

**REGISTERED COMPANY NUMBER: 03687622 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1089055**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021  
FOR  
THE GREGG SCHOOLS TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

Hopper Williams & Bell Limited  
Statutory Auditor  
Highland House  
Mayflower Close  
Chandler's Ford  
Eastleigh  
Hampshire  
SO53 4AR

**THE GREGG SCHOOLS TRUST**

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FOR THE YEAR ENDED 31 AUGUST 2021**

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# THE GREGG SCHOOLS TRUST

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

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<b>TRUSTEES</b>	V J Davies R D Hart (resigned 28.9.2021) H W Kapma (resigned 22.9.2020) Ms J L Preston Ms S H Sellers Ms C A Pulman J W Watts Ms H Witt W A Lane (appointed 22.9.2020) Ms C Tipper Trustee (appointed 22.6.2021)
<b>COMPANY SECRETARY</b>	Ms C A Pulman
<b>REGISTERED OFFICE</b>	Highland House Mayflower Close Chandler's Ford Eastleigh SO53 4AR
<b>REGISTERED COMPANY NUMBER</b>	03687622 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1089055
<b>AUDITORS</b>	Hopper Williams & Bell Limited Statutory Auditor Highland House Mayflower Close Chandler's Ford Eastleigh Hampshire SO53 4AR
<b>BANKERS</b>	National Westminster Bank plc 3 Lower Northam Road Hedge End Southampton Hampshire SO30 4PA

**THE GREGG SCHOOLS TRUST**

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

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**SOLICITORS**

Trethowans LLP  
Pavilion  
Botleigh Grange Business Park  
Hedge End  
Southampton  
Hampshire  
SO30 2AF

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

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

As set out in the Memorandum and Articles of Association, the Trust is established for the promotion and advancement of education and in particular the operating of a school or schools for such purpose.

Its principal activity continued to be the provision of education for boys and girls at an independent primary and secondary school.

The Charity provides education for boys and girls aged 3-11 years at The Gregg Preparatory School and for boys and girls aged 11-16 years at The Gregg School. The Trust's aim, as an educational charity, is to benefit the public by providing a first class education independent of the State system. It also aims to provide a forward looking disciplined environment where pupils are given the opportunity to achieve their full potential, as well as helping to build self-confidence and a desire to contribute to the community.

In setting our objectives and planning our activities, our Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging.

The Gregg Schools Trust is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. Our fees are set at a level to ensure the financial viability of the schools and at a level that is consistent with our aims.

Our Schools welcome pupils from all backgrounds. An individual's gender, ethnicity, race, religion and in most cases disability do not form part of our assessment processes.

Our Schools are committed to safeguarding and promoting the welfare of our pupils and expect all staff and volunteers to share this commitment

The Trust's main objectives are:

- a) To achieve the highest academic performance commensurate with the cultivation of a well-rounded development of the personality in our pupils.
- b) To widen public access to our system of education within the constraints of our funding as an independent education provider.
- c) To work within the local community in order that the public can also benefit from the pupils' education and development.

The Trust's strategies for achieving its objectives are:

- a) To ensure the continued development and motivation of staff through training and support.
- b) To ensure that the Trust is suitably staffed to cope with the changes in educational ideas and legislation.
- c) To ensure that suitable investment is made to aid the teaching process and the development of pupils.
- d) To continually review and develop our methods for awarding means-tested bursaries to ensure wider access to pupils from all backgrounds.
- e) Develop and maintain links with local junior schools and nurseries within both the state and Independent Schools sector.
- f) Continue to raise funds for other charities and provide musical and theatrical entertainment to the local residents.

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

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**OBJECTIVES AND ACTIVITIES**

**Significant activities**

- a) The building of an additional 2 classrooms as part of the HART block.
- b) The creation, evolution and delivery of virtual school necessitated by the Covid Pandemic First and second Lockdowns.
- c) Both schools remaining open to service the needs of key-worker children who's parents were expected to continue to work, despite the risks
- d) The achievement of 100% of students obtaining 5 or more Grade 4(C) and above GCSE grades remains an excellent performance for a non-selective school.
- e) Bursaries remain in place at the level of 4.52% of fees

Principal funding sources and expenditure supporting the key objectives:

The principal source of funding is from tuition fee generation, the total of which is determined by pupil numbers and the level of the advertised annual fees, as determined each year by the Trustees.

The principal form of expenditure is levied on staff salaries. A large proportion of the remaining funds are expended on the maintenance and development of the schools' infrastructures and in the provision of teaching aids.

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

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**OBJECTIVES AND ACTIVITIES**

**Public benefit**

The Trustees have considered the Commission's guidance of Public Benefit and are satisfied that the current activities meet these objectives, as can be seen in the following activities:

**Bursary and Scholarship Policy**

The Trustees view our bursary and scholarship awards as important in helping to ensure children from families who would otherwise not be able to afford the fees to access the education we offer. Our schools do not have endowments and fund awards from within our own financial activity. We must therefore be mindful of the balance between fee paying parents, many of whom make considerable personal sacrifices to fund their children's education, and those benefiting from the awards.

In accordance with our bursary policy, our bursary awards are available to all pupils and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk. The awards normally range from 10% to 50% but additional support up to 100% will be considered in extreme circumstances.

Parents are required to complete a comprehensive application form (designed by The Bursars' Association) to provide full details of income and assets in order that each financial situation can be assessed by the Trustees. Further information can be found within the schools' Bursary Policy.

Scholarships and bursaries are advertised on the schools' websites, within advertisements and within prospectus information.

Scholarships are offered for academic excellence, or for Art, Music and Sport, when pupils initially apply to enter the school in year 7. Academic scholarship awards of up to 33% are dependent on Entrance Examination performance. Art, Music and Sport scholarships are 20% with only one award made per subject.

**Bursaries, Scholarships and Accessibility**

Both Schools continue to offer means tested bursaries to widen the accessibility of our educational system. The Gregg School also offers part scholarships for academic excellence, music, art and sport. Both scholarships and bursaries are awarded from the Trust's own income and are therefore limited to affordability.

Means tested bursaries are available to all pupils and not dependent on performance in the Entrance Assessment provided that prospective students have reached the minimum pass level. The schools are nonselective; those pupils who do not pass The Gregg School Entrance Examination are interviewed by the head teacher to assess our ability to meet their needs within our Learning Support department.

