGS Guildford Qatar opened in 2016, RGS Guildford Nanjing opened in September 2020, RGS Guildford Dubai opened in September 2021 and, most recently, RGS Guildford Oman opened in 2023. Opportunities to open further schools are being explored.

These schools are being opened together with local partners and are long term collaborations which allow us to share our expertise globally while learning from other cultures. Our partners share our educational ethos and have the desire and resources to deliver international schools with fantastic facilities that will share our values.

The reasons for our international expansion are many: partnership; engagement in global cultures; enhanced reputation for the school; and an income stream which will continue to be used primarily to support bursary funding for boys attending our school in Guildford.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

RGS senior school

With the relentless pace of change in the 21st century – Artificial Intelligence being just one such example – and the number of global issues and challenges which continue to face us all in the political, social, environmental and economic spheres, it is all the more important that schools are nurturing dynamic, innovative, and flexible problem solvers, team players and leaders. Transferable skills are key at a time where our students are going to be entering the world of work and applying for jobs which continue to evolve and develop. The fact that our students study a broad range of GCSEs and then enter the Sixth Form with a diverse and balanced range of skills mean they can face the future with absolute confidence. Results are key but our bespoke Learning Habits of organisation, engagement, imagination, perseverance, aspiration and reflection provide the foundations for success in the future. Our students continue to study in significant numbers the performing arts, the creative arts, classical and modern languages, humanities as well as the traditional STEM subjects. This blend of disciplines and skills has arguably never been more important.

At A Level, 39% of all grades were the gold standard A*; in total, 348 A* and A grades were secured by our hard-working cohort. 86 students achieved a clean sweep of grades at A or A*, 34 of those achieved 3 or more A* grades: these were richly deserved and just reward for all their efforts. At GCSE, the most common grade achieved by our students was the gold-standard grade 9; in total 594 grade 9s were achieved. In addition, 451 grade 8s were also secured: over two-thirds of all grades were at grade 9 or 8. 70 students achieved nine or more grade 8 and 9s; 9 students secured the remarkable profile of 12 or more grade 9s.

RGSG students continued to secure places on the most competitive courses at the leading universities in the country; 95% of all offers held to UK institutions were to Russell Group Universities or *Times Top 20* institutions. Of a talented cohort, 27 students received offers from Cambridge and Oxford Universities; in the last 10 years, RGSG boys have received just over 250 offers from Oxford and Cambridge Universities. Cambridge, Durham and Bath have been in the top five every year for the last seven years in terms of the number of RGSG boys

accepting places; Bath and Cambridge were the most popular university destinations, closely followed by Durham and Warwick. RGSG students were accepted to study a wide range of different courses at university ranging from Modern Languages to Medicine, Physics to PPE and Economics to Engineering. Sciences as well as business/management/finance/economics and also engineering remained the most popular choices.

A full and varied co-curricular programme provided the springboard for diverse achievement and experience, as well as the further nurturing of the Learning Habits and School Values which are at the heart of school life. The following provides a very brief and selective overview:

- Charitable initiatives and volunteering opportunities abounded as RGSG students of all ages and staff gave practical, hands-on help and support to a number of local, environmental and community initiatives.
- Over £130,000 has now been raised for our annual nominated School charities over the past five years, as the School continued to adhere to its values of service and collaboration to make a difference to others, with fundraising from small scale to grand scale – cake and doughnut sales, home clothes days and House charity events and food bank collections.
- The School continued to nurture and establish partnerships with local partners and those further afield to share our expertise from an academic, co-curricular and philanthropic perspective. Our Masterclass programme, our Tudor project and our Strings Scheme were just some of the events which stretched and challenged local pupils.
- Academic, adventurous, cultural and sporting trips flourished, as the School continued to look for every opportunity to support learning inside and outside the classroom. These included a music tour to Spain with Guildford High School, languages trips to Normandy and Barcelona, Physics trip to Geneva, skiing trips to Les Deux Alpes and Switzerland, a Classics trip to Greece, a rugby tour to South Africa, an expedition to Cambodia with Tormead, to name but a few.
- A significant number of boys achieved national or international sporting recognition from the mainstream sports to more minor sports. The School continued to impress on a challenging circuit in the major sports – rugby, hockey, and cricket – as well as enjoying notable success in fencing, shooting, skiing and sailing, among others. In a year of sporting success, the following highlights stand out individually and collectively: Under 14 Tier 1 National Plate hockey winners; the 1st XV rugby victory over Epsom College; the 1st VII Senior South Coast rugby 7s Plate Winners; ISGA national golf tournament runners-up; the 1st XI Area Cup Finalists in football beating Hampton and Royal Russell Schools *en route*; the 1st XI cricket runners-up at the RGS Festival; 101 Under 12 students representing the School in rugby on Super Friday against Judd School; the increase in the number of games in hockey and cricket against local girls' schools; more athletics meets than ever before with over 200 students representing the School at local, regional and national levels; as well as national or international recognition for individuals in sports ranging from hockey to golf, from sailing to pole vault, from badminton to ski-racing, from shooting to biathlon and triathlon.
- From the Arts' perspective, concerts, plays and exhibitions of breath-taking quality were experienced by parents, residents and the wider community: both staged at school as well as at a number of local and national venues. These included *Oliver*, the student-written and directed *No Peace on St Jude*, and the A Level and GCSE devised performances. Musically, a full and varied programme included a succession of highlights: the Joint Schools' Chamber Choir, in conjunction with Guildford High School, ventured to Christ Church College, Oxford to sing Evensong in the Chapel; Holy Trinity Church staged both the stunning Concerto and Symphony orchestral concert delivering a repertoire of extraordinary diversity and sophistication as well as the Concerto Concert with *Southern Pro Musica*; Holy Trinity Church was also the venue for the popular monthly Market Day concerts; school concerts included the Ensembles Concert, the Junior and Senior Piano concerts, and the Charity Rock event; while *The Boileroom* was the setting for an amazing jazz night.
- As well as phenomenal success in national science Olympiads, in ORIS (Original Research in Science), in essay competitions, in Model United Nations Conferences, in debating, to name but a few, a number of our students also hit the headlines. In the BAAO Astrophysics and Astronomy Olympiad, Freddie Weir was one of just five students nationally to be awarded Top Gold and went on to represent Team UK at the European Physics Olympiad in Georgia, winning an array of medals in the process with Team UK's best-ever set of results.

RGS Prep School

RGS Prep continues to prepare boys brilliantly for their futures whilst giving a broad and balanced curriculum where all can succeed.

RGS Prep ran a full programme of events including Carol Service, Harvest Service and Sports Days.

Alongside all the wonderful events, lessons, visits, trips and visitors, our Year 6 were extremely successful, with a number of scholarships and awards being given. Here are some of the many successes we have experienced this year:

- 28 scholarships were offered for their senior schools in the full range of Music, Drama, Sport and Academic.
- The scholarships were offered to over 21 different pupils.
- 144 awards were achieved in ABRSM exams, ranging from Pass to Distinction; from initial grade all the way up to Grade 7.
- 49 boys achieved a bronze, silver, or gold in the JMC.
- Sport remains a vital aspect of life at RGS Prep, and the revamped sports academies are now in full swing and working exceptionally well. The introduction of the three-tier system – Blue, Green, and Red academies – provides a balanced and competitive environment where boys can train and play. This system enables them to work with various coaches within each academy and compete for team positions, fostering healthy competition. By offering clear and defined tiers for training, the programme allows for tailored development opportunities while maintaining an exceptionally high standard of performance. We continue to employ two Sports Apprentices alongside our three-specialist sports staff, ensuring comprehensive support for all our pupils.
- Music, as always, plays a huge part in the life of RGS Prep. There has been a further increase in the number of instruments available for boys to learn – and this, in turn, has increased the number and quality of the ensembles available. Choristers did brilliantly well to perform with some quite restrictive conditions and have come out of it even stronger, with some fantastic performances held at the Cathedral including regular Evensongs, Sunday services and extra performances with both the RGS and external composers
- Drama: February brought with it the latest swashbuckling Drama Club adventure of 'Pirates of the Curry Bean', performed brilliantly by the Year 5 and Year 6 boys, who enthralled and captivated a highly amused audience. It was then the turn of the annual public speaking festival, 'Speak Out!' on World Book Day in March. Involving finalists from all Year Groups, a panel of three 'guest judges', (which this year included a member of the Guildford Shakespeare Company and the Yvonne Arnaud Theatre), were very impressed by the boys' presenting, reading and performing skills. The Trinity term Year 6 production of 'Shrek Junior the Musical' ended the year in style and featured many talented and superb individual performances, a true highlight on the dramatic calendar.
- As always, the boys very much look forward to the annual **residential trips**, enjoying the excitement and challenge of being away from home. Every summer term the boys in Years 3 – 6 come off curriculum for a week to take part in an Activities Week, which involves residential trips, day excursions and project work. Trips have gone across England and Wales, with Year 6 enjoying the ever-wonderful French trip. This year Prep boys' trips were as follows:
 - Year 3- Cuffley Active Learning Centre, Potters Bar
 - Year 4- Bushcraft, Gloucestershire
 - Year 5- Cumulus Outdoor Centre, Swanage
 - Year 6- Buddens Activity Centre, Wareham
- Pre-Prep boys enjoyed various on-site activities and some day trips. As well as this, our Head of MAG&T ran another brilliant "Inspire Day" to inspire boys to look at all the different and exciting possibilities that there are for driving passion and progress. The focus remains "faster collaborative thinking" and the Inspire programme keeps track of our offer across the board to check we serve boys wherever their gifts,

talents, and passions lie, and sources innovative provision to fill gaps and make links across and beyond the curriculum.

