

Bristol Grammar School
(A company limited by guarantee)

**DIRECTORS' REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS**

for the year ended 31 August 2023

Bristol Grammar School (A company limited by guarantee)

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Bristol Grammar School (A company limited by guarantee)

DIRECTORS' REPORT

for the year ended 31 August 2023

The Board of Directors present their annual report for the year ended 31 August 2023 under the Companies Act 2006 and the Charities Act 2011, together with the audited financial statements for the year, and confirm that they comply with the requirements of the Companies Act, the Company's Memorandum and Articles of Association, the Charities SORP 2019 and FRS102 'The Financial Reporting Standard in UK and the Republic of Ireland'.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Company

Bristol Grammar School ("the Company") is a company limited by guarantee, incorporated in England on 1 June 2004, company registration number 05142007, with the liability of its members limited to £1 each by guarantee. It is registered as a charity under registration number 1104425. It is exempt from the requirement to include the word "Limited" in its name. Its registered office and principal address is at University Road, Bristol BS8 1SR.

Linked Charities

Under the Scheme, the permanent endowment assets of the School are held by the Company as the Trustee of a separate charity called Bristol Grammar School Trust. Under a further Charity Commission Scheme dated 31 August 2004, the Company is also the Trustee of another separate charity called Bristol Grammar School Scholarship, Bursary and Prize Fund.

On 12 August 2005, the Charity Commission made a Uniting Direction under section 96(5) of the Charities Act 1993, directing that these two charities ("the linked charities") should be treated as forming part of the charity called Bristol Grammar School for the purposes of Part II (registration) and Part VI (accounting) of the Charities Act 1993. The main effect of the Uniting Direction is that the linked charities are aggregated into the Statement of Financial Activities and the Balance Sheet of the Company. They remain, however, legally distinct charities, the funds of which are to be applied solely in accordance with their respective trusts.

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DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

Directors, Trustees and Governors

The present Directors of the Company, who are also the Charity Trustees and the School Governors, and also any ex-Directors who served during the year are:

Director

Committee
Membership

Co-opted by the Board

Mr Mark Alker-Stone BA Hons BArch RIBA appointed on 16 November 2022	F
Mrs Andrea Arlidge BA retired 30 August 2023	A B
Mr Alan Barr LLB retired 30 August 2023	
Dr Martin Boulton BEng PhD appointed 1 August 2023	B
Mrs Sharon Boccaccini MEd (Open) BSc (Hons) PGCE MCCT resigned on 5 September 2023	B
Mr Ian Chesham BA Hons MSc FCSI	C
Ms Maria Crayton BA Hons MCIM	A B D
Ms Hannah Drake MA	D
Dr Mary Gainsborough MB ChB FRCPCH	A E
Mrs Candida Gil BSc Hons ACA retired on 12 December 2022	C
Mr Peter Huckle BA Med appointed 23 June 2023	B
Mr Jonathan May BA (Hons) MA FRSA	D
Mr Patrick Meehan BEd Hons FPFS retired on 12 December 2022	C
Mr Andrew Moore	C
Dr Jane O'Gallagher MBChB MRCP FRCPCH FHEA retired 30 August 2023	A E
Mrs Lucinda Parr BMus MMus FRSA appointed on 1 November 2022	B
Mr Nigel Pickersgill BSc Hons FCA	A C F
Dr Michael Ransome BA PhD resigned 30 August 2023	B E
Ms Catherine Redshaw BA (Oxon) Hons LLB	E
Mr David W Shelton MSc FCIM (Deputy Chair)	A C D
Mrs Margaret Simmons-Bird BA Hons PGCE MA	B
Mr John Sisman BSc Hons MRICS	D F
Ms Sally Speake BCom Hons	C F
Dr Dominique Thompson MBChB MRCGP (Dist)	E
Mr Romesh Vaitilingam BA Hons (Oxon) MBE (Chair)	A C
Mr Mark R Wilson BSc Hons MRICS (Chair Elect)	A C D F

The following Directors were appointed after the year end:

Mr Shaun Harvey BSC ACMA	appointed on 1 October 2023	C
Mrs Sumita Hutchison	appointed on 1 October 2023	B

The following Committees have been in operation during the year:

A	Chairs' Group & Nominations Committee
B	Education Committee
C	Finance & General Purposes Committee
D	Marketing, Admissions & Communications Committee
E	Pupils & Staff Committee
F	Estates Committee

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DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

Senior Executives and Professional Advisors

The Headmaster	Mr J Barot MA (Cantab) MSc
The Head of Infant and Junior School	Miss H Hughes BSc Hons MA Ed
The Bursar	Mr JG Mitchell BA FCCA
Clerk to the Governors	Mr OLD Chambers BSc
Bankers	HSBC Bank Plc Cabot Circus Bristol BS1 3BA
Investment Managers	Evelyn Partners Investment Management LLP Portwall Place Portwall Lane Bristol BS1 6NA and Ruffer LLP Investment Management 80 Victoria Street London SW1E 5JL
Property Management	DJ Foley Property Consultants Cavendish House 15 Whiteladies Road Bristol BS8 1PB
Solicitors	Veale Wasbrough Vizard Narrow Quay House Narrow Quay Bristol BS1 4QA
Auditor	RSM UK Audit LLP Second Floor 1 The Square, Temple Quay Bristol BS1 6DG
Registered Office	University Road Clifton Bristol BS8 1SR

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DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

The School was established in 1532. The Charity is regulated by a Scheme made by the Charity Commission in May 1978 and was incorporated on 1 June 2004.

Governing Document

The Company is governed by its Memorandum and Articles of Association, issued on 1 June 2004 (amended by Resolutions on 24 August 2004, 26 September 2005, 2 December 2008 and 28 June 2020).

Governing Body

The Directors, who are also required under the Articles to serve as members of the Company, have control of the Charity and its property and funds including, as Corporate trustee, the endowment assets of the Charity. The Governing Body consists of not less than 16 members, one of whom may be nominated by the School's staff. Governors are appointed for a term of five years and may be re-appointed for a further three-year term or other period as the Board considers appropriate. Nominations for new Governors are considered by the Chairs' Group and Nominations Committee, which ensures the Governing Board has the breadth of skills to give effective strategic leadership to the School, in conjunction with the Headmaster, and to ensure the Governing Board reflects the diversity of our community. The Nominations Committee makes recommendations to the Board for their ratification.

Directors and Key Management Personnel

The Directors meet as a Board four times a year, or more frequently when required, to determine the strategy and general policy of the company and review its overall management and control, for which they are legally responsible. The work of implementing the Board's policies is delegated to the Committees listed on page 2, which meet at least once per term.

The day-to-day running of the School is delegated to the Key Management Personnel (KMP) comprising the Headmaster, the Bursar, the Head of the Infant and Junior School, five Deputy Heads, Director of Marketing, Admissions & Communications and Director of Development. The KMP meet regularly during each week considering both strategic and operational matters for the whole School.

The remuneration of the KMP is set by the Governors after consultation with the Headmaster and, where appropriate, the Bursar. The Headmaster and Bursar are not involved in the discussions regarding their own remuneration. Remuneration packages are set at a level to encourage the recruitment and retention of quality senior teachers and executives in order to lead the school, facilitating a happy, supportive, sustainable and enriching environment in which all pupils and staff can flourish and maximise their potential.

BGS also has a wider Senior Leadership Team (SLT) which includes the KMP plus the Assistant Heads of the School and up to three co-opted members of staff (to aid with their professional development, as well as to lead on specific projects). SLT discusses important issues for the School and includes members of both teaching and support staff. There is communication, with all staff, on the items discussed by SLT and the decisions made.

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DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

Trustee Training

New Directors are inducted, through a structured process, into the workings of the School, and also of the Company as a registered charity. Induction is underpinned by coverage of the following important areas:

- the main policies, with emphasis upon safeguarding;
- specific policies linked to committee membership; and
- governance and management documents including:
 - “The essential trustee” from the Charity Commission
 - Bristol Grammar School Inspection Report from the Independent Schools Inspectorate; and
 - Statutory and Management Accounts.

The main element of induction is a school familiarisation visit of at least half a day which includes meetings with the Headmaster, Bursar, Clerk to the Governors and other senior staff together with classroom observation.

Directors are also encouraged to attend regular training seminars organised by AGBIS (Association of Governing Bodies in Independent Schools), other professional firms and organisations including RSM UK Audit LLP, VWV LLP, ISBA (The Independent Schools Bursars' Association) and the Independent Schools' Council (ISC). All Directors confirm they have read the safeguarding and other key policies and national guidance each year.

Directors are directed to a secure dedicated SharePoint site for the Board and recommended to access the following BGS Board details including:

- Current Governors' Details - Skills and Experience Matrix;
- Minutes of recent Board and Committee meetings;
- Current Committee Membership;
- Committee Meetings - Current Schedule; and
- Full Role Description for Governors.