Bursary awards have risen during the last year and are greater in value to scholarships at the rate of 1.62:1 (2020: 1.57:1).

This year 55 pupils were helped through means tested bursaries, representing 11.2% of all pupils (2019/20 - 10.4%) with a value of £216,862 (2019/20 - £199,981, 42 students) 3.9% of gross fee income (2019/20 - 4.4%). A further 64 pupils (13.1%) were assisted through scholarships with a value of £133,886 (2019/20 - 58 pupils; 14.3% value of £127,546), 2.4% of gross fee income (2019/20 - 2.8%). A further 94 pupils (2019/20 - 58 pupils) received a sibling discount of 7.5% or 10% representing 1.3% of gross fee income (2019/20 1.1%) and there were 13 pupils (2019/20 - 13 pupils) in receipt of staff discounts representing 0.7% of gross fee income (2019/20 - 0.7%).

Bursaries generally allow parents a reduction in fees of up to 50%. However in extreme overall circumstances more has been offered. During 2020/21, 27 pupils benefit from 50% assistance and 2 pupils benefit from between 50-100% assistance (during 2019/20, 18 pupils benefited from between 50%-100% assistance).

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

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**OBJECTIVES AND ACTIVITIES**

The Gregg School is working on a "Working in Partnership Arrangement" with its neighbouring Townhill School, which will allow the use of the grounds, facilities and minibuses of The Gregg School.

The Gregg School hosts the Southampton Junior Schools Cross Country, it also offers science and food technology afternoons to various junior schools.

**Public and Community Involvement**

**The Gregg School**

**Charity and Community Involvement Report 2020/2021**

The Gregg is renowned for its imaginative fund-raising initiatives, raising thousands of pounds each year for a diverse range of good causes. Unfortunately, the constraints of the pandemic curtailed our plans this year. However, it is pleasing to report that we remained able to support local, national and international causes through a scaled-down charity and community involvement programme.

Our "Wear Something Yellow" non-uniform day in October not only raised £223 for the No Limits charity in Southampton, but also provided donations of food for the Eastleigh Basics Food Bank, which has seen a marked increase in the number of people seeking their help during the pandemic.

We supported the Rotary International Shoebox Appeal again in November, students filling 79 shoeboxes with a range of toiletries, toys and stationery for disadvantaged children living in Eastern Europe.

The Gregg School would normally be represented at West End Parish Church's Service of Remembrance in November, but Head Boy Hari N and Head Girl Sophia C were unable to attend this year due to the Covid restrictions. We were pleased, however, to be able to provide a wreath for the village war memorial, honouring those who sacrificed their lives.

Our Charity Fun Day in November raised £1,179 for the BBC Children In Need Appeal. Year group 'bubbles' took part in a range of activities during the day, including a 'Dance Off', fitness challenges, Ultimate Frisbee, and the ever-popular Year 11 "I'm a Gregg student, get me out of here".

Comic Relief Day in March was marked with a fancy-dress non-uniform day, and a hilarious game of "Would I Lie to You" where staff produced videos of themselves telling of their past experiences - some imagined, some real. The day raised over £700.

We were delighted to be able to continue our support for the No Limits charity in May, holding a non-uniform day which raised £828. This was a fitting way to mark national Mental Health Awareness Week and the charity, who provide assistance to children and young people facing mental health difficulties, bereavement, homelessness and poverty, were extremely grateful.

Our thanks to everyone who has supported our charity and community programme this year, and we look forward with cautious optimism to next year.



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

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**OBJECTIVES AND ACTIVITIES**

**The Gregg Preparatory School**

**Charity and Community Involvement Report**

This year our charity work has been severely restricted due to the Covid pandemic. Sadly, we had to forgo our annual Nativity which we usually perform at a local church. We were also unable to allow our choir to perform in local care homes due to restrictions on singing in public and access to care homes. We have been unable to run a choir all year due to having to bubble year groups at school. Eco-Committee and School Council have run in much reduced capacities due to the bubble restrictions. We have not been able to run a Christmas or Summer Fair.

Fundraising activities this year have been very limited. Over the course of the academic year, we were only able to raise money on three separate occasions. We had a non-uniform day on Friday 13 November, 2020, to raise money for Children in Need, raising £301. We wore Christmas jumpers for the Crisis Christmas Appeal on Friday 11 December raising a total of £189 and for Red Nose Day, (Friday 19 March 2021), we asked the children to wear red raising a total of £212.

We hope for better in the next academic year.

**Volunteers**

Other than salaried members of staff (Headteacher and Teacher), the schools' Trustees did not receive any payment for the work they carried out in the capacity for the charity in the year ending 31 August 2021.

New Trustees and other volunteers are recruited and inducted in accordance with Schools' policy and DBS clearance is obtained. The Gregg School has three volunteers helping with its Duke of Edinburgh programme.

The Gregg School's formal Gertrude Jekyll gardens are tended to by The Friends of Townhill Park House Gardens, who are all non-paid volunteers.

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

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**OBJECTIVES AND ACTIVITIES**

**Student numbers**

**The Gregg School**

Student numbers in 2020/21 averaged 351 (2019/20 - 299). The start numbers for 2021/22 are 352, The recent Open Day has been well supported as we continue to widen the links with a number of our feeder schools through invitations to Science and Technology workshops. This has been supported by presentations to parents at various feeder schools, including the triannual Sherburn House open event.

A major factor in recruitment is the provision of transport to and from school, with a total of 22 minibus routes, now having dispensed with coach travel. Continued student demand saw 92% of our students using these services daily, having a positive effect on the environment with only a small number of parents needing to use their own cars.

**The Gregg Preparatory School**

During 2020/21 the main school pupil numbers averaged at 112 (2019/20: 106). Preschool, numbers averaged 11 for 2020/21 (2019/20: Preschool 6).

Numbers for the new school year 2021/22 are 99, which is very encouraging. The Trust have taken the difficult decision to close the pre-school. After careful analysis it became clear that numbers fluctuated and there was no evidence of any through school loyalty. With a number of local competitors it was felt that relationships should be forged with them in order to secure loyalty and recruitment.

**Members' liabilities**

The charity has no share capital and is limited by guarantee. In the event of a winding up, each member of the company is liable to contribute an amount not exceeding £1. As at 31 August 2021 there were 8 members (2020: 8).