- The boys continue to support a wide range of charities, both local and international including the David Shepherd Foundation and the Motor Neurone Disease Association along with the food bank drive for Harvest. We also annually support the MacMillan Coffee Morning which our boys love and which provides a wonderful community event. As well as this, we have supported local and international schools with sharing teaching expertise, resources, uniform, curriculum documents and training days.
- RGS Prep is supported by a wonderful and very active **Parents' Association (the LPA)**, which organises many exciting events to raise money for the school. The Christmas Fair was a highlight, and it was wonderful seeing all the boys' buying presents for their loved ones. The LPA were fabulous in putting together the summer fair, quiz night, Easter bazaar and new parents' drinks – all to raise money and keep the community spirits up. We are very grateful for the work they put in, they very generously donated £10,000 towards our Wellbeing Garden.
- Our yearly **Prize Giving** events are highlights of our year when we can share and celebrate the numerous and varied achievements of all the boys at RGS Prep. It is a wonderful occasion shared with the school, parents, Governors, and VIPs. This year, we held the Junior Prize Givings and the Senior Prize Giving on the field. Parents attended to celebrate the boys, which was then followed by a delightful afternoon tea. It was a wonderful event, and parents were delighted to be given the opportunity to visit the school for one last time with their sons. This year we again held it in a stretch tent to avoid the possibility of getting sunburnt!
- **The site** has seen a lot of developments over the holidays. Rooms continue to be repainted with the new muted tones in order to help boys' attention. This is also reflected in our new notice board scheme. The Year 2 classrooms have had a much-needed overhaul.
- **Pupil numbers** have decreased slightly from last year's. In September 2023 the school had 334 on role; in September 2024 the school had 329 on role.

The RGS Guildford International subsidiaries, The Royal Grammar School, Guildford Foundation (the Foundation) and The RGS Guildford Enterprises Ltd (RGSE)

- The RGS Guildford International subsidiaries² traded successfully in 2023/24, continuing to provide intellectual property and guidance to support the operation and development of schools in Qatar, Dubai and Nanjing. A new Oman school opened in September 2023.
- The Foundation continued to operate successfully in 2023/24, raising income from donations to support the principal charitable activity of providing funding towards the cost of RGS bursaries. In July 2024, the Foundation merged with, and became a cost centre of, RGS Guildford (see note 20).
- RGSE saw its second year of trading in 2023/24, earning income from letting the School's facilities to third party hirers and earning a profit which will support the Group's activities.

Public benefit

The main beneficiaries of the School's work are boys aged 3 to 18 attending its schools. Governors have given due consideration to the Charities Commission guidance on Public Benefit guidance under Charities Act 2011 when considering activities in this area.

Governors wish the School's education to be widely available and so bursary/financial support applications are welcomed from families who could not otherwise afford to send their son to the School. Financial support is given to cover up to 100% of fees. In certain circumstances support for lunches, travel costs, course and examination fees are also considered on top of this. In the year, 75 boys benefitted from financial support funding of over £1.2 million, including 29 boys who received full fee remission for at least one term.

² The RGS Guildford International Ltd, The RGS Guildford International (Dubai) Ltd, The RGS Guildford International (China) Ltd and The RGS Guildford International (Oman) Ltd.

In addition to financial support for fees, the School gives opportunities to pupils of local schools to share the School's expertise, facilities and resources, and contributes widely to the local community in many ways. The School is also involved in developing relationships and partnerships with an ever widening range of educational organisations.

- Both the Senior and Prep School are core members of the West Surrey Partnership (WSP) – an independent and state school partnership involving secondary and primary schools in the wider Guildford area. The partnership exists to promote mutually beneficial educational opportunities with a particular focus on literacy, STEAM, sustainability and leadership. As part of the steering group, RGS take a lead role in the direction and sustainability of the partnership including oversight its aims, membership, focus of events, and financial stability. A part of the Operations Group RGS take a lead in the organisation of all the events. In the past year the WSP organised: a Y12 sustainability conference involving over c.80 students; a Y9 SATRO Engineering event for c.100 students; a Y6-7 CWIZZ Literacy quiz for c.100 students; Lacross taster sessions for Y5-6; Facilitated the entries to the Imperial Science & Innovation video competition which saw two Y6 teams invited to the national final presentations and one WSP team winning the KS2 national competition; Y5-6 Robotics club support and competition day; Y5-6 Science lessons for c.180 pupils; Y5-6 Brilliant Book Awards support for book clubs and awards ceremony.
- The School is an associate member of the local Learning Partners (LP) Multi Academy Trust (MAT). The Headmaster of RGS is an LP Trustee, an RGS Deputy Head is a Governor of Guildford County School, the RGS Bursar a Governor of Sandfield Primary School and an Assistant Head a Governor of Kings College.
- Three RGS staff are deployed to teach in LP schools: Throughout the year RGS staff provided Physics tuition for Y11 Kings College pupils; Introductory Latin classes for Y7&8 King College pupils; and French lessons for Y5&6 Sandfield Primary School pupils.
- As part of our partnership with LP, the School continued specifically to support a local Secondary School (Kings College). An Assistant Head continued to act as the Governor with specific responsibility for Safeguarding. The Physics department continued to support the Kings Triple Science pupils by delivery of Physics lessons and revision classes. The Maths department continued to organise the Y9 problem-solving Maths sessions for Kings pupils delivered by our Sixth Form pupils.
- The School is a member of the Guildford 11-19 Partnership, which mainly exists to help pupils most at risk of dropping out of school by offering alternative educational provision. It also provides links to other educational providers and sharing of provision. The RGS continued to lead an innovative project to enable any pupil at member schools to attend a joint programme of academic enrichment events (IMAG). In 2023-24 we ran over 20 events from 6 different organisations with c.350 students attending over 10 different schools. (www.imag.education)
- Several RGS Staff act as Governors or Trustees at other schools or organisations:
 - Senior:*
 - Jon Cox – Learning Partners (LP) – Board Trustee
 - Jon Cox – Merchant Taylors' School – Governor (Indep.)
 - Bob Ukiah – Bourne Education Trust MAT Board – Trustee
 - Adrian Woodman – Guildford County School (LP) – Governor
 - Kate Perceval – Sandfield Primary School (LP) – Governor
 - Tom Shimell – Kings College (LP) – Governor
 - Steve Yetman - England Schools' Ski Association – Board Member
 - Paul Lyons – Raleigh School, West Horsley – Governor
 - Gemma Bownes – Sydenham High School – Governor (Indep.)
 - Sam Burns – Twickenham School, Whitton – Governor
 - Richard Black – The Butts Primary School, Alton – Governor
 - Bart Callaghan – Muntham House School – Governor (Indep.)
 - Dale Chambers – St Peter's School – Governor
 - Dale Chambers – Southern Pro Musica Orchestra – Educational Outreach Officer

- Martin Hanak-Hammerl – Busbridge Junior School – Parent Governor, Chair
- Sara-Jade Hussan – Heathlands School, Hounslow – Governor, Vice Chair
- Rike Jones – Southborough High School, Surbiton – Governor
- Sam Orchard – Guildford Youth Symphony Orchestra – Trustee
- Tom Owens – Twickenham Prep School – Governor (Indep.)
- Thishani Wijesinghe - Sandfield Primary School (LP) – Governor

Prep:

- Adam Moore (Prep) - Hampton Wick School, Kingston, Governor
- Stuart Divers (Prep) - Federation of Pinewood Infant and Guillemont Junior school, Governor, Vice Chair

- There are also significant Outreach programmes for primary and secondary pupils. For example:

- The **RGS Strings Scheme** teaches all year 4 pupils (c.120 pupils) in two Guildford primary schools (Sandfield and Boxgrove) to play the violin or cello through weekly sessions over the course of a year. Twice a year concerts are held for parents which enable every pupil to perform. Additionally, provision is made for those wishing to continue their learning in Y5-6 via group lessons and instrument loan and a continuers orchestra at Boxgrove. This scheme is only possible due to working in partnership with the generous support of our principal donors: The Investec International Music Festival (IIMF), the Mila Charity and the Sheryl King Trust.
- At the **RGS Primary Masterclasses** we hosted c.140 Y6 pupils from over 25 different Primary schools for lessons on four Saturday mornings in September and October. Students picked from a suite of six 'strands': Creative Arts (Drama, Music, Art, Writing); Design Technology; Humanities (History, Politics, Geography, RE); Mathematics; MFL (Arabic, Chinese, Russian, Japanese); and Science (Biology, Chemistry, Physics, Forensics). These sessions are to provide stretch and challenge to able pupils, to build confidence and to excite about transition to secondary school.
- The **Primary Tudor Experience** provides a day of Tudor themed 'lessons' at RGS for Y6 classes including transport to and from RGS (paid for by RGS), an introduction to the history of the Tudor school including the Chained Library; a Tudor music and dance session, a Shakespeare Literacy session; a Tudor Games session, and a Tudor Art and Anamorphosis session. In 2023-24 we hosted c.550 pupils over 18 class visits from 8 different schools.
- Our Sixth Form pupils are able to volunteer to support and to serve the local community via a Charity fundraising for local national and international charities (not reported on here); Volunteering for conservation work and visits to local care homes (not reported on here); DoE volunteering (not reported on here); and during activities sessions ('P8') and General Studies. In the latter two categories, our Sixth Form groups: Continued to run the chess club at Sandfield Primary; delivered a Maths club and a chess club at Holy Trinity Primary School; delivered Y9 Maths problem solving for Kings College pupils; and visited Abbot's Hospital residents to record oral histories.
- At an international level, the Royal Grammar School, working in partnership with Tormead School, has close links with schools in Besisahar, Nepal. In October 2023 RGS-Tormead led a joint expedition taking c.20 pupils to undertake volunteering and cultural exchanges at Bhu Pu School. We also use Y7-9 discos to raise funds for this partnership. Separately, during June 2024, RGS-Tormead led a joint expedition to Cambodia with a part of this being a charitable project to support rural sustainability farming communities.
- This year we continued our links with the 'Big Leaf' charity to provide access to our all-weather football pitch and indoor courts for their weekly training sessions. Big Leaf work with 16-25 year-old displaced people from any country.