Group Structure and Trading Subsidiary

BGS Enterprises Limited is a wholly owned and active trading company which uses the relevant facilities of Bristol Grammar School under license.

Bristol Grammar School has a Group VAT registration.

Bristol Grammar School is a member of HMC (the Heads' Conference), The Society of Heads, the ISC (Independent Schools Council), AGBIS (Association of Governing Bodies in Independent Schools) and the ISBA (Independent Schools' Bursars Association) all of which provide the School with regular information and advice about changes in legislation, regulations, compliance and best practice.

The School's Headmaster, Mr Jaideep Barot, is the current Chair Elect of HMC and will take over as Chair for the next academic year.

Bristol Grammar School benefits from the generosity of the Old Bristolians' Society, the “Friends of BGS” (Senior School parents) and “BGS Friends Infants & Juniors” (Infant and Junior School parents) all of which support the School and contribute financially to prize funds, projects and bursaries. The Friends groups significantly add to the community, friendship, character and ethos of the school. Their hard work and support is greatly appreciated by the Board, the Headmaster and other members of the BGS community. The senior school's Parent Forum plays an active role in the communication between the Headmaster, the Key Management Personnel and the pupils parents.

Principal Activity

The principal activity of the Company is to manage and administer the School for girls and boys known as Bristol Grammar School. All the assets, liabilities and contracts of the School were transferred to the Company pursuant to a Charity Commission Scheme dated 17 June 2004 (“the Scheme”), and the Company has carried on the business of the School since that date.

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DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

The number of pupils at the School was 1,367 at the year end.

Other Directors' report disclosures

Disclosures required by the Companies Act 2006 to be included in the directors' report about engagement with employees, suppliers, customers and other stakeholders, and energy and carbon reporting have been included below in the Strategic Report section of this report.

STRATEGIC REPORT

OBJECTS, AIMS, OBJECTIVES AND FUTURE PLANS

Objects

The objects of the Charity are:

To advance the education and training, by the provision and conduct, in or near the City of Bristol, of a day school or schools for boys and girls and, in so far as it is incidental or ancillary to the advancement of education, such other purposes for the benefit of the local community as shall be exclusively charitable.

Historical Context

Bristol Grammar School was founded by Royal Charter, issued by Henry VIII on 17 March 1532. Pre-dating the city's other independent schools and its two universities, BGS has played a central part in Bristol life ever since, standing for the best in education and care for its pupils in the city for almost five hundred years. It continues to navigate successfully the educational cross-currents of tradition, progression and inclusivity, and it remains mindful of its past whilst being more aware than ever of the need to keep looking forward. In changing economic and political times, BGS continues to develop young adults of integrity and character, rigorous in their application, compassionate in their outlook, and ready to make a real and lasting difference in the world that awaits them.

Endowed by Nicholas and Robert Thorne, the School was established "for the teaching of literature and good manners" to the sons of merchants and tradesmen of the city. It has evolved considerably since then – most notably, it is now a proudly coeducational school – but the desires to build an education around academic endeavour, supportive pastoral care and the development of good character, and to include those who might not otherwise be afforded such a privilege, remain as central to our Mission now, as when the School was established.

Mission

To provide an exceptional and rounded education to those who might benefit from it, regardless of their background and financial means.

Aims

1. To nurture, challenge, and celebrate each individual.
2. To develop an excitement for learning which goes beyond school.
3. To promote physical and mental wellbeing, and the development of good character.
4. To make a BGS education available to all those who might benefit from it.
5. To be a diverse school and one which serves Bristol and beyond.
6. To ensure that the school continues to flourish for generations to come.

Values

Kindness, Integrity and Rigour.

Bristol Grammar School (A company limited by guarantee)

DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

Objectives and Future Plans

The Directors and Headmaster's main objectives are to:

- fill all available places with girls and boys who have demonstrated they have the potential to benefit from attending Bristol Grammar School;
- maintain a community with as broad a socio-economic mix of pupils as possible, from all elements of the Bristol community, by supporting a significant proportion of pupils with the cost of education, on a means-tested basis, from the School's limited endowment funds and other fund raising;
- educate all pupils to the highest possible standard with excellent teaching and learning and extra-curricular opportunities to enable them to develop their full potential and attend the university, further educational course or work training of their choice;
- recruit the highest possible calibre of teaching and support staff and facilitate their continuing professional development;
- approve appropriate improvements to the School's facilities and equipment, within budget constraints, including the best use of technology;
- provide a happy and secure pastoral environment, with safeguarding at the forefront, in which all pupils can flourish with opportunities for leadership, service and an acknowledgement of respect and consideration to others;
- further develop the already strong links with our parents, extended families and alumni community;
- be a recognised force for good beyond the school gates, widening access and carrying out meaningful charitable and community partnership work, both locally and more widely.

Risk Management

The school followed national Government and Local Authority guidance throughout the pandemic. The school has now returned to pre-pandemic normal operations, although we continue to emphasise good public health controls, as a matter of daily routine, for the school's pupils, staff and visitors.

The School has a comprehensive Risk Register which is reviewed and updated each term, by the KMP and Governors' Committees and reviewed by the full Board.

The controls used by Bristol Grammar School to minimise risk include:

- Strategic development planning, self-evaluation and Key Performance Indicators reviewed termly by the KMP and the Board;
- Comprehensive budgeting and monitoring including the preparation of Income and Expenditure Accounts, Balance Sheets and Cash Flow Forecasts with appropriate financial commentary and sensitivity analysis;
- Capital appraisal and feasibility papers authorised by the appropriate Governors' Committee and Board for major capital projects or expenditure;
- Schedule of condition reports prepared by appropriately qualified professional advisers;
- Terms of reference, together with formal agendas, for Committee and Board business;
- Careful Governor recruitment, with appropriate skills, to ensure all risk areas are comprehensively covered;
- Established organisation structures and lines of reporting;
- Formal written policies;
- Appropriate regulatory vetting, safeguarding procedures and registers as required by law and other safeguarding regulations; and
- Continued professional development and training.

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DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

The School contracts the services of an independent Health and Safety Consultant who carries out regular inspections of the school buildings, oversees various departmental risk assessments (with the full involvement of the relevant departmental staff), Health and Safety audits, with the higher risk departments being audited most frequently, and provides other specialist advice, as required, such as Fire Risk Assessments. Regular Building Surveyor Inspections are also undertaken including high level inspections. Action lists are prepared and these are addressed within the time scales approved by the independent advisers. The work of the Health & Safety Consultant and professional advisers is overseen by the Bursar and Facilities Manager.

Other independent professional advisers are contracted by the School where the KMP and Governors consider this appropriate. Training and continual professional development is also seen as an important way to reduce risks. Professional advisers and members of the KMP attend and present, where necessary, to the appropriate Governor Committees and the full Board to support the Directors in their Governance of the School.

Other key areas of risk that are considered and reviewed by the KMP, the Board and its Committees include:

- Robust Child Safeguarding Policies, systems and appropriate regular training, including mental health and diversity issues, for all staff;
- Pupil recruitment including the setting of School fees in relation to affordability;
- Health & Safety, site security and regulatory requirements;
- Human Resource matters including complying with regulations and the retention of key members of staff, both teaching and support, which is critical to the success of the School;
- IT Security, cybercrime controls and data protection matters;
- The safeguarding of the School's Land and Buildings, Equipment and Other Assets including comprehensive insurance;
- Fund Raising Policy and ensuring the Charitable Objects of the School are complied with and advanced;
- Scenario planning and appropriate, prompt responses to any political, economic or public health changes;
- Any Legal Matters; and
- Governance of the School.

ISI Inspection

BGS was inspected, in May 2023, as part of the routine cycle of inspection carried out by Independent Schools Inspectorate "ISI" (our equivalent of Ofsted) who sought to confirm our compliance with The Education (Independent School Standards) Regulations 2014.

ISI inspectors ranked BGS as 'Excellent' in both areas inspected during the Educational Quality part of the inspection: the quality of pupils' academic and other achievements, and the quality of pupils' personal development.

Further details and highlights of the inspection and a full copy of the report are on the School's website, the link is:

<https://www.bristolgrammarschool.co.uk/whats-on-and-news/news/bgs-excellent-inspection-2023>

The school had also previously received an Independent Schools Inspectorate (ISI) inspection on 17 October 2022 with the primary focus on the spiritual, moral, social, and cultural development of pupils; safeguarding, behaviour; bullying; risk assessment; and the handling of parents' complaints. The school's compliance with other regulations relating to the primary focus was also inspected.

The summary of reporting inspectors' findings was as follows: for the regulations which were the focus of the inspection, the school met all of the requirements of the Education (Independent School Standards) Regulations 2014, no further action is required as a result of the inspection.