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

- i.) During the year, The Gregg School has expanded the HART building by a further 2 classrooms. It still continues to enhance the Schools teaching facilities, providing 5 new science laboratories, a science preparation room, a food technology room and four new English classrooms.
- ii.) GCSE results surpassed the previous year with 100% of students obtaining 5 or more Grade 4(C) and above. This is considered an outstanding achievement given that the School is non-academically selective.
- iii.) Continued reorganisation of the Schools' governing body to provide more involvement and support to both Schools is continuing.
- iv.) After the close of school in July the Headteacher was contacted by the Independent Schools Inspectorate to inform the school that they would be carrying out a remote "Material Change Inspection" commissioned by the Department of Education as the number of pupils had surpassed the schools registered pupil number. The remote Inspection was carried out over three days 26 - 28 July 2021. The school is pleased to announce that the Department of Education approved the change in a letter dated 17th August 2021.

**Fundraising activities**

The charity adheres to charity sector guidelines and regulations including the Fundraising Code of Practice and would take appropriate action to remedy any shortcomings identified. The Charity's fundraising practices are ethical. We are committed to protecting privacy and only use personal data that we collect in line with applicable laws, including the General Data Protection Regulation (GDPR): data is not shared, sold, swapped or rented to third parties for marketing purposes; communication is only sent to those who want it in the method they have agreed to.

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

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**FINANCIAL REVIEW**

**Financial position**

**Financial performance key indicators**

The annual accounts are a consolidation of both The Gregg and The Gregg Prep Schools.

The Trust has a rolling 5 year financial plan, which includes Cash Flow and Profit and Loss predictions. These plans are reviewed and updated each year.

This year's accounts show a surplus of £394,484 after depreciation of £148,475 and after profit on sale of assets of £1,100 (2019/20: £135,539 deficit after £141,066 depreciation and profit on sale of assets of £13,431).

Fees for the school year, 2020/21, were frozen due to the pandemic. Fees for the new school year, 2021/22 have been increased at both schools by 3.5%, The Gregg School to £4,600 per term and at The Gregg Prep School to £2,975 per term.

Tuition fee income generation amounted to £5,052,220 (2019/20: £4,105,708). Tuition fee income accounted for 90.10% of total income (2019/20: 89.94%) which was £5,604,876 (2019/20: £4,564,849).

To provide the education and support needed to achieve the key objectives of the Trust £3,818,999 (2019/20: £3,490,052) was paid in salaries (including Employers NI and Pension Contributions). This accounts for 75.6% of the fee income (2019/20: 85.0%) and 68.1% of total income (2019/20: 76.6%). The Trust presently bases its teaching salaries on the educational pay scales within the State Sector, the annual basic salary was frozen across all staff (2019/20: State Sector rise: 3%) . The combined schools' staff/pupil ratio was 7.5 (2019/20: 7.79), The Gregg School 7.45 (2019/20: 7.3) The Gregg Prep 7.64 (2019/20: 9.6).

**Reserves policy**

The Trustees have reviewed the charity's need for reserves in line with the guidance issued by the Charity Commission in SORP (FRS102). The ideal level of free reserves is two thirds of the Schools' operating costs being £3,475,065 (2020: £3,133,592). Unrestricted funds at 31 August 2021 amounted to £1,968,832 (2020: £1,568,753) After excluding unrestricted fixed assets £4,998,638 (2020: £4,852,090) (Note 20) and adding back related bank loans, there are negative 'free' reserves of £900,283 (2020: £1,351,926). However, the charity has secured cash flow in the form of fees received in advance of £3,107,197 (2020: £2,769,831) (Note 16 and 17) to meet its operating costs as they arise.

The Trustees regularly review the finances, budgets and spend against budget together with a monthly cash flow analysis as part of the effective stewardship of the School.

In common with other Independent Schools, the Trustees have invested funds into school buildings in recent years and have a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils. Although the free reserves are at a negative balance, this illustrates the extent of the investment in our School, which is a common practice by Independent Schools which have to finance their own capital investment plans.

The Trustees recognise that the level of reserves fluctuates during periods of investment in the Schools and arrangements with our bank are in place to provide an adequate 'safety net' should it be required.

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

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**FINANCIAL REVIEW**

**Valuation of land and buildings**

The freehold land and buildings were professionally valued in December 2020 at £4,250,000. Land and buildings are recognised at historical cost less accumulated depreciation and so this valuation has not been reflected in these financial statements.

**Financial effects of significant events**

The Trust had borrowed under the government's Coronavirus Business Interruption Scheme in 2020 to support its Cash Flow. This supported us well throughout the year and has latterly been repaid. This has been included in additional borrowing to cover the cost of the additional classrooms needed with the expansion in numbers. The HART building has now been completed with the addition of 2 further classrooms on the first floor. These will shortly be followed by another 2, with the completion in September of 2 cabin classrooms, The Studio & The Lodge. This supports the material change that's been made to numbers increasing to 375 and which necessitated inspection during the summer holiday.

**FUTURE PLANS**

The Gregg Prep at Winn Road continues to be leased from the Sutton Brothers. With Lease arrangements now up for renewal, the opportunity to explore alternatives and seek a long term solution is being considered. This will ensure that we have made provision for the future of the school and its ability to feed the Gregg.

The funding and construction of two stand alone Classrooms near the Hart Building has been approved by the Trustees' and should be ready for use at the start of the Autumn Term 2021.

The funding and construction of a new sports hall at The Gregg School remains the Trustees' significant goal when appropriate funds become available.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The company is governed by its Memorandum and Articles of Association which were drawn up on 23 December 1998 and amended by Special resolution(s) on 7 August 2001 and as amended by Special Resolution(s) on 21 February 2005 and as amended by Special Resolution(s) on 7 December 2018.

**Organisational structure**

The Trustees are responsible for all aspects of school: The educational and pastoral care provided by the Schools coupled with the financial and legal management of the schools. If a vacancy arises the Trustees will ensure that all skills continue to be covered. The main skills required are educational knowledge, legal and accountancy.

The day-to-day management is delegated to the Head Teachers and the Bursar.

**Induction and training of new trustees**

Proposals to introduce new Trustees are discussed and agreed within Trust meetings. New Trustees are interviewed by two Trustees and performance, as with all Trustees, reviewed annually by the Chair.

Training of new Trustees is undertaken by the Chair and Bursar, backed by appropriate professionally run external courses and full use of publications available from the Charity Commission & AGBIS.

The pay of key management personnel is set by the Trustees, in line with the charity governing policy.