- Other miscellaneous outreach included:
 - **Heritage Open Day:** This is one of the only occasions when the Tudor Old Building including the Chained Library is open to members of the public.
 - **Music Market Day concerts:** Monthly Holy Trinity church free to members of the public.
 - **MFL:** We welcomed c.65 Y12&13 French, German and Spanish students from Reed's, St John's, St Cats, Tormead and Menuhin School for a co-educational MFL 'Speed-debating' event. Our linguists discussed provocative topics including media, music and marriage.
 - **Careers in Engineering Seminar:** 56 external pupils from 6 local schools: Collingwood College (11), Guildford County (12), Howard of Effingham (4), St Catherine's (13), St Peter's (10), Tormead (6)
 - **Careers Finance Seminar:** We had 74 external pupils from 6 local schools: St Peters, Fullbrook, Collingwood College, George Abbot, St Catherine's, Tormead. Most of them requested more than the 8 allocated spaces – St Peters sent 14, ditto George Abbot and St Catherine's sent 20 – and lots of girls!
 - **Careers – St Peters:** A Music teacher spent a day giving mock interview to around 30 Year 11 pupils, in preparation for both potential interviews for a new school, and early career advice around interview and c.v. presentation.
 - **Classics:** Assistant Head taught at Kings London University PGCE course delivering an afternoon for trainee Classic teachers on different approaches to teaching Greek.
 - **English:** English Department welcomed Professor Farah Karim-Cooper to deliver a lecture on Shakespeare and race studies. Two hundred A-Level English Literature students and teachers from both independent and state schools across Surrey including George Abbot School, Guildford County School, Notre Dame School, Tormead School, St Catherine's School, and St Peter's Catholic School.

SECTION 172 (1) STATEMENT

The Directors of a Company must act in accordance with a set of general duties. These duties are detailed in in section 172 (1) of the U.K. Companies Act 2006, which is summarised as follows with reference to Charitable Companies.

'A Director of a Company must act in the way he/she considers, in good faith, would be most likely to promote the success of the Company in achieving its charitable purposes, and in doing so have regard (amongst other matters) to:

1. The likely consequences of any decision in the long term
2. The interests of the Company's employees
3. The need to foster the Company's business relationships with suppliers, beneficiaries and others
4. The impact of the Company's operations on the community and the environment
5. The desirability of the Company maintaining a reputation for high standards of business conduct, and
6. The need to act fairly as between beneficiaries of the Company.

Beneficiaries

The beneficiaries of the organisation are the pupils, and the Governors aim to ensure they are provided with the highest quality of education available, in terms of academic, co-curricular and pastoral input. Our aims and performance in this area are further detailed under the headings **The values and aims of the group** and **achievements and performance**, above.

Employees

All staff, both teachers and support staff, work hard to achieve the School's aims in delivering the highest possible standard of education to the pupils. It is the hard work, dedication and professionalism of these staff that achieve the outcomes for the pupils.

The recruitment, retention, development and welfare of staff is crucial to the successful running of the organisation and is considered, by the Governors, to be of great importance. Further detail is provided under **Organisational Management** in the Directors' Report.

Community and Environment

The school is at the heart of the Guildford community and many activities take place that involve the local and wider community. This ranges from pupil and staff fundraising and participation in events to the sharing of resources with others. Extensive details on this are provided in the **Public Benefit** section of the Strategic Report.

Decision making, risk management and governance and performance oversight

The full board of Governors meets three times a year with additional committee meetings taking place each term. As outlined under **Organisational Management** in the Directors' report, each committee has a specific focus but considers the overall impact of decisions on the wider organisation.

Culture and Values

The values of each school are embedded within the curriculum to form a way of life for both pupils and staff.

ENERGY AND EMISSIONS REPORT

Energy Consumption

Streamlined Energy & Carbon Reporting (SECR) is a legislative reporting requirement in the Directors' Report for Year Ends on or after 31 March 2020. It mandates that all large companies must report on their operational energy consumption and associated emissions.

A high level breakdown of energy used, and emissions generated by Royal Grammar School Guildford is included in the table below.

		kWh	Mileage	KgCO ₂ e	tCO ₂ e
Gas	2023-24	1,618,425	n/a	296,010	296
	2022-23	1,825,619	n/a	328,611	329
	2021-22	1,854,861	n/a	333,875	334
Electricity	2023-24	1,063,023	n/a	220,099	220
	2022-23	1,040,431	n/a	215,446	215
	2021-22	984,477	n/a	190,378	190
Transport	2023-24	92,872	58,200	22,198	22
	2022-23	84,525	57,500	20,286	20
	2021-22	73,368	49,240	17,608	18
Total	2023-24	2,774,320	58,200	538,307	538
	2022-23	2,950,575	57,500	564,343	564
	2021-22	2,912,715	49,240	541,861	542

UK energy use covers all educational and ancillary activities across the School. Associated Greenhouse gases have been calculated using 2024 conversion factors advised by the UK Government Department for Business, Energy and Industrial Strategy.

Intensity Metric

An intensity metric gives an indicator of carbon performance calculated per unit of an operational driver of the School's activities. For Royal Grammar School Guildford we have used the average number of pupils over the year as the relevant operational driver. **In 2023/24, 1,304 pupils accounted for emissions of on average 413 kg CO2 each (2022/23: 1,316 pupils accounted for emissions of on average 429 kg CO2 each).**

Continuing our rolling programme of maintenance and refurbishment, the School took the following energy efficient actions during the year:

- We continued our roll out of energy efficient LED fittings across all sites
- Ongoing replacement of single glazed windows with double glazed units. Only a small portion of the main building now remains to be done
- Continued replacement of internal and external doors to reduce heat loss
- Boilers replaced with more energy efficient models
- Washroom areas which have been refurbished have had mixer taps with improved flow regulation and effective thermostatic mixing valves installed
- During refurbishment works, use of skips is minimised in favour of appropriate recycling and use of registered waste carriers
- We have solar panels on our North Building

Additionally

- We have an active sustainability/environmental committee within the school which has come up with many initiatives to prompt energy saving and awareness
- Of our fleet of 15 buses and vans only 3 do not comply with the ULEZ requirements. We have electric car charging points across site
- We have monitored air quality on our sites both internally and with third party involvement
- When planning for future building enhancements and developments, sustainability considerations have been a high priority
- Food waste is collected separately, and the volume closely monitored by our catering contractors
- General and recycling waste is carefully monitored with placement and style of receptacles regularly reviewed
- We actively seek to work with energy suppliers that use renewable energy and act on being carbon neutral
- When refitting our Undercroft area following flood damage, sustainable materials and reduced environmental impact was considered throughout.

FINANCIAL REVIEW

Results for the year

The Group is pleased to report the generation of a net increase in funds of £3.7m in the year ended 31 July 2024 (2022/23: £1.1m) arising from the operation of the School and subsidiaries. The Group's net income of £3.7m comprised an underlying surplus of £1.9m, and an exceptional pension credit of £1.8m.

The Group's income of £30.9m was £2.6m (9%) higher (2022/23: £28.3m), reflecting higher net fee income (+£2.4m) from higher average fees per pupil (+10%), and higher other income (+£0.2m) including higher bank interest income earned from Treasury deposits.

The value of fee remissions awarded varies from year to year, depending on prevailing circumstances and the needs of each cohort. While non means-tested remissions are being managed downwards, over time the value of means-tested remissions awarded is growing, in line with the School's ambition for its education to be as widely accessible as possible.

Total income includes investment income of £0.4m (2022/23: £0.1m) and £0.4m (2022/23: £0.7m) of donations.

Total expenditure was £27.2m, in line with 2022/23 (£27.2m). Increases in staff costs (+£1.6m) other costs (+£0.2m) were offset by the £1.8m exceptional pension credit.

With effect from 31 August 2021, the School elected to withdraw from the Surrey County Council Superannuation Fund and finalise its pension liability, in respect of this scheme, as at that date. The final valuation invoice of £1.8m received from the Fund in 2021/22 was provided in the group's accounts until it was released in 2023/24 (see note 17).

The Group generated cash sufficient to cover £4.3m capital expenditure on its facilities (see note 7).

RGS Guildford International (RGS GI) has two principal activities. It supplies intellectual property and guidance to Al Qamra Holding to support and operation and growth of RGS' first overseas school, RGS Guildford Qatar. The Company also seek opportunities for new partner schools and develops these opportunities to the stage of signing final contracts. RGS Guildford Qatar has continued to operate successfully in 2023/24. The school educates around 800 students and is likely to increase numbers in coming years.

RGS GI Dubai was established to partner with education group Cognita Ltd to open RGS Guildford Dubai. RGS GI Dubai supplies intellectual property and guidance to support the establishment and operation of the school. The outlook for the school is good with steady increases in student numbers and income confidently expected.

The principal activity of RGS GI China (RGS GIC) is to support RGS Guildford Nanjing, which opened in 2020 and is partnership between RGS GIC and Shenzhen Gemdale Education Company, a Chinese company. The nature of the partnership is that RGS GIC supplies intellectual property and guidance to help the establishment and operation of schools which embody the best of RGS together with the best of Chinese education.

RGS GI Oman started operations in 2022/23 and signed a development and operating agreement with Sama Education Company and Al-Tamkeen International School LLC to open a school in Oman. The Company supplies the intellectual property and guidance to progress the establishment and operation of the school, which opened in September 2023. Fee income in 2023/24 represented the minimum royalty payment.

RGS Guildford Enterprises Ltd had its second year of trading and continued to earn income from letting RGS's facilities to customers.