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DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

Operational Performance of the School

Introduction

In accordance with its Aims, Bristol Grammar School encourages all pupils to participate in a variety of activities and opportunities, both curricular and co-curricular. This helps to maximise their personal development, well-being, confidence and teamwork, and just as importantly, it encourages them to enjoy all aspects of School life whilst forging lifelong friendships. Co-curricular activities are spread across a wide range of sports and the performing arts as well as many other clubs and opportunities. A selection of school-wide achievements are detailed below:

Despite the challenges of the pandemic our exam cohorts achieved exceptional results in their public examinations.

A Level Results

At A level, our students achieved a 99.7% pass rate. Over half of the grades of our 143 strong cohort were A* or A grade, with 81% at A* – B. This year, 39 pupils took the Extended Project Qualification (EPQ), achieving a 100% pass rate with an impressive 67% securing an A* or A grade.

International Baccalaureate Results

Two-thirds of the students were awarded 37 points (equivalent to A*AA at A level) or above, well ahead of the global average score of 30.24. Seven of these students were awarded 40 points or higher; this is equivalent to gaining 4 grade A* at A level and places them in the top 10% of IB diploma students globally. Impressively, three students scored 42 or higher, a result achieved only by the top 2% of entrants to this global qualification.

Next Steps

Our students are supported to choose courses that fit their interests and talents best and go on to a broad range of future paths. This year's leavers will follow over 80 different courses from Physics with Astrophysics and Mechatronic Engineering, to Zoology with Herpetology and Musical Theatre. Pupils are also going on to Art Foundation courses, Drama school, Patisserie training academies and to university study overseas. The majority of BGS pupils opt to continue into university education, with 83% securing their preferred choice university – to over 60 destinations – including 9 to Oxbridge.

GCSE Results

More than half of all grades were at 8 or 9 (with 30% of all grades being at the top grade, 9), figures which are ahead of the already high pre-pandemic averages achieved at BGS. An amazing one in five pupils gained ten or more GCSEs at grade 8 or 9, including 13 students who have grade 9s in ten or more subjects. One in three pupils attained ten or more grades 7, 8 and 9 (equivalent to A* - A in the old system), and half of pupils achieved eight or more grades at this level.

Co-curricular Activities and Trips

Our pupils enjoy a wide range of co-curricular activities including sport, music, drama and dance as well as a diverse range of other clubs, activities and opportunities. This year over 80 enriching clubs ran outside of curriculum time (as well as some 22 academic clinics for exam groups).

The school offers pupils the opportunity to take part in a number of community outreach projects and charity work which are embedded within the culture of the school. Staff and pupils contributed 6,284 hours of outreach and volunteering including our pupil-led community action club.

Performing Arts continued with successes in LAMDA and music grade examinations, pupils ranging from Y2-Y11 took LAMDA exams from Introductory acting through to Grade 6, as always results were fantastic achieving 6 Merits and 45 Distinctions. There were 1,702 performance opportunities in Performing Arts at BGS last year. Alongside events such as the Battle of the Bands and House Dance and Drama competitions and our annual Autumn and Spring concerts, the school productions of Annie and our Year 6 performance of the Little Mermaid brought pupils of all abilities onto the stage.

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DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

BGS organised 652 trips/training/expedition opportunities in Outdoor Education. Bronze DofE has transitioned from Year 10 into Year 9 enabling Year 10 pupils access to a more adventurous expedition. Three students were invited to Buckingham Palace to receive their Gold Award. There have been many other trips both in the UK and further afield such as, Year 10's visit to the battlefields, Geography's Sixth Form trip to Snowdonia, Year 8's bushcraft trip and Year 6's visit to Mendip Outdoor Pursuits.

In STEM, three Year 10 pupils were Teen Tech Awards finalists. Their product, designed for neurodivergent people, reduces sensory overload. Individual success and achievements included a BGS Sixth Form student who recited an incredible 1,151 places of Pi making her the highest recorded British female of all time, as per the Pi World Ranking List.

Sporting Achievements

Pupils have excelled in a wide range of sports, both individual and team, at regional, national and international levels. There were over 1,100 regular pupil participations in team sports with 100 teams participating in more than 900 fixtures during the year. Our U16 girls qualified for both netball and hockey regional finals. Our climbing team won the Girls Under 18 trophy in the Independent Schools Climbing Championships. BGS also hosted the Avon Schools cross-country, with seven of our students qualifying for the Avon team to compete in the south west finals. Lastly, our golfers claimed the victory in the prestigious England Schools Team Golf Championship ending our sporting year on a high.

A large number of pupils have been chosen to play for their counties, academies, or nationally in a variety of sports. Individual success and achievements included a Year 9 pupil who won the Bronze medal in the World Kickboxing Championships, the competition comprised of 2,500 entrants from 62 countries. One L6 pupil was selected onto England Athletics' Youth Talent Programme for her 800m running. A Year 10 pupil won the 28th Junior European Taekwondo Championship in the 14–17 age group category. He competed with over 50 in his category; as one of the youngest in his group, this is a fantastic achievement.

Infant and Junior School (I&J)

Pupils have embraced their new curriculum, new Maths and phonic schemes have been implemented in the Infant School. Digital literacy has also proved popular with Years 3 and 4. The ability to take the time to teach the key skills (taking and editing a photo, producing a short video, creating an interesting PowerPoint, sorting data in Excel and formatting Word) will hopefully help our digital savvy pupils apply these uses of technology more effectively across the curriculum in Year 5 and beyond.

Pupils have delivered their own initiatives across the school; the Junior School Eco-Club worked extremely hard to raise awareness during Walk to School week and the Senior School Period Project group delivered talks to Year 5 pupils. The I&J pupils raised an amazing £2,472 by completing a readathon as part of our World Book Day celebrations. Money has been sent to 'Read for Good.'

Pupils' success has spanned academics, performing arts and sport:

Year 6 pupils won silver and bronze awards at the National Junior Maths Challenge. Pupils from the Junior school competed in the National Semi-Finals of the English Primary Schools' Chess Championships coming 4th out of 26 schools. Three pupils made the final of the BGS Classics reading competition with one claiming first prize reading a piece from 'Ad Cataractonium'.

In Sport our pupils have been representing their school across regional and national tournaments such as the Gloucestershire Girls U11 County Cricket team, U10 Girls Hockey Tournament (1st) and U11 Boys' Hockey team who won the IAPS Plate competition for their group. A Junior School pupil won the Brewer Memorial Games U11 girls' Quadkids event (heptathlon equivalent for younger athletes). And we celebrate a Year 5 pupil made the top ten tennis players ranking in Great Britain for his age range.

There continue to be many opportunities for pupils to take to the stage in performing arts. Dancers enjoying being part of Cruella, members of Harmony Choir sang alongside the Senior School and outreach schools in the Autumn concert and Years 5 and 6 performed Shakespeare's Romeo and Juliet.

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DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

The Development Office

Our aim is to engage a global community of Old Bristolians, parents and other family members and to facilitate friendships, attend social and professional networking events and provide mentoring programmes for pupils and other Old Bristolians. We provide regular communication through our dedicated website, online and social media platforms, promotional literature, and a series of events.

The 500 Campaign

The Governors and Headmaster, with the work of the Development Office, are committed to increasing life-changing bursaries for children with talent and promise from all backgrounds, regardless of financial means. As we approach the 500th anniversary of our Royal Charter in 2032, we encourage our BGS community to donate to our Campaign. Our aim is to enable one in four children to receive a means tested bursary of at least 50%. We plan to raise £12million by 2032. Our fundraising drive focusses on high-net-worth with the capacity to become "leadership donors" giving large sums to support multiple bursary awards. We also encourage legacy giving and promote opportunities to donate smaller and regular sums through our annual "giving day" – a 36 hour online fundraising event that invites participation from the whole school including pupils, parents and staff.

Over £1.5million has been raised since the launch of the Campaign in 2021 which has helped increase bursary support. 99 children are now receiving over 50% bursarial support including 13 children in the Sixth Form on awards over 85%, supported by 7 leadership donors. Our established trusts and donors continue to support 13 children with awards between 50-85%

The 500 Campaign received an Institute for Development Professionals in Education (IDPE) industry award for "Best Campaign" in 2023.

We do not use third party professional fundraisers and we ensure that our fundraising conforms to and exceeds best practice. We do not contact the general public, including vulnerable people and any complaints, if received, would be reported and dealt with promptly and thoroughly. The Headmaster oversees and monitors the work of the Development Office and the Director of Development, and reports to a Governor Committee and the full Board.

Donations and legacies have been received from a variety of Trusts, Foundations, Parents, Grandparents, Old Bristolians and other friends of BGS. The Headmaster, Governors and BGS Community express sincere thanks for all of these generous donations and legacies which provide life changing opportunities for the supported pupils and their families.

Our sincere thanks to all donors to Bristol Grammar School; through their continued generosity we have been able to educate a significant number of pupils who might not otherwise have this life-changing opportunity.