**AUDITORS**

Hopper Williams & Bell Limited, was appointed under section 487(2) of the Companies Act 2006.

The auditors, Hopper Williams & Bell Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

06/12/2021

Approved by order of the board of trustees on ..... and signed on its behalf by:

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2021

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*John W Watts*

John W Watts (Dec 6, 2021 20:26 GMT)

.....  
J W Watts - Trustee

## **THE GREGG SCHOOLS TRUST**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2021**

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The trustees (who are also the directors of The Gregg Schools Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE GREGG SCHOOLS TRUST

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### Opinion

We have audited the financial statements of The Gregg Schools Trust (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

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

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

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

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE GREGG SCHOOLS TRUST

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

### **Responsibilities of trustees**

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

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



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE GREGG SCHOOLS TRUST**

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

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:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity, and the industry in which it operates. These include but are not limited to compliance with the Companies Act 2006, UK Generally Accepted Accounting Practice, the Charity Statement of Recommended Practice.

We obtained an understanding of how the charity is complying with these frameworks through discussions with management.

We enquired with management whether there were any instances of non-compliance with laws and regulations or whether they had knowledge of actual or suspected fraud. These enquiries are corroborated through follow-up audit procedures including but not limited to a review of legal and professional costs, correspondence and a review of board minutes.

We assessed the susceptibility of the charity's financial statements to material misstatement, including the risk of fraud and management override of controls. We designed our audit procedures to respond to this assessment, including the identification and testing of any related party transactions and the testing of journal transactions that arise from management estimates, that are determined to be of significant value or unusual in their nature.

We assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's knowledge and understanding of the industry in which the charity operates in, and their practical experience through training and participation with audit engagements of a similar nature.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE GREGG SCHOOLS TRUST

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### Use of our report

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

*Michaela Johns*

Michaela Johns FCCA (Senior Statutory Auditor)  
for and on behalf of Hopper Williams & Bell Limited  
Statutory Auditor  
Highland House  
Mayflower Close  
Chandler's Ford  
Eastleigh  
Hampshire  
SO53 4AR

07/12/2021  
Date: .....

# THE GREGG SCHOOLS TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>INCOME FROM</b>					
Donations and legacies	3	-	2,205	2,205	10,709
<b>Charitable activities</b>	5				
School fees receivable		5,052,220	-	5,052,220	4,105,708
Additional school activities		427,551	-	427,551	275,364
Other		123,927	-	123,927	159,391
Investment income	4	77	-	77	246
Other income	6	1,100	-	1,100	13,431
<b>Total</b>		<b>5,604,875</b>	<b>2,205</b>	<b>5,607,080</b>	<b>4,564,849</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	7				
School operating costs		3,956,650	2,205	3,958,855	3,540,661
Welfare costs		283,202	-	283,202	228,255
Transport costs		308,699	-	308,699	287,744
Premises		656,245	5,595	661,840	643,728
<b>Total</b>		<b>5,204,796</b>	<b>7,800</b>	<b>5,212,596</b>	<b>4,700,388</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>400,079</b>	<b>(5,595)</b>	<b>394,484</b>	<b>(135,539)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>1,568,753</b>	<b>25,760</b>	<b>1,594,513</b>	<b>1,730,052</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,968,832</b>	<b>20,165</b>	<b>1,988,997</b>	<b>1,594,513</b>

### CONTINUING OPERATIONS

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes form part of these financial statements

**THE GREGG SCHOOLS TRUST (REGISTERED NUMBER: 03687622)**

**BALANCE SHEET  
31 AUGUST 2021**

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	13	5,304,461	4,876,101
<b>CURRENT ASSETS</b>			
Stocks	14	15,263	17,856
Debtors	15	1,082,590	1,067,628
Cash at bank		1,179,871	662,746
		<b>2,277,724</b>	1,748,230
<b>CREDITORS</b>			
Amounts falling due within one year	16	(3,430,155)	(4,872,584)
<b>NET CURRENT ASSETS</b>		<b>(1,152,431)</b>	(3,124,354)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>4,152,030</b>	1,751,747
<b>CREDITORS</b>			
Amounts falling due after more than one year	17	(2,163,033)	(157,234)
<b>NET ASSETS</b>		<b>1,988,997</b>	1,594,513
<b>FUNDS</b>	21		
Unrestricted funds		1,968,832	1,568,753
Restricted funds		20,165	25,760
<b>TOTAL FUNDS</b>		<b>1,988,997</b>	1,594,513

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 07/12/2021..... and were signed on its behalf by:

Joanna Preston  
Joanna Preston (Dec 7, 2021 18:07 GMT)  
.....  
J L Preston - Trustee

The notes form part of these financial statements

**THE GREGG SCHOOLS TRUST**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	976,780	(2,807)
Interest paid		(49,184)	(45,094)
Interest element of hire purchase payments paid		(5)	(177)
Net cash provided by/(used in) operating activities		927,591	(48,078)
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(610,930)	(54,310)
Sale of tangible fixed assets		2,850	21,085
Interest received		77	246
Net cash used in investing activities		(608,003)	(32,979)
<b>Cash flows from financing activities</b>			
New loans in year		2,180,000	200,000
Bank loan repayments in year		(1,981,888)	(57,108)
Payment of finance lease obligations		(575)	(3,486)
Net cash provided by financing activities		197,537	139,406
<b>Change in cash and cash equivalents in the reporting period</b>		517,125	58,349
<b>Cash and cash equivalents at the beginning of the reporting period</b>		662,746	604,397
<b>Cash and cash equivalents at the end of the reporting period</b>		1,179,871	662,746

The notes form part of these financial statements

THE GREGG SCHOOLS TRUST

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	394,484	(135,539)
Adjustments for:		
Depreciation charges	148,475	141,066
Profit on disposal of fixed assets	(1,100)	(13,431)
Interest received	(77)	(246)
Interest paid	49,184	45,094
Interest element of hire purchase and finance lease rental payments	5	177
Decrease in stocks	2,593	3,712
Increase in debtors	(14,962)	(50,396)
Increase in creditors	398,178	6,756
Net cash provided by/(used in) operations	976,780	(2,807)

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.20 £	Cash flow £	At 31.8.21 £
<b>Net cash</b>			
Cash at bank	662,746	517,125	1,179,871
	662,746	517,125	1,179,871
<b>Debt</b>			
Finance leases	(575)	575	-
Debts falling due within 1 year	(1,991,411)	1,828,795	(162,616)
Debts falling due after 1 year	-	(2,026,907)	(2,026,907)
	(1,991,986)	(197,537)	(2,189,523)
<b>Total</b>	(1,329,240)	319,588	(1,009,652)

The notes form part of these financial statements

**1. ACCOUNTING POLICIES**

**Charity information**

The Gregg Schools Trust (formerly The Gregg and St Winifred's School Trust) is a private company limited by guarantee incorporated in England and Wales. The registered office is Highland House, Mayflower Close, Chandler's Ford, Eastleigh, Hampshire, SO53 4AR.