With VAT on school fees being implemented from January 2025 and pressure on family finances, the political and economic background remains challenging. Despite this, demand for places at the School remains strong, and the School believes pupil numbers will remain stable for the foreseeable future. The Governors have considered the impact of these factors on the School's operating model and financial position, and this is further detailed in the 'Reserves level and policy, and financial viability' section, below.

Reserves level and policy, and financial viability

Reserves are held for two main purposes: (i) to finance future major capital development of the Group's premises and (ii) to be available to cover unexpected contingencies such as a significant loss of income or the short-term impact of potential adverse changes affecting the independent school sector, for example adverse changes in future taxation.

It is not considered appropriate for the Group to hold, or to aim to hold, no reserves, as this would leave the Group unable to fund future major capital development or unexpected contingencies. Most of the reserves held are intended to be spent on major capital development in the medium to long term, and some are held in order to be available to cover potential contingencies in the nearer term.

At 31 July 2024 the School's reserves were £3.6 million, which broadly corresponds to net current assets excluding cash received from fees in advance. Reserves are equivalent to approximately 1.5 months of the School's operating expenditure. This is not considered excessive.

We have prepared a number of scenarios that consider our cash position, sources of income and planned expenditure. Demand for places at RGSG remains strong. Nonetheless, these scenarios consider reduced pupil numbers, delayed fee payment and potential bad debts, cost inflation and increased interest rates. Sensitivity around these assumptions has also been considered in our forecasting. The scenarios also consider the terms and conditions of the existing bank facilities. Results of this cash flow and sensitivity analysis indicate that the cash reserves of the Group are sufficient to meet the Group's obligations as they fall due.

Having regard to the above, the Governors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Investment policy, objectives and performance

The Group reviews its investment policy annually and adapts it if appropriate. The policy is based on the following principles:

- Prudent investment for income and growth based on the two principles of diversity and reduction of risk
- Speculative and very high risk investments should be avoided
- Investments will be made in appropriate Common Investment Funds (CIFs, which may include UK gilts), which have an established market and are readily realisable
- Account must be taken of the School's charitable status
- Appropriate advice should be sought from professional advisors on any proposal to invest other than in CIFs and, if necessary, on the choice of CIF
- Investments should be reviewed annually by the Finance and General Purposes Committee (F&GP)
- The Investment Policy should be reviewed and endorsed annually by the Governors
- Investments will be made on the instruction of the F&GP
- Money held on deposit should be reviewed periodically to ensure that it is earning the maximum interest for the School.
- To have due regard when investing funds to the fact that some funds held by the School are due to be returned to parents when their son leaves the School or are payment in advance for provision of education in the future.

The Group increased bank interest income in RGS Guildford and the Foundation by placing Treasury deposits at higher interest rates than applied to the bank accounts.

The Group sold its remaining investment held with CCLA Investment Managers in order to simplify administration (see note 8).

Fundraising

Until 17 July 2024 fundraising for School funding priorities was carried out by the The Royal Grammar School, Guildford Foundation ("the Foundation"), which raised funds for bursaries. On 17 July 2024 the Foundation merged with, and became a cost centre of, the School, now called the Development and Alumni Relations Office ("DARO") (see note 20).

DARO's fundraising activities are carried out by an in-house staff team. DARO adheres to the Code of Fundraising Practice. Fundraising activity is limited to those with an existing connection to the School and includes a limited amount of funding from Trusts. Major donor and one-to-one fundraising are the Foundation's key mode of fundraising which helps to ensure that philanthropic relationships are not developed with anyone who might be vulnerable or be in vulnerable circumstances.

No complaints relating to fundraising were received in 2023/24.

FUTURE PLANS

The Group's development plans were agreed by Governors and are subject to annual review. The main plans for the next year to help the Group achieve its objectives are:

- To fulfil the Group's charitable aims by spreading educational best practice, offering bursaries, and benefitting the community;
- To continue to develop mutually beneficial partnerships with other educational establishments at a local, national and international level;
- To enhance further the support for students' and staff welfare and personal development;
- To foster outstanding teaching and learning;
- To continue to work towards widening access to the School for students with limited means; and
- To adapt to the impact of tax changes.

These plans underpin individual detailed development plans for each area, which will enhance the Group's ability to provide an exceptional education.

RISK MANAGEMENT

The Governors have examined the principal areas of the Group's operations and considered the major risks faced in each of these areas. The risk assessment is updated at least annually, and more frequently if appropriate to take into account changing circumstances. The risk assessments are considered by the RGSG Education committee, the RGS Prep committee and the boards of the individual companies as appropriate before passing to the F&GP committee and the Board for discussion.

The main risks that have been identified are:

- Cyber-attack, causing major theft, loss or corruption of data or systems that could damage the school's operations, finances or reputation. The safety of systems is regularly reviewed along with the development of disaster recovery systems, the review of policies and passwords, with updates and training for staff on these.
- Failure to retain the Headmaster of the RGSG or RGSG Prep could detrimentally affect the schools' admissions and performance. The development of members of the senior team in each school and ongoing support of the governors will help reduce the impact of a change of Head.
- Uncertainties about the economy could further affect parents' finances and could lead to increased debts to the school and burden on the hardship bursary provision. Careful consideration of budgeting, cost management and fee levels and debt management will be made and kept under review.
- The introduction of legislation such as VAT on fees and loss of business rates relief causing financial pressure on independent schools. The outcomes of policies publicised by political parties are kept under review.
- Incidents that have the potential to damage the reputation of the School. This could cover a wide range of incidents so careful consideration to legislation, regulations, school policies, health and safety etc must be maintained and reviewed by staff and governors to ensure compliance in all areas.
- Incidence of a pandemic adversely impacting on the schools' ability to deliver education combined with the economic impact affecting parents' finances and ability to pay school fees. Excellent remote teaching and learning capability was rolled out and enhanced by the school during the initial period of lockdown, significantly mitigating the risk of the schools being unable to deliver quality education.

The Group has established a review system and allocated sufficient resources to ensure that those risks identified have been mitigated to a level acceptable for the Group's day to day operations. The Group regularly reviews the effectiveness of current plans and strategies for managing all identified major risks for the School and other group organisations.

The Annual Report which includes the Strategic Report was approved by the Charity and signed on its behalf by:

Sarah Creedy

19 December 2024

Mrs S K Creedy

Independent auditor's report to the members of 1509 Group

Opinion

We have audited the financial statements of 1509 Group for the year ended 31 July 2024 which comprise the Consolidated Statement of Financial Activities, Company and Consolidated Balance Sheet, Consolidated Cash Flow Statement 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 July 2024 and of the group's and parent charitable company'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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

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 Directors' Report (which includes the strategic report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report included within the Directors' Report 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 Directors' Report (which incorporates the strategic 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 charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

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

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees 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 and the environment in which it operates, 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, payroll tax and sales tax.

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 regulations related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- 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 unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates

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 HaysMac LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

28/12/2024

	Note	Unrestricted Funds	Restricted Funds	2023-2024 Total	2022-2023 Total
		£000	£000	£000	£000
Income from:					
Charitable Activities					
School fees receivable	2 (a)	27,260	0	27,260	24,862
Other educational income	4 (a)	1,584	0	1,584	1,265
Other ancillary trading income	4 (b)	1,085	0	1,085	965
Donations and legacies		1	386	387	691
Investments		355	0	355	98
Other Income	4 (c)	226	0	226	444
Total Income		<u>30,511</u>	<u>386</u>	<u>30,897</u>	<u>28,325</u>
Expenditure on:					
Raising Funds					
Finance costs	5 (a)	108	0	108	60
Charitable activities					
Schools and grantmaking	5 (b)	28,384	390	28,774	27,156
Ancillary trading		25	5	30	29
Exceptional pension credit	17 (v)	(1,754)	0	(1,754)	0
Total Expenditure		<u>26,763</u>	<u>395</u>	<u>27,158</u>	<u>27,245</u>
NET INCOME FROM OPERATIONS BEFORE TRANSFERS AND INVESTMENT GAINS					
		3,748	(9)	3,739	1,080
Net gain/(loss) on investments		2	0	2	0
NET INCOME		<u>3,750</u>	<u>(9)</u>	<u>3,741</u>	<u>1,080</u>
Transfers between funds	14 (d)	0	0	0	0
NET MOVEMENT IN FUNDS		<u>3,750</u>	<u>(9)</u>	<u>3,741</u>	<u>1,080</u>
Fund balances brought forward at 1 August	21	<u>40,566</u>	<u>2,362</u>	<u>42,928</u>	<u>41,848</u>
FUND BALANCES carried forward at 31 July		<u><u>44,316</u></u>	<u><u>2,353</u></u>	<u><u>46,669</u></u>	<u><u>42,928</u></u>

The School has no gains or losses that are not shown above. All operations are continuing.

The accounting policies and notes on pages 27 to 43 form part of these Financial Statements.

Company number 4104101

	Notes	2024 £000	2023 £000
FIXED ASSETS			
Investment in group company share capital		300	300
CURRENT ASSETS			
Cash		735	64
		735	64
CREDITORS: due within one year			
Amounts owed to the School for recharges		(4)	0
Accruals	11	(4)	(4)
		(8)	(4)
NET CURRENT ASSETS		727	60
TOTAL NET ASSETS		1,027	360
Represented by:			
RESTRICTED FUNDS	14	14	14
UNRESTRICTED FUNDS	14	1,013	346
Total funds		1,027	360

The unconsolidated surplus of the company was £666,958 (2023: Loss £5,312).

Approved by the Board of the 1509 Group on 19 December 2024 and signed on its behalf by:

Sarah Creedy - Director

Sarah Creedy

Tom Lingard - Director

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The accounting policies and notes on pages 27 to 43 form part of these Financial Statements.