Public Benefit

The Charity, in accordance with its Objects, provides education for boys and girls aged 4-18.

The Charity also provides public benefit opportunities through:

- The provision of means-tested bursary assistance (up to 100% of the full fee plus a contribution to other essential items a pupil may require) to families whose children could not, for financial reasons, otherwise attend the School, as explained in the school's mission statement on page 6;
- Provision of facilities to local schools, other charities and community groups (at no or significantly reduced charge);
- Being in partnerships with other schools (state maintained) to provide lessons, advice, support and assistance as appropriate, (including with the Bristol Education Partnership);
- Raising money for a number of UK and Overseas charities throughout the year; and
- Participation of many Senior School pupils in Community Volunteering activities.

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DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

Public Benefit (continued)

The Governors and Headmaster continue to explore a number of ways in which the school may be able to help with educational – and wider – provision throughout the city. As referred to above we are a founder member of the Bristol Education Partnership, a group of 17 bodies including state schools, independent schools, universities and the city council, with a number of aims including overcoming disadvantage for Bristol's young.

In furtherance of these objectives the Governors, as charity trustees, have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub sector guidance concerning the operation of the Public Benefit requirement under the Act.

Bursary Grants

145 pupils (2021-22: 143) were awarded fees assistance totalling £1,236,358 (2021-22: £1,023,548).

The Governors and Headmaster share a long-term commitment to significantly increasing bursary support. A considered review of a number of criteria are taken into consideration in the allocation of financial awards.

Scholarship Policy

Scholarships are awarded to recognise an individual's exceptional abilities in any one, or more, of a number of areas – academic, sport, and the creative and performing arts, music, dance and drama.

Pupils awarded a BGS Scholarship will receive an annual grant to support their development in the field of their award and join the School's Scholars Programme, giving them access to a wide range of opportunities designed to stretch and challenge and encourage their love of learning. Scholarships are available for entry to our Senior School and Sixth Form.

Teaching Links

BGS continued to provide placement training for students undergoing their initial teacher training. In addition, several placements have been hosted for potential PGCE students and teacher apprenticeships, including for ex-BGS pupils.

The School encourages BGS teaching staff to act as examiners and assessors for examination boards. A Deputy Head is the Marking Programme Leader for the KS2 Maths National Curriculum Tests. We also have two members of staff who are ISI school inspectors.

The Environment, Sustainability and Recycling

Bristol Grammar School fully acknowledges its responsibility regarding the impact it has on the environment and the importance to lead by example regarding sustainability and recycling. The School does have some constraints, such as the age and construction of some of its older buildings, and the listed status of the main school building, but has already undertaken a significant amount of work to be as environmentally aware and responsible as possible. A number of initiatives – many of which are pupil-led – continue, such as ensuring minimal waste from all food production and consumption, the removal of all single-use plastic water bottles, the provision around the site of recycling points, and encouraging more sustainable modes of transport to and from school with BGS being acknowledged with a bronze award from ModeShift STARS for the school's travel plan.

The School has registered with Let's go Zero by 2030 and the Governors and members of the KMP have undertaken discussions with consultants regarding the School's carbon reduction. Whilst there is much being undertaken in this area, there are further plans for pupils and staff to increase the scope and reach of our environmental work. The school has recently received the Eco Schools Green Flag award in recognition of its work in this area.

Bristol Grammar School (A company limited by guarantee)

DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

Gender Pay Gap Report and Equal Pay

Bristol Grammar School publishes its Gender Pay Gap Report on its website. The school is keen to encourage all applicants, irrespective of gender, to apply for senior positions when these become available at the school – the KMP body has a ratio of 50:50 women to men. BGS proactively looks to offer flexibility in management positions where feasible, such as job share and part time working to provide greater access to these posts. BGS offers the same level of pay for any position regardless of gender.

Equal Opportunities

The School has given due consideration to applicants and employees with disability as documented in our policies and procedures. In the Employee Recruitment and Selection policy the aims are as follows:

- To ensure that the best possible staff are recruited on the basis of their skills and experience.
- To ensure that all job applicants are considered equitably and consistently - the system the school uses for applications anonymises candidates during the selection process to ensure fairness in the following areas: age, disability, employment status, gender (including gender reassignment), marital status (including civil partnership), race (national and ethnic origin), religion (and belief) and sexual orientation.
- To ensure compliance with all relevant recommendations and guidance including the recommendations of the Department for Education (DfE) in Keeping Children Safe in Education (2023) and the code of practice published by the Disclosure and Barring Service (DBS)
- To ensure that the School meets its commitment to safeguarding and promoting the welfare of children and young people by carrying out all necessary pre-employment checks.
- To continue the employment of, and arranging appropriate training for, employees of the School who have become disabled persons during the period when they were employed by the School, and
- To develop the training, career progression and promotion of disabled persons employed by the School.

Employee Engagement

The School seeks to provide employees with information and increase employee engagement in many ways some of which are as follows:

- Externally set, anonymous staff surveys covering wellbeing and engagement, run each term.
- Briefings for all staff, including termly strategic Headmaster briefings, which include KPIS, details of budget reviews and pay and pension information, when applicable.
- Weekly bulletin and briefing to keep people informed on a full scope of School matters.
- An Information and Consultation of Employees Committee with employee representatives from all areas of the School, meet termly as a minimum.
- Specific INSET sessions to engage employees in a variety of topics and professional development including cross departmental working.
- Positive staff community, promoting engagement within areas of the School outside of their area/department.
- The School has a Joint Negotiating Process with the National Education Union.

Staff

It is with great sadness we report that Paul Abrams, a much-loved member of BGS staff, passed away at the end of the academic year. Our thoughts are with his wife, also a loyal member of staff, his family and friends. A hard working and integral member of the Facilities Team at BGS, which he joined in 2008, Paul was a familiar and friendly face to many in the BGS community. His cheery personality and willingness to help made him incredibly popular and Paul regularly went 'above and beyond' for staff and pupils alike.

Bristol Grammar School (A company limited by guarantee)

DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

Community Involvement

BGS encourages its pupils and staff to become involved in community outreach projects and work, including the provision of an INSET time (at least half a day a year) specifically for staff to help with community work. The School also offers the use of its facilities and equipment to both local junior and senior state schools and other organisations and clubs, either free of charge or at reduced rates. The school published its first Impact Report detailing its partnership and outreach work and impact, in our community and beyond.

Charity Fundraising

Raising money for Charity is a very important part of school life for pupils and other members of the community at BGS, both on a whole school basis within the senior, junior and infant schools, and also by individual House events, encouraging kindness, teamwork and social responsibility. Both pupils and staff sit on the school's Charity Committees. A total of £7,247 was raised in 2022-23 for a diverse range of Charities, both in the UK and Overseas. Charities supported included Morocco Education For All, Movember, Siblings United, St Luke's Lunch and continued support for Ukraine. Significant time and goods were also given to a number of local charities which included Caring in Bristol, St Joseph's care home and North West Bristol foodbank.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The School's main sources of revenue are from school fees, investment income derived from its permanent endowment, bursary and other funds raised, legacies and receipts from external charitable trusts. Third party revenue is also generated from the commercial and community use of the School's 1532 Performing Arts Centre and Sports Facilities through its trading subsidiary, BGS Enterprises Limited.

The Schools Fees Policy is to set the fees at a level which will be sufficient to meet the running costs plus an appropriate element for maintenance and capital investment. The investment income will continue to be used to provide means-tested bursary assistance with fees.

The trading performance of the School showed a surplus on unrestricted funds (before investment losses) of £23,971. (2022: deficit: £194,563). This is after a depreciation charge in the year of £1,092,335 (2022: £1,052,033) and donations of £40,583 (2022: £162,138).

The unrestricted surplus is also after exceptional repair and refurbishment expenditure in relation to a new multipurpose science laboratory, the refurbishment of school's library, externally and internally, with environmental improvements and a new outside classroom for the Infants school and refurbished outside play area totalling £151,042 charged to repairs and £363,830 capitalised.

As described in more detail below, the School adopted Total Return accounting during the year and £150k was transferred from the endowment to unrestricted funds to go towards increasing the funding of pupil fees assistance.

The School uses Key Performance Indicators to monitor the School's financial performance, examples of which, with further comment below, are the following:

	2022-23	2021-22
Pupil number at year end	1,367	1,337
Staff costs (excluding holiday pay adjustment) as percentage of income (excluding donations)	73.7%	72.6%
Bursary, scholarship and other fee remissions as percentage of gross fee income	10.9%	10.4%
Year-end cash balance	£5,621,192	£6,161,266
Capital expenditure (including investment property) in year	£909,195	£252,639

The Governors acknowledge that the trading results have been impacted, following the pandemic, the Ukraine war and resulting inflation and BREXIT labour and supply problems.

Control over cash flow continued to remain a priority with expenditure focused on the delivery of a quality education and health and safety matters.