**Basis of preparing the financial statements**

The financial statements have been prepared in accordance with the Trust's governing documents, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Trust is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

**Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. This confidence comes from steps the School has taken to strengthen ties between the two Schools alongside the genuine investment in marketing. The Trust also has a strong 5 year strategy supported by well resourced marketing and admissions plans. The forward momentum created by improved pass rates and a focus on Student Support all assist in this. Ambitious housing expansion plans released by Southampton City Council demonstrate a continuing increase in numbers within catchment as more land is developed - all positive news for student numbers.

The trustees have considered the impact and risk on the charity of COVID-19 and the charity's prospects, recognising the high degree of uncertainty. The trustees have concluded that with the right management actions the company is a going concern for at least 12 months following the signature of the financial statements.

Accordingly, the trustees have prepared the financial statements on this basis.

**Charitable funds**

Unrestricted funds are defined as income realised or generated for the objectives of the Charity without further specified purpose and which are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, will be identified to the fund.

Designated funds are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

**Fund transfers**

Resources are transferred from Unrestricted Funds to Restricted Funds where expenditure meeting the criteria laid down by a donor of restricted income exceeds this income.

**Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met or are fully within the control of the charity, there is sufficient certainty that receipt of the income is considered possible, and the amount can be measured reliably.

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

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**1. ACCOUNTING POLICIES - continued**

**Income**

**Fee income**

Tuition fee income comprises gross termly fees less allowances and discounts made. This and all other income except certain donations, represent unrestricted funds.

Fees received in advance of education to be provided in future years under an Advance Fee Payments Scheme contract are held as creditors until either taken to income in the term when used or else refunded.

Tuition fees are recognised on a receivable basis. Amounts invoiced in advance are deferred and carried forward within creditors and accruals, whilst amounts due but not yet received in the year are shown within debtors and prepayments.

**Deferred income - advance fees**

Where income is received in advance of meeting any performance related conditions and there is not unconditional entitlement to the income, its recognition is deferred and included in creditors as deferred income until the performance conditions are met.

**Donations and legacies**

Funds from the appeals to raise finance for buildings and future capital projects are accounted for on a receivable basis.

Donations are accounted for on a receivable basis and are recorded in line with the stipulations attached to them by the donor.

All income was generated in the UK.

**Government grants**

The following government grants have been received during the year:

Coronavirus Job Retention Scheme: the accrual model has been used to recognise the grant on a systematic basis over the periods in which the related staff costs are incurred.

**Expenditure**

**Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds comprise the costs of marketing to attract students to the School.

Expenditure on charitable activities includes the costs of teaching salaries, and other educational activities undertaken to further the purposes of the charity and their associated support costs.

Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity which expenditure was incurred.

**Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activity. Support costs include the costs of office salaries, and governance costs which support the School in the provision of education. The bases on which support costs have been allocated are set out in note 8.



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

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1. ACCOUNTING POLICIES - continued

**Expenditure**

**Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition and construction of freehold properties and added to the cost of those properties until such a time as the properties are ready for their intended use or sale.

**Tangible fixed assets**

Tangible fixed assets are measured at cost (or deemed cost for land and buildings held at valuation at the date of transition to FRS 102) less accumulated depreciation and any impairment. No lower limit is applied to individual items that are capitalised.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	1.43% & 10% straight line
Leasehold land and buildings	Over the term of the lease
Plant and machinery	15% straight line
Fixtures, fittings and equipment	15% straight line
Motor vehicles	20% straight line or over the life of the lease

Freehold land and assets in the course of construction are not depreciated. Properties in the course of construction are carried at cost, less any identified impairment loss. Cost includes professional fees and other directly attributable costs that are necessary to bring the property to its operating condition. Depreciation commences when the properties are ready for their intended use.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Specific borrowing costs directly attributable to the construction of freehold properties are added to the costs of these properties until such a time as the properties are ready for their intended use or sale.

**Impairment of fixed assets**

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1. ACCOUNTING POLICIES - continued**

**Stocks**

Stock is valued at the lower of costs, being the purchase price, and net realisable value.

**Cash and cash equivalents**

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

**Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 and section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**Hire purchase and leasing commitments**

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

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

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

**Classification of leases**

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the School.

**Retirement benefits**

The pension arrangements of the charity are defined contribution schemes where the assets of the scheme are held separately from those of the Trust in an independently administered fund. The pension cost charge represents contributions payable by the Trust to the funds during the year in accordance with FRS 102.

**School deposits**

School deposits are currently classified between long term and short term in the financial statements. These deposits are not refundable in the event that pupils leave the school on one term's notice and it is discretionary as to whether a refund will be made. Short term deposits reflect those pupils that will be leaving the school within one year, and the long term deposits reflect those pupils that will be leaving the school after 12 months from the balance sheet date.

**Financial instruments**

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

**1. ACCOUNTING POLICIES - continued**

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price include transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Impairment of financial assets**

Financial assets, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

**Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Trust transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Basic financial liabilities**

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate interest. Financial liabilities classified as payable within one year are not amortised.

Liabilities are recognised within the financial statements in respect of all expenditure for which the entity has a measurable obligation, be it constructive or legal, at the balance sheet date. Any expenditure which is committed to, but not measurable at this time, is disclosed within the notes to the financial statements as a contingent liability.