Company number 4104101

Consolidated

	Note	2024 £000	2023 £000
FIXED ASSETS			
Tangible fixed assets	7	39,864	37,372
Investment assets	8	0	46
		<u>39,864</u>	<u>37,418</u>
CURRENT ASSETS			
Stocks	9	56	77
Debtors	10	1,125	654
Cash and deposits		20,219	12,255
		<u>21,400</u>	<u>12,986</u>
CURRENT LIABILITIES			
Creditors payable within one year	11	(9,653)	(5,226)
Pension Scheme Liabilities	17 (i)	0	(1,754)
		<u></u>	<u></u>
NET CURRENT ASSETS		11,747	6,006
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>51,611</u>	<u>43,424</u>
CREDITORS: due after more than one year	12	(4,942)	(496)
		<u></u>	<u></u>
TOTAL NET ASSETS		<u>46,669</u>	<u>42,928</u>
Represented by:	14		
RESTRICTED FUNDS		2,353	2,362
UNRESTRICTED FUNDS			
Designated		38,983	36,278
General		5,333	4,288
UNRESTRICTED FUNDS		<u>44,316</u>	<u>40,566</u>
		<u></u>	<u></u>
TOTAL FUNDS		<u>46,669</u>	<u>42,928</u>

Approved by the Board of 1509 Group on 19 December 2024 and signed on behalf of the Company by:

Sarah Creedy - Director

Sarah Creedy

Tom Lingard - Director

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The accounting policies and notes on pages 27 to 43 form part of these Financial Statements.

	Note	2024 £000	2023 £000
Net cash inflow from operations			
Net cash provided by operating activities	note (i)	5,237	95
Cash flows from investing activities:			
Payments for tangible fixed assets	7	(4,288)	(1,083)
Proceeds on sale of tangible fixed assets		14	5
Proceeds on sale of investments	8	48	107
Investment income and bank interest received		355	98
Net cash used in investing activities		(3,871)	(873)
Cash flows from financing activities:			
Fees in Advance (FIA)		6,486	199
Overdraft repayment		(216)	(216)
Finance lease		294	0
Increase in parents' deposits		99	46
Finance lease interest		(55)	(19)
Loan interest charge		0	(23)
Other finance costs		(10)	(15)
Net cash used by financing activities		6,598	(28)
Change in cash and cash equivalents in the year		7,964	(806)
Cash and cash equivalents at 1 August 2023		12,255	13,061
Cash and cash equivalents at 31 July 2024	note (ii)	20,219	12,255

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

	2024 £000	2023 £000
Net income before investment gains	3,739	1,080
Non-cash exceptional pension credit	(1,754)	0
Elimination of non-operating cash flows:		
- Investment Income	(355)	(98)
- Finance Costs	66	28
Depreciation	1,784	1,804
(Profit) on sale of fixed assets	(2)	(5)
Decrease in stocks	21	10
(Increase)/Decrease in debtors	(471)	(106)
Increase/(Decrease) in creditors (excluding FIA, deposits, leases)	2,210	(2,618)
	5,237	95

(ii) Analysis of changes in Cash and Cash equivalents

	Change in Year £000	2024 £000	2023 £000
Balances at 31 July			
Cash	0	5	5
Cash Equivalents (Deposits of < 3 Months)	7,964	20,214	12,250
Changes in Cash and Cash equivalents from the School's operations	7,964	20,219	12,255

The accounting policies and notes on pages 27 to 43 form part of these Financial Statements.

NOTE 1: ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

They are drawn up under the historical cost convention as modified by the revaluation, at fair value, of investments.

With VAT on school fees being implemented from January 2025 and pressure on family finances, the political and economic background remains challenging. However the Group holds significant cash balances and demand for school places at RGSG remains strong, with continuing high numbers enrolled for the academic year 2024/25. Collection of fee income continues to be robust. Conservative cash flow modelling with sensitivity analysis indicates that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due. Accordingly, the Directors believe the Group's financial resources are sufficient to ensure there is no material uncertainty about the Group's ability to continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements, and have therefore prepared the financial statements on a going concern basis.

The functional currency of the Group is considered to be GBP because that is the currency of the primary economic environment in which the Group operates.

1509 Group is a Public Benefit Entity registered as a charity in England and Wales, Company Number 1084866, Charity Number 4104101. Its registered office is The Royal Grammar School Guildford, High Street, Guildford, Surrey GU1 3BB.

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the accounting policies, the Directors are required to make judgements, 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 only affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

The key source of estimation uncertainty that has a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

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

Statement of Financial Activities (SOFA)

The Group has two types of fund:

Restricted – where the purposes for which the funds may be used have been restricted by donors; and

Unrestricted – where the fund is not restricted as to use other than in furthering the objects of the Group. These include Designated Funds, where the funds are unrestricted, but the Governors have designated them for a specific purpose.

Income and Expenditure

Income and Expenditure is accounted for on an accruals basis with the exception of income from gifts and legacies. These are recognised when the charity is legally entitled to the income, the amount can be measured with reasonable accuracy, and the economic benefit to the School is considered probable.

Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deductible allowances, scholarships and remissions allowed by the School, but include contributions received from Bursaries funds.

Donations and Legacies

Donations received for the general purpose of the Group are credited to income. Donations subject to specific wishes of the donors are carried to relevant restricted funds or used within the year for the appropriate purpose. Gifts in kind are valued at estimated open market value at the date of the gift, in the case of assets for retention or consumption, or at the value to the Group in the case of donated services or facilities.

Legacies are taken to unrestricted funds unless specified for a particular purpose in which case they are taken to restricted funds.

Expenditure

Expenditure is accrued as soon as the liability is considered probable, discounted to present value for longer term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. Irrecoverable VAT is included in the Statement of Financial Activities with the expenditure to which it relates.

Governance costs are those costs incurred in the safeguarding of the School's assets associated with constitutional and statutory requirements.

Investments

Until 2022/23 investments were shown at fair value at the year end. Realised and unrealised gains and losses on investments were accounted for through unrestricted or restricted funds as appropriate and were accounted for in the SOFA. During 2023/24 the School sold its remaining investments, so none remained at 31 July 2024.

Tangible Fixed Assets

Expenditure on individual fixtures, fittings and equipment, motor vehicles, grounds and maintenance equipment and IT that are over £5,000 and capital in nature are capitalised, together with any spending of a capital nature relating to buildings.

Certain artefacts owned by the School are considered to be inalienable. It would be both difficult and costly to attribute a cost or valuation to these assets. In the event of future acquisitions of inalienable assets, such assets would be capitalised. Any proceeds on the disposal of such assets would be accounted for through the appropriate fund in the SOFA.

Heritage Assets

The School holds the Town Wall (or Garden Wall) that at one time divided the School's property from the neighbouring Duke of Somerset's House and is also the old boundary between the Stoke and Christchurch Wards of Guildford. From time to time members of the public are permitted access to view the wall along with the Old Building and other items of historical interest that are held and used primarily for educational purposes. The Wall is maintained as part of the School's general care of its buildings, but also having regard to its commitment to the local community to care for a historical property. The Governors do not regard it practicable to obtain a valuation of the Wall and, accordingly, no value is ascribed to it.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost of each asset, less any estimated residual value based on current market prices, evenly over its expected useful life. New capital developments are depreciated only when work has been completed and they are brought into use. The depreciation rates for the principal categories are:

Freehold Buildings	- 2% per annum on a straight-line basis
Furniture & Fittings	- 15% per annum on a straight-line basis
Computer Equipment	- 33% per annum on a straight-line basis
Photocopiers	- 20% per annum on a straight-line basis
Motor Vehicles	- 20% per annum on a straight-line basis
Playing Field Equipment	- 12.5% per annum on a straight-line basis
Leasehold Property	- over the length of lease
Leasehold Improvements	- over the length of lease
Major Refurbishment	- 4% per annum on a straight-line basis

Stock

Stocks are valued at the lower of cost and net realisable value.

Operating Leases

The annual rental for operating leases is charged to the Statement of Financial Activities on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Finance Leases

Assets held under finance leases are capitalised at their fair value and depreciated over their estimated useful economic lives. Future obligations under finance leases are included in creditors, net of finance charges. Payments are apportioned between the finance element, which is charged to the Statement of Financial Activities as interest, and the capital element, which reduces the outstanding obligations.

Pensions and Post Retirement Benefit Schemes

a) Defined Benefit Schemes

RGSG contributes to the Teachers' Pension Scheme, which is a defined benefit scheme, at rates set by the Government Actuary. The Scheme is a defined contribution 'Multi-Employer' scheme, and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with FRS 102, the Scheme is therefore accounted for as a defined contribution scheme. Contributions to the Scheme are charged to the SOFA as they become payable in accordance with the rules of the Scheme.

In the past the School also contributed to the Surrey County Council ("SCC") Superannuation Fund, a defined benefit scheme for support staff. With effect from 31 August 2021, as a consequence of dwindling employee membership, the School withdrew from this scheme. In 2023/24, SCC and the School signed an agreement whereby SCC released the School from its closing liability in respect of the SCC Superannuation Fund. Accordingly, an amount equivalent to the 2022/23 closing liability was credited to the SOFA in 2023/24, and there was no liability at 31 July 2024.

b) Defined Contribution Schemes

The pension cost charged to the SOFA represents the contributions payable by the School under the rules of the Scheme.

Advanced Fees

The School has accepted advance fee lump sum payments in respect of certain pupils and in return has undertaken to discharge defined amounts of the fees chargeable in respect of those pupils after 31st July 2024. In the event of a pupil's withdrawal from the School before all the agreed amounts have been credited, the School has agreed to return the relevant unspent portion of the capital payment without addition of interest or to continue to hold the remaining capital payment for payment of fees to a new educational establishment where appropriate. The School's liability in respect of advance fees has been brought into these accounts as the liability which would arise if all the pupils covered by such arrangements completed the full-term period of the contract entered into.