Bristol Grammar School (A company limited by guarantee)

DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

Interest from families wishing for their children to join the school remains strong with a record in take for 2023-24, the school's strongest ever roll.

Staff salaries are the School's largest expenditure cost but staff are also the School's greatest asset. The school's staff continue to work extremely hard to deliver an excellent academic, extra-curricular provision and pastoral support. The pupils' achievements in public examinations were outstanding.

The Governors' policy is to reward staff appropriately to ensure the School recruits and retains quality teaching and support staff for the efficient operation of the School and to deliver an exceptional educational experience for all our pupils. Whilst the Governors endeavour to consistently keep fees increases as low as possible, subject to the economic and political conditions, to help all families, due to the impact of the pandemic and inflation the fee increases in 2022-23 and 2023-24 have been higher than normal.

The number of pupils receiving bursary support has increased over the last five years. It is the Governors' mission to increase bursary support, subject to future funding and other constraints, for pupils who will benefit from an education at BGS and would not otherwise be able to attend the School.

The Governors monitor the School's cash position and are content with the change in year-end cash balance reflecting the cost control during the challenging economic conditions. A statement of cash flows can be found on page 27 of the Financial Statements.

Registered Charges

Charges have been registered in favour of HSBC Bank Plc over some of the Investment Properties owned by Bristol Grammar School and six houses that BGS owns on Elton Road, Clifton, Bristol, as detailed in note 15 to the Accounts. The charges relate to a loan from HSBC taken out for the construction of the Performing Arts Centre.

Going Concern

The Governors' review and monitor the School's detailed income and expenditure budget which includes contingencies for the risks of lost income or additional expenditure. Management accounts are prepared regularly, and results are monitored closely against budget with any material variances analysed in detail. The School's projections, including sensitivity analysis and cash flow forecasts, are closely reviewed by Governors in order to make prudent financial decisions for the School.

The Directors fully consider the following in their analysis and review of going concern:

- The accounts of both Bristol Grammar School and its trading subsidiary BGS Enterprises Limited.
- Budgets, forecasts and cash flows which extend both twelve months beyond both the Balance Sheet date, 31 August 2023, and the date when these financial statements are signed off.
- The bank balance at the 31 August 2023, which remains strong and reflects the cost control during the period of the pandemic and the subsequent inflation period. The cash collection of the autumn term 2023 fees continues to be good.
- What expenditure, including capital projects and technology, is appropriate for the sustainable future of the School.
- Bristol Grammar School is in compliance with all its banking covenants.

The pupil numbers are at a record high with continued excellent external exam results and continued strong interest from prospective parents and pupils wishing to join the school. The Balance Sheet at 31 August 2023 is healthy and both cost control and cash collection remain a priority. The Governors, Headmaster and Key Management Team are continuing with their review of the School and business operations to ensure appropriate efficiencies. The Directors are therefore content that the financial statements have been drawn up on a going concern basis.

Bristol Grammar School (A company limited by guarantee)

DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

Investment Management

At the year end the School's Investments, combining securities, commercial and residential property, totalled £20,418,602 (2022: £21,294,386). Challenging market conditions continued during the year due to the Ukraine War and subsequent inflation, as well as labour and supply challenges following BREXIT led to the School's investments experiencing unrealised losses during the year.

The School's investment property portfolio remained strong reflecting a gain of £45,000.

The combined loss on investments totalled £806,339. (2022: loss of £652,470) and the Investment Income (including bank interest) generated during the year was £755,659. (2022: £562,522).

The Directors' policy is to hold a balanced portfolio of investments which enhance the real value of the capital invested whilst also producing an appropriate level of income to maintain the School's commitment to provide assistance with fees for those pupils who would not otherwise be able to attend BGS, and this remains a key goal for the School.

The School's investment portfolio has been split and is managed by Evelyn Partners Investment Management LLP and Ruffer LLP in order to provide the School with balanced and complementary investment portfolios that hedge against economic and political volatility. The results have been disappointing in the year mainly due to the political and economic uncertainty.

The Governors receive and review investment summary reports from both Investment Managers regularly throughout the year and either meet with the Investment Managers or speak via a conference call to discuss the portfolios and review strategy at least three times a year.

Total Return Accounting

After taking appropriate legal advice, the Governors of Bristol Grammar School passed a resolution on 23 June 2023 to adopt a total return approach to investment for the permanent endowments, excluding any direct holdings in investment property, for the Bristol Grammar School Trust and the Bristol Grammar School Scholarship, Bursary and Prize Fund. The Governors acknowledged their statutory duty to exercise their powers in relation to the Funds in such a way, acting in good faith, they reasonably believe will not to prejudice the Charity's ability to further the Funds' purposes now and in the future. This also applies to future Governors of Bristol Grammar School.

The values of the Trust for Investment were determined at 31 August 2022 and the initial Unapplied Total Return "UTR" were as follows. (The impact of inflation has been taken into consideration in the calculations of the UTRs):

- Bristol Grammar School Trust £3,775,816
- Bristol Grammar School Scholarship, Bursary and Prize Fund £470,257

The Governors have authorised the withdrawal of £150,000, since the adoption of the resolution, to supplement bursary funding at the school. It is the intention of the Governors, subject to the appropriate authorisation, to implement a similar policy in future years to supplement the investment income generated from the financial investments and use these funds for bursary support. Any material change from the policy of only expensing a modest amount, annually, from the respective UTRs will necessitate the Governors seeking legal advice, from the school's solicitor, that it is in the best interests of the Charity.

Bristol Grammar School (A company limited by guarantee)

DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

Reserves Policy

The Governors' reserves policy is to produce sufficient cash surpluses of unrestricted funds each year, so that after the add back of depreciation, the School generates sufficient funds to maintain and develop the School's facilities, equipment and technology, to materially contribute to Bursary funding, to service any capital and interest payments on outstanding loans and to maintain a balance as a contingency.

External borrowing is used, as and when necessary, for any material capital projects after the formal approval of a business plan by the Governors. The Governors have prudently fixed the rate of interest on the current bank loan for its term whilst interest rates remained at a very low level.

The School's unrestricted funds are deployed as part of the School's buildings and equipment in tangible fixed assets. In the absence of free reserves (unrestricted funds not held in tangible fixed assets) the School's Governors ensure day to day working capital requirements are met by careful management of its short term liquid resources.

The Governors consider that liquidity of a term's working capital requirements would be desirable. Taking the School's termly unrestricted operational expenditure and after adding back the depreciation cost gives a target for liquidity of around £6.5m. The Governors' policy is, under normal economic conditions, to continue building up liquid reserves out of annual operating surpluses and unrestricted donations, subject to further necessary capital and planned maintenance expenditure and provision of appropriate bursary support for pupils.

Restricted and Endowment funds are held in cash, property and investments. Capital and income from restricted funds are almost entirely restricted to the funding of bursaries. Income from the Endowment funds is restricted to support bursary funding via the unrestricted fund.

Further detail on the level of reserves held is provided in relevant supporting notes to the Financial Statements. The balances are monitored closely by the Board and are in line with budgeted forecasts. At 31 August 2023 the reserves held by the School were unrestricted funds of £15,816,884 (including designated funds of £410,494), restricted funds of £2,401,320 and endowment funds of £18,580,319. Unrestricted funds include a tangible fixed asset fund of £16,340,485 (the total book value of unrestricted tangible fixed assets held at that date) plus a general unrestricted fund of £(934,097).

Bristol Grammar School (A company limited by guarantee)

DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

How the Board complies with its Section 172 Duty

Section 172 (1) of the Companies Act 2006 (Statement of Director's Duties to Stakeholders) requires directors to act in good faith to promote the success of the charity for the benefit of its members, and in doing so have regard (amongst other matters) to:

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

As set out on page 12 within "Public Benefit" and on page 14 within "Community Involvement" the School has as well as material bursary support for pupils, developed links with a wide range of individuals and organisations to ensure the widest possible access to the excellent education that the School delivers and, within the constraints of safeguarding, the use of its facilities by community groups and other users.

The Governors see the reenergised fundraising initiatives, driven by the Headmaster and Director of Development, as an important strategic move in achieving the School's Mission: to provide an exceptional and rounded education to those who might benefit from it, regardless of their background and financial means.

The School is proud to be a founder member the Bristol Education Partnership which was set up in 2019 with the aim of broadening young people's experience of education, opening up new opportunities and overcoming disadvantage. It is a collaborative arrangement involving six state secondary schools, seven independent schools, St Brendan's Sixth Form College, University of Bristol, University of the West of England and Bristol City Council, working together to enrich education and improve outcomes for children and young people in the city.

Projects, events and activities are organised in partnership with a wide range of organisations from across Bristol, giving young people access to the best that our exciting and vibrant city has to offer. A number of teacher networks have been set up to enable collaboration across partner schools so that best practice can be shared.