**Derecognition of financial liabilities**

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

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

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	<u>2,205</u>	<u>10,709</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>77</u>	<u>246</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	School fees receivable	Additional school activities	Other	Total activities	Total activities
	£	£	£	£	£
School fees	5,512,155	-	-	5,512,155	4,515,254
Less: scholarships	(133,886)	-	-	(133,886)	(127,546)
Less: bursaries	(216,862)	-	-	(216,862)	(199,981)
Less: other discounts	(109,187)	-	-	(109,187)	(82,019)
Grants	-	-	123,927	123,927	159,391
Learning support	-	25,643	-	25,643	19,148
Coach fares	-	189,290	-	189,290	130,690
Canteen	-	193,880	-	193,880	115,478
Miscellaneous income	-	17,688	-	17,688	9,531
Hire of facilities	-	1,050	-	1,050	517
	<u>5,052,220</u>	<u>427,551</u>	<u>123,927</u>	<u>5,603,698</u>	<u>4,540,463</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Government grant - Furlough scheme	112,451	132,733
Hampshire County Council	<u>11,476</u>	<u>26,658</u>
	<u>123,927</u>	<u>159,391</u>

**THE GREGG SCHOOLS TRUST**

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

**6. OTHER INCOME**

**Other income**

	<b>2021</b>	2020
	<b>£</b>	£
Net gain on disposal of tangible fixed assets	1,100	13,431

**7. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 8) £	Totals £
School operating costs	3,587,817	371,038	3,958,855
Welfare costs	256,660	26,542	283,202
Transport costs	279,768	28,931	308,699
Premises	599,810	62,030	661,840
	<u>4,724,055</u>	<u>488,541</u>	<u>5,212,596</u>

**8. SUPPORT COSTS**

	General support costs £	Governance costs £	Totals £
School operating costs	336,268	34,770	371,038
Welfare costs	24,055	2,487	26,542
Transport costs	26,220	2,711	28,931
Premises	56,217	5,813	62,030
	<u>442,760</u>	<u>45,781</u>	<u>488,541</u>

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs are apportioned on the basis of direct cost per activity as a percentage of total direct costs for charitable activities.

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

**8. SUPPORT COSTS - continued**

Support costs, included in the above, are as follows:

**General support costs**

	School operating costs £	Welfare costs £	Transport costs £
Wages	178,954	12,802	13,954
Social security	16,935	1,211	1,320
Pensions	12,071	863	941
Telephone	20,995	1,502	1,637
Postage and stationery	6,164	441	481
Other costs	85,172	6,093	6,641
Bank loan arrangement fees	15,977	1,143	1,246
	<u>336,268</u>	<u>24,055</u>	<u>26,220</u>

	Premises £	2021 Total activities £	2020 Total activities £
Wages	29,917	235,627	242,006
Social security	2,831	22,297	22,717
Pensions	2,018	15,893	16,118
Telephone	3,510	27,644	19,451
Postage and stationery	1,031	8,117	7,919
Other costs	14,239	112,145	117,668
Bank loan arrangement fees	2,671	21,037	-
	<u>56,217</u>	<u>442,760</u>	<u>425,879</u>

**Governance costs**

	School operating costs £	Welfare costs £	Transport costs £
Auditors' remuneration	8,582	614	669
Auditors' remuneration for non audit work	2,210	158	172
Legal and professional fees	23,978	1,715	1,870
	<u>34,770</u>	<u>2,487</u>	<u>2,711</u>

**THE GREGG SCHOOLS TRUST**

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

**8. SUPPORT COSTS - continued**

**Governance costs - continued**

		<b>2021</b>	2020
	Premises	Total	Total
	£	activities	activities
		£	£
Auditors' remuneration	<b>1,435</b>	<b>11,300</b>	<b>13,862</b>
Auditors' remuneration for non audit work	<b>369</b>	<b>2,909</b>	<b>4,555</b>
Legal and professional fees	<b>4,009</b>	<b>31,572</b>	<b>15,861</b>
	<u><b>5,813</b></u>	<u><b>45,781</b></u>	<u><b>34,278</b></u>

**9. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	<b>2021</b>	2020
	£	£
Auditors' remuneration	<b>11,300</b>	13,862
Auditors' remuneration for non audit work	<b>2,909</b>	4,555
Depreciation - owned assets	<b>146,734</b>	139,325
Depreciation - assets on hire purchase contracts and finance leases	<b>1,741</b>	1,741
Surplus on disposal of fixed assets	<b>(1,100)</b>	(13,431)
Operating lease charges	<u><b>207,336</b></u>	<u>165,048</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

A trustees received remuneration, including employer's pension contributions and benefits, for teaching and administrative services to the schools, as follows, in line with the charity governing document:

	<b>2021</b>	2020
	£	£
R D Hart	-	5,350
S Sellers	<u><b>87,335</b></u>	<u>87,334</u>
	<u><b>87,335</b></u>	<u>92,684</u>

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

**10. TRUSTEES' REMUNERATION AND BENEFITS - continued**

**Trustees' expenses**

No Trustees claimed expenses during the year.

The school has paid for Trustee Indemnity Insurance for the year, the insurance premium is included within travellers school insurance policy.

**11. STAFF COSTS**

	<b>2021</b>	2020
	<b>£</b>	£
Wages and salaries	<b>3,302,226</b>	3,020,473
Social security costs	<b>295,761</b>	269,257
Other pension costs	<b>221,011</b>	200,322
	<hr/>	<hr/>
	<b>3,818,998</b>	3,490,052
	<hr/> <hr/>	<hr/> <hr/>

The level of remuneration is set in accordance with the National Leadership pay scales. The highest paid employee is on level 26 (2020 - 26) out of 43 on this scale.

The average monthly head count and average monthly number of full time equivalent (FTE) employees during the year were as follows:

	<b>2021</b>	2020
	<b>FTE</b>	FTE
Teaching	<b>57.6</b>	46.9
Teaching support	<b>12.1</b>	13.0
Grounds, maintenance and admin	<b>19.5</b>	17.5
Drivers and cleaners	<b>12.1</b>	12.1
	<hr/>	<hr/>
	<b>101.3</b>	89.5
	<hr/> <hr/>	<hr/> <hr/>

The average monthly number of employees during the year was as follows:

	<b>2021</b>	2020
Teaching	<b>64</b>	54
Teaching support	<b>17</b>	23
Grounds, maintenance and admin	<b>24</b>	23
Drivers and Cleaners	<b>40</b>	37
	<hr/>	<hr/>
	<b>145</b>	137
	<hr/> <hr/>	<hr/> <hr/>



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

**11. STAFF COSTS - continued**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2021</b>	2020
£60,001 - £70,000	<b>2</b>	2
£80,001 - £90,000	<b>1</b>	1
	<u><b>3</b></u>	<u>3</u>

Contributions were made into Pension Schemes for the higher paid employees of £16,115 (2020 - £15,662).