Deposits

The School receives a deposit from parents upon acceptance of a place for their son. The School refunds the deposit, less any appropriate deductions, after the pupil leaves the School. Under FRS 102 this year all deposits are considered refundable within 12 months of the balance sheet date, under the terms of the contract and are classified within amounts due within one year.

Financial Instruments

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

Taxation

As a registered charity the Group is generally exempt from Corporation Tax but not from Value Added Tax (VAT). Irrecoverable VAT is included with the cost of those items to which it relates.

	2024	2023
2. CHARITABLE ACTIVITIES - FEES RECEIVABLE		
	£000	£000
(a) The Group's school fee income comprised:		
Gross fees	28,679	26,195
Less: Total bursaries, scholarships and discounts	(1,810)	(1,679)
	<u>26,869</u>	<u>24,516</u>
Add back: Bursaries paid for by Restricted/Designated Funds	391	346
	<u>27,260</u>	<u>24,862</u>

Bursaries were awarded from Restricted/Unrestricted Funds to 75 individuals (2023: 71).

3. Subsidiary Results and Balance Sheets

The results and balance sheets of the subsidiaries of 1509 Group are shown in their summarised financial statements presented below. The RGS Guildford International was incorporated on 10th June 2015; The RGS Guildford International (Dubai) Ltd was incorporated on 19 June 2018; The RGS Guildford International (China) was incorporated on 15th July 2019; The RGS Guildford International (Oman) Ltd was incorporated on 7th January 2022; and RGS Guildford Enterprises Ltd was incorporated on 8th October 2019.

All group organisations were registered in England and Wales and share the same registered office as the parent charity, at The Royal Grammar School, Guildford, High Street, Guildford, Surrey GU1 3BB.

The figures below are before the elimination of intra-group trading.

Financial year 2023/24

	Income £000	Expense £000	Net Result £000	Assets £000	Liabilities £000	Net assets £000
Royal Grammar School Guildford	32,540	27,049	5,489	59,486	14,559	44,927
The Royal Grammar School, Guildford Foundation	371	2,808	(2,437)	29	29	0
The RGS Guildford International Ltd	111	194	(83)	316	71	245
The RGS Guildford International (Dubai) Ltd	569	78	492	528	30	498
The RGS Guildford International (China) Ltd	225	85	140	172	32	140
The RGS Guildford International (Oman) Ltd	175	74	101	139	42	97
RGS Guildford Enterprises Ltd	106	68	38	107	69	38

Financial year 2022/23

	Income £000	Expense £000	Net Result £000	Assets £000	Liabilities £000	Net assets £000
Royal Grammar School Guildford	27,183	26,834	349	46,989	7,553	39,436
The Royal Grammar School, Guildford Foundation	709	363	346	2,783	346	2,437
The RGS Guildford International Ltd	168	133	35	371	9	362
The RGS Guildford International (Dubai) Ltd	331	65	266	275	3	272
The RGS Guildford International (China) Ltd	206	54	152	155	3	152
The RGS Guildford International (Oman) Ltd	255	73	182	186	3	183
RGS Guildford Enterprises Ltd	91	59	32	42	10	32

1509 Group

	Company Number	Charity Number	% Ownership
Royal Grammar School Guildford	10874615	1177353	100%
The Royal Grammar School, Guildford Foundation	4232306	1089955	100%
The RGS Guildford International Ltd	9633181	N/A	100%
The RGS Guildford International (Dubai) Ltd	11422203	N/A	100%
The RGS Guildford International (China) Ltd	12104378	N/A	100%
The RGS Guildford International (Oman) Ltd	13833679	N/A	100%
RGS Guildford Enterprises Ltd	12248925	N/A	100%

4. CHARITABLE INCOME - OTHER

	2024	2023
	£000	£000
(a) Other educational income		
Registration fees	61	61
Sundry parental receipts	1,417	1,114
Sub-lettings	106	90
	<u>1,584</u>	<u>1,265</u>
(b) Other ancillary trading income		
	2024	2023
	£000	£000
Income from overseas activities	1,081	960
Sales of merchandise	4	5
	<u>1,085</u>	<u>965</u>
(c) Other income		
	2024	2023
	£000	£000
Gains on sale of tangible fixed assets	2	5
Other	224	439
	<u>226</u>	<u>444</u>

5. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs	Other	Depreciation	2024	2023
	£000	£000	£000	Total	Total
				£000	£000
(a) Cost of Raising Funds (Company & Group)					
Loan interest	0	0	0	0	23
Finance lease interest	0	55	0	55	19
Discount payable on advanced fees	0	42	0	42	3
Other finance costs	0	11	0	11	15
	<u>0</u>	<u>108</u>	<u>0</u>	<u>108</u>	<u>60</u>
Total finance costs for Company & Group					
(b) Charitable activities					
Schools and grant making					
Teaching	14,867	2,325	231	17,423	16,072
Welfare	90	1,526	0	1,616	1,481
Premises	592	3,018	1,137	4,747	4,759
Support costs of schooling	2,642	1,539	416	4,597	4,498
Grants, awards and prizes	0	391	0	391	346
	<u>18,191</u>	<u>8,799</u>	<u>1,784</u>	<u>28,774</u>	<u>27,156</u>
Group's Operating Costs					
Ancillary trading costs	0	30	0	30	29
Total Charitable Expenditure	<u>18,191</u>	<u>8,829</u>	<u>1,784</u>	<u>28,804</u>	<u>27,185</u>
Exceptional pension credit	0	(1,754)	0	(1,754)	
Total Expenditure	<u>18,191</u>	<u>7,183</u>	<u>1,784</u>	<u>27,158</u>	<u>27,245</u>

Prior year Analysis of Expenditure

	Staff costs	Other	Depreciation	2023	2022
	£000	£000	£000	Total	Total
				£000	£000
Cost of Raising Funds (Company & Group)					
Finance costs - Company & Group	0	60	0	60	68
Charitable activities					
Schools and grant making					
Teaching	13,566	2,327	179	16,072	14,851
Welfare	83	1,398	0	1,481	1,260
Premises	538	3,123	1,098	4,759	3,979
Support costs of schooling	2,429	1,542	527	4,498	3,791
Donations to other charities	0	346	0	346	340
	<u>16,616</u>	<u>8,736</u>	<u>1,804</u>	<u>27,156</u>	<u>24,221</u>
Group's operating costs					
Ancillary trading costs	0	29	0	29	2
Total Charitable Expenditure	<u>16,616</u>	<u>8,765</u>	<u>1,804</u>	<u>27,185</u>	<u>24,223</u>
Total Expenditure	<u>16,616</u>	<u>8,825</u>	<u>1,804</u>	<u>27,245</u>	<u>24,291</u>

(c) Governance costs included in support costs

	2024	2023
	£000	£000
Auditors' remuneration *		
The RGS and Foundation	34	34
1509 Group	4	5
The RGS Guildford International Limited	3	3
The RGS Guildford International (Dubai) Limited	3	3
The RGS Guildford International (China) Limited	3	3
The RGS Guildford International (Oman) Limited	4	3
The RGS Guildford Enterprises Limited	6	3
Other services	2	0
Other direct costs	0	1
Trustee's costs **	2	2
	<hr/> 61	<hr/> 57

* Auditors' remuneration costs are inclusive of VAT.

** Trustees' costs related to the cost of Governor meetings £1,785 and expenses £273. There are 21 Governors who are directors of RGS and RGS Prep. There was no Trustee remuneration during the year.

6. EMPLOYEES

	Teaching £000	Other £000	2024 £000	2023 £000
Wages and salaries	10,729	2,705	13,434	12,399
Social security costs	1,262	321	1,583	1,412
Pension contributions	2,391	245	2,636	2,330
Other staff costs	447	91	538	475
	<u>14,829</u>	<u>3,362</u>	<u>18,191</u>	<u>16,616</u>

Average number of employees during the year

	2024		2023	
	Full time	Part time	Full time	Part time
Teaching	135	40	134	41
Non Teaching	68	49	69	45
	<u>203</u>	<u>89</u>	<u>203</u>	<u>86</u>

The number of employees whose emoluments, excluding employer's pensions contributions, exceeded £60,000 were:

	2024	2023
£60,001 - £70,000	40	38
£70,001 - £80,000	27	12
£80,001 - £90,000	11	2
£90,001 - £100,000	0	2
£100,001 - £110,000	3	1
£110,001 - £120,000	1	1
£150,001 - £160,000	1	0
£160,001 - £170,000	0	1
£250,001 - £260,000	1	0
£270,001 - £280,000	0	1
£280,001 - £290,000	1	0
	<u>85</u>	<u>58</u>

A number of staff are not members of any pension scheme and the employer pension contribution is paid to them as part of their overall remuneration and is included in the pay bands above.

Pension contributions of £1,398k (2023 - £869k) were made into pension schemes in respect of higher paid employees during the year. Of this, contributions of £1,146k (2023 - £783k) were made into a defined benefit pension scheme.

The total employee benefits of key management personnel (the Senior Management Teams of both schools), including employer pension contributions and national insurance, were £2,434k (2023 - £2,233k).

During the year there was one termination payment totalling £60k (2023: £13k for two terminations).

No remuneration was paid to Governors during 2024. Expenses paid to Governors totalled £0.3k (2023: £0.5k) and related to personalised badges.