The School community also undertakes a number other initiatives and volunteering to help with state infant, junior and senior schools in the area including teacher training.

Through membership of HMC, IAPS, AGBIS and ISBA and through networking with peer groups we ensure that we are able to attain the highest standards of quality and performance.

The Governors, Headmaster and KMP in addition to the extremely important focus on the wellbeing and mental health of the School's pupils and their families, also treated the wellbeing of the teaching and support staff as an absolute priority. A programme of mental health training is being undertaken throughout the BGS staff body.

Details of how the School has engaged with employees and had regard to employee interests and employment consultation can be found within "Employee Engagement" on page 13.

The Governors can demonstrate the promotion and success of the charity for the benefit of the stakeholders through the "Operational Performance of the School" included within this Strategic Report. The School has continued, despite all of the challenges of the pandemic, to deliver high quality academic education as well as pastoral and wellbeing support, throughout, and post, the pandemic and the other challenges the independent sector education continues to face.

Bristol Grammar School (A company limited by guarantee)

DIRECTORS' REPORT (*continued*)

for the year ended 31 August 2023

The Governors are responsible for strategic planning and policymaking for the School, in consultation with the Headmaster, and, accordingly, all key decisions, referring to the current performance, and the future longer-term plans of the charity and stakeholders, are taken by the Board in consultation with the Headmaster. The School is governed by the governing body (Board) which delegates work to a number of committees. Membership of each committee is outlined on page 2.

Further information can be found in the "Operational Performance of the School" and "Financial Review and Results for the Year" within the Directors' Strategic Report.

Streamlined Energy and Carbon Reporting (SECR)

The School is pleased to report its UK greenhouse gas (GHG) emissions and energy usage data for the year 1 September 2022 to 31 August 2023 together with comparative figures.

	2023	2022
Energy consumption used to calculate emissions (kWh)	3,949,522	4,140,455
Scope 1: Emissions in metric tonnes CO ₂ e		
Gas consumption	497.01	519.86
Owned transport - mini-buses and vans	4.60	5.16
Total Scope 1	501.61	525.02
Scope 2: Emissions in metric tonnes CO ₂ e		
Purchased electricity	246.61	242.47
Scope 3: Emissions in metric tonnes CO ₂ e		
Fuel reimbursed for travel in employee owned vehicles	4.99	5.59
Total gross emission in metric tonnes CO ₂ e	753.20	773.08
Intensity Ratio: tonnes CO ₂ e per pupil based on Autumn roll	0.55	0.57

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard were followed to ensure the SECR requirements were met.

The energy data has been consistently collected from energy metering, supplier invoices, employee repayment claims and minibuss and van vehicle usage records.

The energy data was converted to carbon emissions using the UK Government Conversion Factors for Company Reporting. The associated emissions are divided into the combustion of fuels and the operation of facilities (Scope 1), purchased electricity, heating and cooling (Scope 2) and in-direct emissions that occur as a consequence of School activities (Scope 3).

Gas and electricity consumption fell in 2022-23 as ventilation measures reduced and in general the school benefited from warmer temperatures.

Measures taken to improve and educate regarding energy efficiency

- The School has installed smart meters across the majority of its premises.
- Professional advice is sought for any capital works or major refurbishment projects to ensure environment regulations and improved insulation are taken into consideration and appropriate sustainable materials are used.
- Within the constraint of the School's site and the age of the buildings, including the listed status of material parts of the site, careful environmental consideration is given for the replacement of items such as boilers and heating systems. Improved insulation is carried out where possible.
- The School has endeavoured to use LED lighting systems where possible and has undertaken a rolling programme of replacement across the School's estate. This policy is being continued through the BGS estate.
- The great diversity of our School, and the provision of co-education for 4-18 year olds, means that children travel from all across the city to attend BGS and whilst we are focused on minimising travel by car, whenever that is possible, it is inevitable that for some, given the difficulty of using public transport to traverse the city at a young age, there is no alternative.
- The School has been awarded the bronze Modeshift STARS Regional Schools Travel Award.
- The School runs Eco Clubs both for the younger and senior pupils and also lessons are part of the curriculum to ensure all children in the school have a good knowledge of detrimental impacts on the environment. The school has recently received the Eco School Green Flag award, as a result of the work of these Eco Clubs.
- Staff have been encouraged to maximise their use of technology and remote training opportunities to reduce distances travelled.
- The school has replaced two support staff vehicles, that were powered by diesel, with one electric van.
- BGS has registered with Let's Go Zero 2023 – schools working together to reduce carbon and address climate change.
- The Governors and members of the KMP have met with consultants during the year regarding the formulation of the school's carbon reduction plan.

Bristol Grammar School (A company limited by guarantee)

DIRECTORS' REPORT *(continued)*

for the year ended 31 August 2023

STATEMENT OF DIRECTORS RESPONSIBILITIES

The Governors, (who are also directors of Bristol Grammar School for the purposes of company law) are responsible for preparing the Directors' Report (and the incorporated Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 those financial statements, the Directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. observe the methods and principles in the Charities SORP;
- c. make judgements and estimates that are reasonable and prudent;
- d. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e. 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 which disclose with reasonable accuracy at any time the financial position of the charitable Company and the Group and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. 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.

The Directors confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on Public Benefit. The Directors have referred to the guidance in the Charity Commission's general guidance on Public Benefit when reviewing the School's aims and objectives and in planning the School's future activities. In particular, the Directors have considered how planned activities will contribute to the aims and objectives they have set.

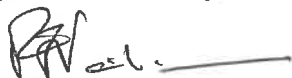
Statement as to Disclosure of Information to the Auditor

The Directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Directors have confirmed that they have taken all of the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

RSM UK Audit LLP has indicated its willingness to continue in office and will be reappointed at the annual general meeting.

The Directors Report (and incorporated Strategic Report) was approved by the Board on 8 December 2023 and signed on its behalf by:



Romesh Vaitilingam
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRISTOL GRAMMAR SCHOOL (A COMPANY LIMITED BY GUARANTEE)

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2023 and of the group's 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Directors' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRISTOL GRAMMAR SCHOOL (A COMPANY LIMITED BY GUARANTEE)

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 Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report 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 their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Directors' Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent 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

As explained more fully in the Statement of Trustees' responsibilities set out on page 21, 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 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRISTOL GRAMMAR SCHOOL (A COMPANY LIMITED BY GUARANTEE)

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;

inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;

discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and performing substantive test of details over a sample of donations, legacies, and other educational income.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRISTOL GRAMMAR SCHOOL (A COMPANY LIMITED BY GUARANTEE)

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.

Kerry Gallagher

KERRY GALLAGHER (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Second Floor

1 The Square

Temple Quay

Bristol

BS1 6DG

Date 18 December 2023

Bristol Grammar School (A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 August 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023 £	2022 £
INCOME						
Donations and legacies	5	40,583	656,190	-	696,773	1,026,283
Charitable activities						
School fees	6	18,616,687	(502,603)	-	18,114,084	17,041,950
Other educational income	7	109,113	-	-	109,113	101,221
		18,725,800	(502,603)	-	18,223,197	17,143,171
Other Trading Activities						
Ancillary trading income		61,332	-	-	61,332	13,726
Rents and lettings		294,793	-	-	294,793	255,497
		356,125	-	-	356,125	269,223
Investment income	8	715,082	40,577	-	755,659	562,522
Other income	9	13,500	-	-	13,500	682
TOTAL INCOME		19,851,090	194,164	-	20,045,254	19,001,881
EXPENDITURE						
Cost of generating funds	10	505,725	-	100,946	606,671	596,714
Charitable activities	10	19,321,394	12,487	56,959	19,390,840	18,313,574
TOTAL EXPENDITURE	10	19,827,119	12,487	157,905	19,997,511	18,910,288
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS		23,971	181,677	(157,905)	47,743	91,593
Net losses on investments		(54,778)	(61,885)	(689,676)	(806,339)	(652,470)
NET (EXPENDITURE)/INCOME		(30,807)	119,792	(847,581)	(758,596)	(560,877)
Transfer between funds		150,000	-	(150,000)	-	-
Gains on investment properties		15,000	-	30,000	45,000	686,314
NET MOVEMENT IN FUNDS		134,193	119,792	(967,581)	(713,596)	125,437
Fund balances brought forward	21	15,682,691	2,281,528	19,547,900	37,512,119	37,386,682
FUND BALANCES CARRIED FORWARD	22	15,816,884	2,401,320	18,580,319	36,798,523	37,512,119

The notes on pages 29 to 49 form part of these financial statements.
All of the Group's operations are classed as continuing.