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted fund £	Total funds £
<b>INCOME FROM</b>			
Donations and legacies	370	10,339	10,709
<b>Charitable activities</b>			
School fees receivable	4,105,708	-	4,105,708
Additional school activities	275,364	-	275,364
Other	159,391	-	159,391
Investment income	246	-	246
Other income	13,431	-	13,431
<b>Total</b>	<u>4,554,510</u>	<u>10,339</u>	<u>4,564,849</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
School operating costs	3,520,879	19,782	3,540,661
Welfare costs	228,255	-	228,255
Transport costs	287,744	-	287,744
Premises	643,728	-	643,728
<b>Total</b>	<u>4,680,606</u>	<u>19,782</u>	<u>4,700,388</u>
<b>NET INCOME/(EXPENDITURE)</b>	<u>(126,096)</u>	<u>(9,443)</u>	<u>(135,539)</u>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	1,694,849	35,203	1,730,052
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>1,568,753</u></u>	<u><u>25,760</u></u>	<u><u>1,594,513</u></u>

THE GREGG SCHOOLS TRUST

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

13. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Leasehold land and buildings £	Plant and machinery £
<b>COST</b>			
At 1 September 2020	4,807,876	209,405	167,683
Additions	462,917	61,800	7,000
Disposals	-	-	(2,500)
At 31 August 2021	5,270,793	271,205	172,183
<b>DEPRECIATION</b>			
At 1 September 2020	226,631	143,389	147,467
Charge for year	47,116	5,151	8,319
Eliminated on disposal	-	-	(750)
At 31 August 2021	273,747	148,540	155,036
<b>NET BOOK VALUE</b>			
At 31 August 2021	4,997,046	122,665	17,147
At 31 August 2020	4,581,245	66,016	20,216
	Fixtures, fittings and equipment £	Motor vehicles £	Totals £
<b>COST</b>			
At 1 September 2020	950,158	173,766	6,308,888
Additions	32,368	14,500	578,585
Disposals	-	(10,750)	(13,250)
At 31 August 2021	982,526	177,516	6,874,223
<b>DEPRECIATION</b>			
At 1 September 2020	791,875	123,425	1,432,787
Charge for year	66,700	21,189	148,475
Eliminated on disposal	-	(10,750)	(11,500)
At 31 August 2021	858,575	133,864	1,569,762
<b>NET BOOK VALUE</b>			
At 31 August 2021	123,951	43,652	5,304,461
At 31 August 2020	158,283	50,341	4,876,101

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

**13. TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
<b>COST</b>	
At 1 September 2020 and 31 August 2021	<b>8,703</b>
<b>DEPRECIATION</b>	
At 1 September 2020	<b>5,227</b>
Charge for year	<b>1,741</b>
At 31 August 2021	<b>6,968</b>
<b>NET BOOK VALUE</b>	
At 31 August 2021	<b>1,735</b>
At 31 August 2020	3,476

Land and buildings are held at deemed cost following the transition to FRS 102. At 31 August 2021, had the revalued assets been carried at historic cost less accumulated depreciation, their carrying amount would have been approximately £4,148,140 (2020 - £4,195,256).

During the year a professional valuation was undertaken on the land and buildings at The Gregg School in Cutbush Lane Southampton. As at 10 December 2020, the land and buildings were valued at £4,250,000.

**14. STOCKS**

	2021 £	2020 £
Stocks	<b>15,263</b>	17,856

**15. DEBTORS**

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	<b>1,029,067</b>	995,341
VAT	<b>3,461</b>	3,324
Prepayments and accrued income	<b>37,562</b>	56,463
	<b>1,070,090</b>	1,055,128

**THE GREGG SCHOOLS TRUST**

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

**15. DEBTORS - continued**

	2021 £	2020 £
Amounts falling due after more than one year:		
Other debtors	12,500	12,500
	<u>12,500</u>	<u>12,500</u>
 Aggregate amounts	 1,082,590	 1,067,628
	<u>1,082,590</u>	<u>1,067,628</u>

During the year £7,474 (2020 - £nil) of school fees were written off as bad debts.

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Bank loans and overdrafts (see note 18)	102,616	1,931,411
Other loans (see note 18)	60,000	60,000
Hire purchase (see note 19)	-	575
Trade creditors	48,291	65,932
Social security and other taxes	75,236	69,454
Accruals and deferred income	172,941	132,615
Fees invoiced in advance	1,428,440	1,334,008
Fees received in advance	1,542,631	1,278,589
	<u>3,430,155</u>	<u>4,872,584</u>

**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021 £	2020 £
Bank loans (see note 18)	2,026,907	-
Fees received in advance	136,126	157,234
	<u>2,163,033</u>	<u>157,234</u>

**18. LOANS**

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year on demand:		
Bank loans	102,616	1,931,411
Other loans	60,000	60,000
	<u>162,616</u>	<u>1,991,411</u>
 Amounts falling between one and two years:		
Bank loans - 1-2 years	112,426	-
	<u>112,426</u>	<u>-</u>

# THE GREGG SCHOOLS TRUST

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

### 18. LOANS - continued

	2021 £	2020 £
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>287,268</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	<u>1,627,213</u>	<u>-</u>

During the year, the trust took out a loan for £1,980,000 in February 2021 repayable over 20 years at an initial fixed rate of 2.9% for the first 84 months. The loan is secured by a second legal charge over The Gregg School and its associated assets.

In June 2021, a further loan for £200,000 was taken out, repaying the CBILS loan taken out in the previous year. The new loan is for 20 years with interest charged at a rate of 2.39% over the base rate. The loan also has a second legal charge over The Gregg School and its associated assets.

Other loans of £60,000 (2020 - £60,000) have been received from parents of ex-pupils. These loans do not have fixed repayment terms and are unsecured. Interest is payable on these loans at 3% over the base rate per annum.

### 19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	<b>Hire purchase contracts</b>	
	2021 £	2020 £
Net obligations repayable:		
Within one year	<u>-</u>	<u>575</u>
	<b>Non-cancellable operating leases</b>	
	2021 £	2020 £
Within one year	148,738	121,475
Between one and five years	203,970	293,616
In more than five years	<u>-</u>	<u>3,207</u>
	<u>352,708</u>	<u>418,298</u>

Leases of land and buildings are subject to periodic rental reviews.