7. Tangible fixed assets - Consolidated Only**Cost and depreciation**

	Computer Equipment £000	Freehold land and buildings £000	Leasehold property £000	Fixtures, Fittings and Equipment £000	Total £000
Cost					
At beginning of year	1,744	50,192	2,129	4,251	58,316
Additions	509	3,416	0	363	4,288
Disposals	0	0	0	(63)	(63)
At end of year	<u>2,253</u>	<u>53,608</u>	<u>2,129</u>	<u>4,551</u>	<u>62,541</u>
Depreciation					
At beginning of year	1,326	15,097	1,201	3,320	20,944
Charge for the year	231	1,091	46	416	1,784
Eliminated on Disposal	0	0	0	(51)	(51)
At end of year	<u>1,557</u>	<u>16,188</u>	<u>1,247</u>	<u>3,685</u>	<u>22,677</u>
Net Book Value					
At end of year	<u>696</u>	<u>37,420</u>	<u>882</u>	<u>866</u>	<u>39,864</u>
At beginning of year	<u>418</u>	<u>35,095</u>	<u>928</u>	<u>931</u>	<u>37,372</u>

8. Investment assets

Group	Unrestricted funds £000	Restricted funds £000	Total £000
At beginning of year - (market value)	46	0	46
Realised gains on disposal	2	0	2
Disposals	(48)	0	(48)
At end of year - (market value)	0	0	0

9. Stocks - Company and Consolidated

	Group 2024 £000	Company 2024 £000	Group 2023 £000	Company 2023 £000
Catering/cleaning stocks	22	0	20	0
School items for resale	34	0	57	0
Total Stock	56	0	77	0

10. Debtors - Company and Consolidated

	Group 2024 £000	Company 2024 £000	Group 2023 £000	Company 2023 £000
Fee debtors	152	0	227	0
Less Provision for bad debts	(74)	0	(71)	0
Other debtors and prepayments	1,047	0	498	0
Total Debtors	1,125	0	654	0

11. Creditors: due within one year

	Group 2024 £000	Company 2024 £000	Group 2023 £000	Company 2023 £000
Bank overdraft	1,003	0	1,219	0
Trade and other creditors	2,883	0	883	0
Obligations under finance leases	257	0	117	0
Other taxes and social security	403	0	405	0
Accruals	320	4	267	4
Acceptance deposits	2,078	0	1,979	0
Fees received in advance	301	0	142	0
Advanced fees (see note 13)	2,408	0	214	0
Total Creditors	9,653	4	5,226	4

The bank overdraft of £1m (2022: £1.2m) is secured by charges on the freehold and buildings of the school. The overdraft is repayable on demand and is therefore included in Creditors: due within one year.

The Governors have reviewed the contract terms under which the School holds acceptance fee deposits. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements of FRS 102, the balance of the deposits held at 31 July 2024 have been included in current liabilities. The prior year acceptance deposits balance has been similarly represented.

12. Creditors: due after more than one year

	Group 2024 £000	Company 2024 £000	Group 2023 £000	Company 2023 £000
Obligations under finance leases	406	0	252	0
Advanced fees (see note 13)	4,536	0	244	0
	4,942	0	496	0

The obligations under finance leases relate to pupils' Microsoft Surface laptops.

The finance leases are payable:

	Group 2024 £000	Company 2024 £000	Group 2023 £000	Company 2023 £000
Within 1 to 5 years	406	0	252	0
Within one year (see note 11)	257	0	117	0
	663	0	369	0

13. Advanced Fee Payments

Parents may enter into a contract to pay the School up to the equivalent of seven years' tuition fees in advance. The money may be returned subject to specific conditions. Assuming pupils will remain in the School, advance fees will be applied as follows:

	Group 2024 £000	Company 2024 £000	Group 2023 £000	Company 2023 £000
After 5 years	117	0	30	0
Within 2 to 5 years	2,314	0	101	0
Within 1 to 2 years	2,105	0	113	0
After more than one year	4,536	0	244	0
Within one year (see note 11)	2,408	0	214	0
	6,944	0	458	0

The balance represents the accrued liability under the contracts. The movements during the year were:

	Group 2024 £000	Company 2024 £000	Group 2023 £000	Company 2023 £000
Balance at beginning of year	458	0	259	0
New contracts	6,912	0	345	0
Amounts accrued to contracts	42	0	3	0
	7,412	0	607	0
Amounts utilised:				
In payment of fees	(468)	0	(149)	0
Balance at end of year	6,944	0	458	0

14. Allocation of the Company net assets

The School has identified land which it owns and is considered permanently endowed. The value of this land has a historic cost of £554 and is fully written down within the financial statements. The Directors do not consider this material in the context of the overall financial statements and have therefore included these assets as part of the general funds within these financial statements.

Major Restricted Funds:

Restricted Funds within 1509 Group are made up of the income and expenditure associated with the holding of property on behalf of the School, and the charitable deployment of any surpluses.

Restricted Funds within the School comprise:

- The bursary fund transferred from the Foundation to the School as part of the merger on 17 July 2024, and
- A small number of ad hoc minor funds.
- The restricted bursary fund provides an amount of funding each year which is expended on current year bursaries.

Major Unrestricted Funds:

Unrestricted Funds within 1509 Group are made up of the expenses as the parent company of the School, the management of restricted assets and company administration.

Unrestricted Funds within the Foundation are made up of unrestricted donations and other income received by the Foundation, less purchases made to generate that income.

Unrestricted Funds in the School are made up of designated and general funds:

- The Designated Tangible Net Fixed Asset Fund is a fund set up to represent tangible fixed assets less the overdraft. A transfer will be made to or from this reserve each year to maintain the relationship.
- The Designated Prize Fund generates income each year which is used to make a contribution to prizes awarded to boys during the year.

(a) The consolidated net assets at 31 July 2024 are held for the various funds and advanced fees as follows:

	Buildings and Equipment £000	Investments £000	Net Current Assets £000	Long Term Liabilities £000	Total £000
Restricted					
1509 Group	0	0	14	0	14
Ad hoc minor funds	0	0	89	0	89
Foundation	0	0	2,250	0	2,250
Total Restricted Funds	0	0	2,353	0	2,353
Unrestricted - designated funds					
Tangible Net Fixed Asset Fund ¹	39,864	0	(1,003)	0	38,861
Prize	0	0	60	0	60
Ad hoc minor funds	0	0	62	0	62
Total Designated Funds	39,864	0	(881)	0	38,983
Unrestricted - 1509 Group	0	0	1,013	0	1,013
Unrestricted - School/Capital Development	0	0	8,544	(4,942)	3,602
Unrestricted - The RGS Guildford International Ltd	0	0	(55)	0	(55)
Unrestricted - Dubai	0	0	498	0	498
Unrestricted - China	0	0	140	0	140
Unrestricted - Oman	0	0	97	0	97
Unrestricted - Enterprises	0	0	38	0	38
Total Unrestricted Funds	39,864	0	9,394	(4,942)	44,316
Total Funds	39,864	0	11,747	(4,942)	46,669

¹ The Tangible Net Fixed Asset Fund represents tangible fixed assets net of depreciation and bank overdraft outstanding.

(b) Restricted funds: movements in the year

	Balance at 31 July 2023 £000	Investment income £000	Investment gains £000	Transfers/ net Income £000	Grants and allocations £000	Balance at 31 July 2024 £000
1509 Group	14	0	0	0	0	14
Bursary fund	1	0	0	391	(391)	1
Ad hoc funds	46	0	0	67	(25)	88
Foundation	2,301	0	0	315	(366)	2,250
Total Restricted funds	2,362	0	0	773	(782)	2,353

(c) Unrestricted funds: movements in the year

	Balance at 31 July 2023 £000	Investment income £000	Investment gains £000	Transfers/ net income £000	Donations £000	Balance at 31 July 2024 £000
Designated funds						
Tangible Net Fixed Asset Fund	36,153	0	0	2,708	0	38,861
Prize	60	0	0	0	0	60
Ad hoc funds	65	0	0	(3)	0	62
Total Designated funds	36,278	0	0	2,705	0	38,983
General funds						
1509 Group	346	0	0	667	0	1,013
School General/Capital Development	3,106	309	2	2	183	3,602
Foundation General	136	46	0	1	(183)	0
International	62	0	0	(117)	0	(55)
Dubai	272	0	0	226	0	498
China	152	0	0	(12)	0	140
Oman	182	0	0	(85)	0	97
Enterprises	32	0	0	6	0	38
Total Unrestricted Funds	40,566	355	2	3,393	0	44,316

(d) Transfers between funds

	General £000	Designated £000	Restricted £000
Transfer of general reserves from Designated Tangible Net Asset fund	(2,708)	2,708	0

Comparative Allocation of group net assets

(a) The comparative consolidated net assets at 31 July 2023 are held for the various funds and advanced fees as follows:

	Buildings and Equipment £000	Investments £000	Net Current Assets £000	Long Term Liabilities £000	Total £000
Restricted					
1509 Group	0	0	14	0	14
Bursaries	0	0	1	0	1
Ad hoc Minor Funds	0	0	46	0	46
Foundation	0	0	2,301	0	2,301
Total Restricted funds	0	0	2,362	0	2,362
Unrestricted - designated funds					
Tangible Net Fixed Asset Fund	37,372	0	(1,219)	0	36,153
Prize	0	46	14	0	60
Ad hoc Minor Funds	0	0	65	0	65
Total Designated Funds (School & Total)	37,372	46	(1,140)	0	36,278
Unrestricted - 1509 Group	0	0	346	0	346
Unrestricted - School/Capital Development	0	0	3,602	(496)	3,106
Unrestricted - Foundation General	0	0	136	0	136
Unrestricted - International	0	0	62	0	62
Unrestricted - Dubai	0	0	272	0	272
Unrestricted - China	0	0	152	0	152
Unrestricted - Oman	0	0	182	0	182
Unrestricted - Enterprises	0	0	32	0	32
Total Unrestricted Funds	37,372	46	3,644	(496)	40,566
Total Funds	37,372	46	6,006	(496)	42,928

¹ The Tangible Net Fixed Asset Fund represents tangible fixed assets net of depreciation and overdraft outstanding.