Bristol Grammar School (A company limited by guarantee)

CONSOLIDATED AND SCHOOL BALANCE SHEETS

as at 31 August 2023

	Notes	Group		School	
		2023 £	2022 £	2023 £	2022 £
FIXED ASSETS					
Tangible assets	11	17,429,941	17,613,080	17,429,941	17,613,080
Investments	12	20,418,602	21,294,386	20,418,602	21,294,386
		<u>37,848,543</u>	<u>38,907,466</u>	<u>37,848,543</u>	<u>38,907,466</u>
CURRENT ASSETS					
Stock		1,211	2,132	-	-
Debtors	13	792,034	624,337	795,794	671,904
Cash at bank		5,621,192	6,161,266	5,530,384	6,070,354
		<u>6,414,437</u>	<u>6,787,735</u>	<u>6,326,178</u>	<u>6,742,258</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14	<u>(4,583,885)</u>	<u>(4,865,550)</u>	<u>(4,496,628)</u>	<u>(4,821,075)</u>
NET CURRENT ASSETS		<u>1,830,552</u>	<u>1,922,185</u>	<u>1,829,550</u>	<u>1,921,183</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>39,679,095</u>	<u>40,829,651</u>	<u>39,678,093</u>	<u>40,828,649</u>
LONG TERM LIABILITIES					
Creditors payable after one year	15	<u>(2,880,572)</u>	<u>(3,317,532)</u>	<u>(2,880,572)</u>	<u>(3,317,532)</u>
NET ASSETS		<u>36,798,523</u>	<u>37,512,119</u>	<u>36,797,521</u>	<u>37,511,117</u>
CAPITAL FUNDS					
Endowments	18	18,580,319	19,547,900	18,580,319	19,547,900
INCOME FUNDS					
Restricted funds	19	2,401,320	2,281,528	2,401,320	2,281,528
Unrestricted funds	20	15,816,884	15,682,691	15,815,882	15,681,689
TOTAL FUNDS	22	<u>36,798,523</u>	<u>37,512,119</u>	<u>36,797,521</u>	<u>37,511,117</u>

The notes on pages 29 to 49 form part of these financial statements.

Approved by the Directors and authorised for issue on 8 December 2023 and signed on their behalf by:



Romesh Vaitilingam
Director

Bristol Grammar School (A company limited by guarantee)
CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 August 2023

	Notes	2023 £	2022 £
CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	23	(35,678)	1,241,820
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Investment income		755,659	562,522
Payments to acquire investments		(315,088)	(217,319)
Receipts from sales of investments		328,587	173,971
Payment to acquire tangible fixed assets		(800,624)	(271,101)
NET CASH (OUTGOING)/ARISING FROM INVESTING ACTIVITIES		(31,466)	248,073
FINANCING ACTIVITIES			
Payments to repay bank loan		(419,386)	(407,735)
Interest paid		(53,544)	(65,204)
NET CASH USED IN FINANCING ACTIVITIES		(472,930)	(472,939)
(DECREASE)/INCREASE IN CASH		(540,074)	1,016,954
CASH AT BEGINNING OF YEAR		6,161,266	5,144,312
CASH AT END OF YEAR		5,621,192	6,161,266

ANALYSIS OF NET DEBT

	As at 1 Sept 22 £	Cash-flows £	Other non- cash changes £	As at 31 Aug 23 £
Cash at bank	6,161,266	(540,074)	-	5,621,192
	6,161,266	(540,074)	-	5,621,192
Bank Loan falling due within one year	(419,399)	(11,866)	-	(431,265)
Bank Loan falling due after more than one year	(1,681,492)	431,252	-	(1,250,240)
	(2,100,891)	419,386	-	(1,681,505)
Total net cash	4,060,375	(120,688)	-	3,939,687

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 August 2023

1 GENERAL INFORMATION

Details of the School's incorporation and place of business are given in the Director's Report.
The group consists of Bristol Grammar School (including "linked charities") and BGS Enterprises Limited.

2 BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with Accounting and Reporting by Charities Recommended Practice applicable to charities preparing their accounts in accordance with FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS102') and the requirements of the Companies Act 2006, and under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value.

Going Concern

Pupil recruitment in 2022-23 was very good and the intake in 2023-24 is at a record high. Fees collection for the year has also been good. Emphasis on efficiencies and cost savings continues, whilst maintaining the priority of delivering a first-class education and pastoral support for all pupils.

Budgets for 2023-24 and 2024-25 including Income and Expenditure Accounts, Balance Sheets and projected Cash Flows have been drawn up prudently taking into consideration the impact of the current inflationary period both on the School and many of the families who have been impacted within the BGS community. The Cash Flows contain a contingency amount as a buffer against any fall in pupil numbers or unforeseen expenditure and the School's Balance Sheet remains strong.

The bank balance at 31 August 2023 was strong reflecting the good cost control and fees collection. The HSBC Bank covenants, in relation to the PAC Bank Loan, were passed at 31 August 2023.

The Directors are therefore content that it is appropriate to produce the Financial Statements on a Going Concern Basis.

3 REDUCED DISCLOSURES

In accordance with FRS 102, the School has taken advantage of the exemption from the following disclosure requirements;

Section 7 'Statement of Cash Flows' - School only statement.

Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues'.

Section 33 'Related Party Disclosures' – key management personnel remuneration.

4 PRINCIPAL ACCOUNTING POLICIES

(a) 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.

(b) Advance Fee Scheme

The School operates an Advance Fee Scheme for parents. Each arrangement is in respect of an agreed amount to be credited against future fee bills for an agreed number of terms. The unused balance of the advance is repayable upon request. Figures for advanced fee payments are detailed in note 16.

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 August 2023

4 PRINCIPAL ACCOUNTING POLICIES (continued)

(c) **Acceptance deposits**

Acceptance deposits are paid to the school to secure a place for the child at the School. Deposits held form part of the general funds of the School until the child leaves the School at which point they are credited without interest to the final payment of the fees or other sums due to the School.

Deposits are held as creditors on the balance sheet and are classified as owing within one year and over one year based on when they are expected to be credited against income.

(d) **Donations and fund accounting**

Income from donations and legacies are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Donations received for the general purposes of the School are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments – permanent or expendable according to the nature of the restriction.

(e) **Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

(f) **Expenditure**

Expenditure is accounted for on an accruals basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year either by reference to staff time or space occupied, as appropriate. The irrecoverable element of VAT is included with the item of expense to which it relates.

Support costs comprise the costs of running the charity excluding costs directly related to education, including overheads and maintenance of buildings. It also includes external audit, legal advice, insurance and all the costs of complying with constitutional and statutory requirements, such as the costs of preparing statutory accounts and satisfying public accountability.

(g) **Tangible fixed assets**

Fixed assets are included in the financial statements at their original cost less depreciation.

New buildings, major improvements and extensions are capitalised at their original cost. Furniture and equipment acquired for new buildings, major improvements and extensions are capitalised at their original cost. Assets below £500 are not capitalised unless forming part of a larger capital project.

Depreciation is provided on freehold buildings, except for investment properties, so as to write off the cost less estimated residual value over the useful life. Depreciation periods range from 5 to 80 years. Only the School's Performing Arts Centre which was completed in 2016 is being depreciated over 80 years. Land is not depreciated. The useful economic lives of each asset is regularly reviewed by the Bursar and Directors and adjusted where appropriate. Costs of repairs and maintenance are charged against revenue in the year in which they are incurred. Assets under construction are depreciated once they are brought into operational use.

Depreciation on other tangible fixed assets has been calculated so as to write off the cost of these assets over their estimated useful life as follows:

Fixtures, fittings and equipment	– 3 to 20 years
----------------------------------	-----------------

Bristol Grammar School (A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
for the year ended 31 August 2023

4 PRINCIPAL ACCOUNTING POLICIES (continued)

(h) Investments and investment income

Investment properties are initially measured at cost and subsequently measured at open market value as estimated by the Governors.

Fixed Asset Investments are included at their mid-market value at the balance sheet date. Any surplus or deficit on revaluation is taken to the Statement of Financial Activities (SOFA). Investment income is accounted for in the period in which the charity is entitled to receipt.

The School has elected to hold its investments in subsidiaries at cost less any impairment losses.

(i) Total return accounting

The School passed a resolution on 23 June 2023 to adopt the use of total return in relation to its permanent endowment. This permits the Trustee to invest permanent endowments to maximise total return and to apply an appropriate portion of the unapplied total return to income each year. Until this power is exercised the total return shall be an 'unapplied total return' (UTR) and remain as part of the permanent endowment.

The School has used a valuation date of 31 August 2022 to calculate the initial value of the UTR to be available endowment fund. The Charity Commission gives the School discretion on how to determine the value and after taking professional advice it was agreed, given the difficulty in tracing the value of investments over an historic period and confirming the original endowment values, to take the total value of capital gains over the previous eleven years (excluding direct holdings in investment properties) and reducing this by an annual inflationary adjustment.

The trustees have the power to decide in each year how much of the UTR is transferred to income funds and so available for expenditure. Having considered their obligations to make decisions as to not prejudice the School's ability to further its purposes now and in the future, and after consideration of benchmark total returns it was agreed to transfer £150,000 of unapplied total returns to unrestricted funds for the year to 31 August 2023.