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

## 20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
Fixed assets	5,286,044	18,417	5,304,461	4,876,101
Current assets	2,275,976	1,748	2,277,724	1,748,230
Current liabilities	(3,430,155)	-	(3,430,155)	(4,872,584)
Long term liabilities	(2,163,033)	-	(2,163,033)	(157,234)
	<u>1,968,832</u>	<u>20,165</u>	<u>1,988,997</u>	<u>1,594,513</u>

## 21. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
<b>Unrestricted funds</b>			
General fund	1,568,753	400,079	1,968,832
<b>Restricted funds</b>			
Restricted fund	25,760	(5,595)	20,165
<b>TOTAL FUNDS</b>	<u>1,594,513</u>	<u>394,484</u>	<u>1,988,997</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	5,604,875	(5,204,796)	400,079
<b>Restricted funds</b>			
Restricted fund	2,205	(7,800)	(5,595)
<b>TOTAL FUNDS</b>	<u>5,607,080</u>	<u>(5,212,596)</u>	<u>394,484</u>

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

## 21. MOVEMENT IN FUNDS - continued

## Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
<b>Unrestricted funds</b>			
General fund	1,694,849	(126,096)	1,568,753
<b>Restricted funds</b>			
Restricted fund	35,203	(9,443)	25,760
<b>TOTAL FUNDS</b>	<u>1,730,052</u>	<u>(135,539)</u>	<u>1,594,513</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	4,554,510	(4,680,606)	(126,096)
<b>Restricted funds</b>			
Restricted fund	10,339	(19,782)	(9,443)
<b>TOTAL FUNDS</b>	<u>4,564,849</u>	<u>(4,700,388)</u>	<u>(135,539)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.19 £	Net movement in funds £	At 31.8.21 £
<b>Unrestricted funds</b>			
General fund	1,694,849	273,983	1,968,832
<b>Restricted funds</b>			
Restricted fund	35,203	(15,038)	20,165
<b>TOTAL FUNDS</b>	<u>1,730,052</u>	<u>258,945</u>	<u>1,988,997</u>

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

**21. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	10,159,385	(9,885,402)	273,983
<b>Restricted funds</b>			
Restricted fund	12,544	(27,582)	(15,038)
<b>TOTAL FUNDS</b>	<u>10,171,929</u>	<u>(9,912,984)</u>	<u>258,945</u>

**22. EMPLOYEE BENEFIT OBLIGATIONS****Defined contribution schemes**

The Trust previously operated a defined contribution pension scheme and now pays employer contributions into a Group Personal Pension Fund. The assets of both schemes are held separately from those of the Trust in an independently administered fund.

The pension cost charge represents contributions payable by the Trust to the fund and amounted to £221,011 (2020 - £200,322). Contributions totalling £28,506 (2020 - £29,373) were outstanding at the year end and are included in accruals and other creditors.

**23. CAPITAL COMMITMENTS**

	2021 £	2020 £
Contracted but not provided for in the financial statements	-	314,916

During the prior year the charity committed to a building project for the extension of the Hart building to create two additional classrooms.

**24. RELATED PARTY DISCLOSURES****Remuneration of key management personnel**

The remuneration of key management personnel is as follows:

	2021 £	2020 £
Aggregate compensation	<u>176,596</u>	<u>176,373</u>

See note 11 for information on trustees expenses.

During the year, payments of £3,100 (2020: £2,618) from pupil subscriptions were made to The Gregg School Parents Teachers & Friends Association - Charity Number 1088756, also known as FROGS (Friends of The Gregg School). The headteacher and trustee, Mrs S Sellers, is also a trustee of this charity. Receipts of £2,147 (2020: £9,975) were received back from this charity as donations in the year.



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

**24. RELATED PARTY DISCLOSURES - continued**

Balances due from this charity as at 31 August 2021 were £201 (2020: £nil).

**25. ULTIMATE CONTROLLING PARTY**

The ultimate controlling parties are the Trustees as shown in the Trustees Report.

**26. COMPANY STATUS**

The Trust is a company limited by guarantee. In the event of the Trust being wound up, the members' liability is limited to £1 each. There are 8 members (2020 - 8).

**27. RESTRICTED FUNDS**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 September 2020	Income	Expenditure	Balance at 31 August 2021
	£	£	£	£
Library fund	14,420	-	(3,094)	11,326
Sports facilities fund	2,526	-	(500)	2,026
New Build fund	1,178	-	(18)	1,160
Furniture Room 1	2,000	-	(750)	1,250
Wild Life Cameras	1,666	-	(626)	1,040
Table Tennis Tables	697	-	(191)	506
HART Sound System	755	-	(206)	549
Pizza Oven	770	-	(210)	560
Bee Keeping	-	769	(769)	-
Christmas Igloo	848	-	-	848
Nativity donation	900	-	-	900
Pavilion floodlights	-	1,436	(1,436)	-
	<u>25,760</u>	<u>2,205</u>	<u>(7,800)</u>	<u>20,165</u>

The Library Fund represents a specific donation received for conversion of a school building into a library. Expenditure relates to depreciation being charged over the life of the asset.

The Sports Facilities Fund was set up to raise funds for improving the sports facilities the school is able to provide its pupils. Expenditure relates to depreciation being charged over the life of the asset.

The New Build Fund represents a donation received to help fund the cost of the new building. Expenditure relates to depreciation being charged over the life of the asset.

The Furniture Room 1 Fund represents a donation received to help fund the cost of kitting out Room 1. Expenditure relates to depreciation being charged over the life of the assets.

The Wild Life Cameras Funds represents a donation received to help fund the cost of purchasing cameras. Expenditure relates to depreciation being charged over the life of the assets.

**27. RESTRICTED FUNDS - continued**

The Table Tennis Tables Funds represent a donation received to fund and improve the sports facilities for the students at the school.

The HART Sound System funds represent a donation to help fund the cost of purchasing the sound system in the HART building.

The Pizza Oven represents a donation for the purchase and construction of a Pizza oven. The oven itself has been capitalised and therefore part of the expenditure represents depreciation charged over the life of the asset. The rest of the expenditure represents revenue expenditure on the project.

Bee keeping represents fund received to meet the cost of keeping bees and producing honey. Funds were received from the Parent Teacher Association.

Christmas Igloo and Nativity donation represent fund donate, but have not yet been expensed on the Igloo and Nativity due to the pandemic.

During the year the Parent Teacher Association paid for the school to fit temporary floodlights for the pavilion.