(b) Restricted funds: movements in the year

	Balance at 31 July 2022 £000	Investment income £000	Investment gains £000	Transfers/ net income £000	Grants and allocations £000	Balance at 31 July 2023 £000
1509 Group	14	0	0	0	0	14
Bursary fund	1	0	0	346	(346)	1
Gieve fund	106	3	0	(109)	0	0
Ad hoc funds	63	0	0	0	(17)	46
Foundation	1,961	0	0	340	0	2,301
Total Restricted funds	2,145	3	0	577	(363)	2,362

(c) Unrestricted funds: movements in the year

	Balance at 31 July 2022 £000	Investment income £000	Investment gains £000	Transfers/ net income £000	Donations £000	Balance at 31 July 2023 £000
Designated funds						
Tangible Net Fixed Asset Fund	33,528	0	0	2,625	0	36,153
Prize	51	1	0	8	0	60
Ad hoc funds	65	0	0	0	0	65
Total Designated funds	33,644	1	0	2,633	0	36,278
Unrestricted						
1509 Group	351	0	0	(5)	0	346
School General/Capital Development	5,266	94	0	(2,254)	0	3,106
Foundation General	131	0	0	5	0	136
International	86	0	0	(24)	0	62
Dubai	143	0	0	129	0	272
China	82	0	0	70	0	152
Oman	0	0	0	182	0	182
Enterprises	0	0	0	32	0	32
Total Unrestricted Funds	39,703	95	0	768	0	40,566

15. Operating Leases

As at 31 July 2024, the minimum lease payments to which the School is committed under non-cancellable operating leases are:

Land and Buildings	2024 £000	2023 £000
Under 1 year	145	145
More than 1 year and less than 5 years	302	446
	447	591

Operating lease payments (Land and Buildings and Other) provided for as an expense in 2024 were £144,972 (2023 - £141,449).

16. Capital Commitments

At 31 July 2024, the amount of capital works authorised and contracted but not provided for in these accounts is £404k (2023 - £378k).

17. Pension Obligations**a. Teachers' Pension Scheme**

The School participates in the Teachers' Pension Scheme ("the TPS") for some of its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2,120k (2022/23 - £1,998k) and at the year-end £0 (2022/23 - £0) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Since April 2024 the cost to the School of the total TPS employer contribution has been capped with staff contributing the difference between the cap and the new rate of 28.68%. Teachers are able to opt out of the TPS and join a defined contribution pension plan with a total employer cost, including benefits, at the same level as the cap.

b. Surrey County Council Superannuation Scheme

Until 31st August 2021, the School participated in a defined benefit scheme for non-teaching staff, the Surrey County Council (SCC) Superannuation Scheme, which is administered in accordance with the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007, the Local Government Pension Scheme (Administration) Regulations 2008 and the Local Government Pension Scheme (Transitional Provisions) Regulations 2008.

The School withdrew from the SCC Superannuation Scheme during 2021/22, with a cessation date of 31st August 2021. This crystallised the School's portion of the pension scheme deficit, and the value of the cessation deficit as at 31st August 2021 was £1,754,000. This liability appeared in creditors at 31st July 2023.

The net pension liability on the Balance Sheet at 31st July 2023 of £1,754,000 was the liability at the point of cessation on 31st August 2021 calculated as an update to the most recent full revaluation of the scheme at 31st March 2019. A reconciliation from the full revaluation at 31st March 2019 to the cessation valuation in these accounts is provided in Note (iv) below.

In 2023/24, SCC and the School signed an agreement whereby SCC released the School from the net pension liability. Accordingly, £1,754,000 was credited to the Statement of Financial Activities and there was no liability at 31st July 2024.

	Cessation Valuation 31/8/2021	Valuation 31/3/2019
i) Funding Position at 31 August 2021 (cessation date):	£000	£000
Liabilities		
Active	0	2,066
Deferred	2,078	517
Pensioner	6,272	2,589
	<u>8,350</u>	<u>5,172</u>
Assets	6,596	5,916
Surplus/(Deficit)	<u>(1,754)</u>	<u>744</u>
ii) Actuarial Assumptions - Financial Assumption:	£000	£000
Discount rate/anticipated investment returns		
Pre-retirement	1.0%	4.2%
Post- retirement	1.0%	4.2%
Salary increases	3.3%	3.2%
Benefit increases	2.4%	2.3%
iii) Actuarial Assumptions - Longevity Assumption:	£000	£000
Life expectancy from age 65 years		
Current pensioners		
Male	22.3	22.1
Female	24.4	24.3
Future pensioners		
Male	23.4	22.9
Female	26.1	25.7
iv) Changes in the fair value of the scheme assets are as follows:	£000	£000
Surplus/(deficit) at 31 March 2019		744
Interest on surplus/(deficit)	78	
Investment outperformance	318	
Contributions greater than cost of accrual	394	
Change in market conditions	(63)	
Move to cessation funding assumptions	(3,077)	
Membership experience	(148)	
		<u>(2,498)</u>
Deficit at 31 July 2023		(1,754)
Credited to the Statement of Financial Liabilities on release of the liability		1,754
Surplus/(Deficit) at 31 July 2024		<u>0</u>
v) The amounts included in the Statement of Financial Activities are as follows:	2024 £000	2023 £000
Total amount credited to the Statement of Financial Activities	1,754	0

18. Analysis of Net Funds/(Debt)

	As at 31 July 2023 £000	Other Movements £000	Cash Flow £000	As at 31 July 2024 £000
Net cash balances	12,255	0	7,964	20,219
Creditors: due within one year				
Finance leases	(117)	(140)	0	(257)
Bank overdraft	(1,219)	0	216	(1,003)
Advance Fee agreements	(214)	0	(2,194)	(2,408)
Creditors: due after more than one year				
Finance leases	(252)	(154)	0	(406)
Advance Fee agreements	(244)	0	(4,292)	(4,536)
	<u>10,209</u>	<u>(294)</u>	<u>1,694</u>	<u>11,609</u>

19. Related party transactions

1509 Group is the parent undertaking of the Royal Grammar School Guildford, charity number 1177353, company number 10874615 and also of the Foundation (The Royal Grammar School, Guildford Foundation), charity number 1089955, company number 4232306, and is the ultimate parent company of the group. On 17 July 2024 the Foundation merged with, and became a cost centre of, the School.

The RGS Guildford International Limited, company number 09633181, RGS Guildford International (Dubai) Limited, company number 11422203, RGS Guildford International (China) Limited, company number 12104738, RGS Guildford Enterprises Limited, company number 12248925 and RGS Guildford International (Oman) Limited, company number 13833679 are all subsidiaries of the 1509 Group.

Neither 1509 Group nor persons connected with it received any remuneration or other benefits from the School or any connected organisation. Travel expenses are only reimbursed exceptionally, and with the prior approval of the Chairman of Governors. 1509 Group claimed no expenses relating to the administration of the Charity.

During the year the Royal Grammar School Guildford (RGSG) charged The RGS Guildford International Ltd (RGSGI) £121,483 (2023 - £81,930) relating to time spent on International work. At the end of the year RGSGI owed the School £44,934 (2023 - £0.00).

During the year RGSG charged The RGS Guildford International (Dubai) Ltd (RGSGID) £67,493 (2023 - £49,016) relating to time spent on International work. At the end of the year RGSGID owed the School £25,890 (2023 - £43).

During the year RGSG charged The RGS Guildford International (China) Ltd (RGSGIC) £67,493 (2023 - £49,016) relating to time spent on International work. At the end of the year RGSGIC owed the School £25,960 (2023 - £0.00).

During the year RGSG charged The RGS Guildford International (Oman) Ltd (RGSGIO) £67,493 (2023 - £49,015) relating to time spent on International work. At the end of the year RGSGIO owed the School £25,739 (2023 - £0.00).

During the year RGSG charged the RGS Guildford Enterprises Ltd (RGSGE) £53,176 (2023 - £46,450) relating to time spent on International work. At the end of the year RGSGE owed the School £61,548 (2023 - £3,248).

The Foundation transferred £366,337 of donations to the School in the period to 17 July 2024 (2023: £345,881). The Foundation's costs of £322,000 (2023: £271,500), for both fundraising and alumni work were covered by the School during the period. At the date of the merger the Foundation owed the School £294,915 (2023: £353,737). The School made a transfer to the Foundation of £55,000 during the period (2023: £111,000) for the Foundation's Enduring Bursary Fund.

During the year the company received gifts of £34,909 from RGSGI, £266,221 from RGSGID, £152,032 from RGSGIC, £186,152 from RGSGIO and £32,054 from RGSGE, giving total gifts of £671,368.

During the year there were no donations from the Directors of 1509 Group to the Foundation.

20. Merger of the Foundation with the School

On 17 July 2024 the operations, assets and liabilities of the Foundation were transferred to the School. The following table shows the net assets transferred to the School on 17 July 2024 at fair value.

	£000
Cash	2,695
Other net liabilities	(262)
Total net assets	<u>2,433</u>

21. Statement of Financial Activities - Comparative figures by fund type

Year Ended 31 July 2023	Unrestricted £000	Restricted £000	Funds Total £000
Income from Charitable Activities			
School Fees	24,862	0	24,862
Other educational income	1,265	0	1,265
Other ancillary trading income	965	0	965
Donations and Legacies			
Donations and legacies	1	690	691
Investments			
Income from Investments	95	3	98
Other Income	444	0	444
Total Income	<u>27,632</u>	<u>693</u>	<u>28,325</u>
Expenditure on Raising Funds	60	0	60
Expenditure on Charitable activities			
Schools and grantmaking	26,793	363	27,156
Ancillary Trading	25	4	29
Total Expenditure	<u>26,878</u>	<u>367</u>	<u>27,245</u>
NET INCOME FUNDS FROM OPERATIONS BEFORE INVESTMENT LOSSES	754	326	1,080
Transfers between funds	109	(109)	0
NET MOVEMENT IN FUNDS	863	217	1,080
Fund balances at 1 August 2022	39,703	2,145	41,848
FUND BALANCES at 31 July 2023	<u>40,566</u>	<u>2,362</u>	<u>42,928</u>