(j) Finance and operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance lease are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written-off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

(k) Financial Instruments

The School has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the School becomes a party to the contractual provisions of the instrument, and are offset only when the School currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Debtors receivable within one year do not constitute a financing transaction. They are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 August 2023

4 PRINCIPAL ACCOUNTING POLICIES (continued)

(k) Financial Instruments (continued)

Financial liabilities

Creditors, trade and other, payable within one year, that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

(l) Pension Schemes

Retirement benefits to employees of the School are provided by the Teachers' Pension Scheme ('TPS'), the Aviva Pension Trust for Independent Schools (APTIS) and The People's Pension.

The TPS is a defined benefit scheme, and the assets are held separately from those of the School. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 25, the TPS is a multi-employer scheme and the School is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The School provided teaching staff with an alternative retirement benefits scheme from January 2023. APTIS is a defined contribution scheme which is designed to give teaching staff greater flexibility over the level of employer and employee contributions and take home pay whilst continuing to provide ancillary benefits similar to the TPS.

The School provides retirement benefits for support staff with The People's Pension. It is a defined contribution Master Trust multi-employer Scheme.

For the defined contribution schemes the amount charged to the SOFA in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either other creditors or prepayments in the balance sheet.

(j) Critical Accounting Estimates and Judgements

The Group makes estimates and assumptions based on historical experience and what is reasonable under the circumstances regarding the expectation of future events. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Examples of accounting estimates include assessing the useful economic lives of land and buildings and other assets taking into consideration all matters which may affect this and the provision for doubtful debts.

The Directors estimate the market value of investment property at 31 August 2023 using appropriate assumptions and an assessment of the local market for similar property.

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 August 2023

4 PRINCIPAL ACCOUNTING POLICIES (continued)

(m) Basis of consolidation

These financial statements consolidate the results of the School and its subsidiary BGS Enterprises Limited on a line by line basis using acquisition accounting. The School has taken exemption from presenting its unconsolidated profit and loss account under section 408 of Companies Act 2006. The School's own income for the year was £19,852,494 (2022: £18,857,628) and net deficit for the year was £758,596 (2022: £560,877).

These financial statements also include the assets, liabilities and results of the Bristol Grammar School Trust, a registered charity which holds permanently endowed assets on behalf of the School. Under a Charity Commission Scheme dated 31 August 2004, the Company is also the Trustee of another separate charity called Bristol Grammar School Scholarship, Bursary and Prize Fund which holds permanently endowed funds received for scholarships, bursaries and prizes.

On 12 August 2005, the Charity Commission made a Uniting Direction under section S.96(5) of the Charities Act 1993, directing that these charities ("the linked charities") should be treated as forming part of the charity called Bristol Grammar School for the purposes of Part II (registration) and Part VI (accounting) of the Charities Act 1993. The main effect of the Uniting Direction is that the linked charities are aggregated into the Statement of Financial Activities and the Balance Sheet of the Company. They remain, however, legally distinct charities, the funds of which are to be applied solely in accordance with their respective trusts.

BGS Enterprises Limited hires the facilities of the Sports Hall, 3G Pitch, Great Hall and Performing Arts Centre for community use and other room lettings. BGS Enterprises Limited is controlled by the School as it is the sole shareholder.

The results of BGS Enterprises Limited (company number 2630377) were as follows:-

	2023	2022
	£	£
Turnover	296,398	255,576
Expenditure	(268,779)	(218,391)
	<hr/>	<hr/>
Profit for the year	27,619	37,185
	<hr/>	<hr/>
	2023	2022
	£	£
Stock, debtors and cash at bank	154,146	123,654
Creditors	(153,144)	(122,652)
	<hr/>	<hr/>
Net assets	1,002	1,002
	<hr/>	<hr/>

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 August 2023

5 DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023 Total £	2022 Total £
Donations	20,702	656,190	-	676,892	884,417
Legacies	19,881	-	-	19,881	141,866
	<u>40,583</u>	<u>656,190</u>	<u>-</u>	<u>696,773</u>	<u>1,026,283</u>

6 SCHOOL FEES RECEIVABLE

	2023 £	2022 £
Fees receivable	20,321,330	19,026,393
Less: Scholarships	(411,917)	(405,511)
School assisted places – bursary funding	(1,236,358)	(1,023,548)
Staff fee discounts	(347,587)	(338,438)
Sibling discounts	(211,384)	(216,946)
	<u>(2,207,246)</u>	<u>(1,984,443)</u>
	<u>18,114,084</u>	<u>17,041,950</u>

Scholarships are awarded on merit and assisted places are assessed by reference to parents' income amongst other criteria.

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 August 2023

7 OTHER EDUCATIONAL INCOME

	2023 £	2022 £
Sundry income	51,343	54,444
Catering income	57,770	46,777
	<u>109,113</u>	<u>101,221</u>

8 INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Endowment rental income	309,598	-	309,598	312,375
Endowment investment income	174,408	23,688	198,096	199,402
Bank interest receivable	227,922	-	227,922	33,010
Other Funds Investment Income	-	16,889	16,889	17,431
Endowment interest	3,154	-	3,154	304
	<u>715,082</u>	<u>40,577</u>	<u>755,659</u>	<u>562,522</u>

9 OTHER INCOME

	2023 £	2022 £
Government grant income – COVID-19 furlough scheme	-	682
Local Authority grant income - Homes for Ukraine	13,500	-
	<u>13,500</u>	<u>682</u>

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (*continued*)

for the year ended 31 August 2023

10 ANALYSIS OF EXPENDITURE

	Staff Costs	Depreciation	Other	Total 2023	Total 2022
	£	£	£	£	£
Costs of generating funds					
Fundraising costs	152,790	-	64,137	216,927	230,534
Fundraising – trading	144,814	-	47,947	192,761	144,255
Finance costs	-	-	96,037	96,037	115,470
Investment management	-	-	100,946	100,946	106,455
	<u>297,604</u>	<u>-</u>	<u>309,067</u>	<u>606,671</u>	<u>596,714</u>
Charitable activities					
Teaching	11,436,299	-	1,074,640	12,510,939	11,765,644
Welfare	597,404	-	424,055	1,021,459	881,632
Premises	567,998	1,092,335	2,039,370	3,699,703	3,723,462
Support costs of schooling	1,361,878	-	796,861	2,158,739	1,942,836
	<u>13,963,579</u>	<u>1,092,335</u>	<u>4,334,926</u>	<u>19,390,840</u>	<u>18,313,574</u>
Total expenditure	<u>14,261,183</u>	<u>1,092,335</u>	<u>4,643,993</u>	<u>19,997,511</u>	<u>18,910,288</u>

Support costs of schooling comprise:

	2023 £	2022 £
Governance costs	90,659	92,016
ICT costs	425,040	352,997
Marketing and admissions	438,951	343,541
Admin, finance and PAC salaries	1,041,790	973,050
Staff recruitment	49,600	49,541
Stationery, postage and telephone	37,041	32,797
Other	75,658	98,894
	<u>2,158,739</u>	<u>1,942,836</u>

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 August 2023

10	ANALYSIS OF EXPENDITURE (continued)		
		2023	2022
		£	£
	Staff costs comprise:		
	Wages and salaries	11,048,855	10,390,669
	Social security costs	1,141,847	1,077,340
	Pension costs	2,070,481	1,873,242
		<u>14,261,183</u>	<u>13,341,251</u>
	Included above are staff costs relating to the subsidiary of £144,814 (2022 £102,251)		
		2023	2022
		£	£
	Aggregate employee-benefits of key management personnel	<u>1,280,153</u>	<u>1,196,486</u>
	Staff with emoluments in the range:	2023	2022
	£60,001 to £70,000	10	6
	£70,001 to £80,000	1	3
	£80,001 to £90,000	4	2
	£90,001 to £100,000	1	-
	£140,001 to £150,000	-	1
	£150,001 to £160,000	1	-
	£170,001 to £180,000	-	1
	£180,001 to £190,000	1	-
		<u></u>	<u></u>
	The average number of staff employed during the year:		
	Teaching	199	198
	Premises	17	16
	Support	52	51
	Welfare	33	35
		<u>301</u>	<u>300</u>
	Included in the number of support staff is one employee of the subsidiary.		
	The Governors did not receive any remuneration from the School during the period (2022: nil).		
	One Governor claimed £281 of travel expenses during the year (2022: £260).		
	Administration costs include:	2023	2022
		£	£
	Auditor's remuneration		
	- for the audit of the financial statements	25,476	23,160
	- for the audit of the subsidiary financial statements	6,356	5,778
	- for tax compliance and advisory	1,980	5,790
	Operating lease costs: other	307,268	231,500
	Financing costs comprise:		
	Bank interest and other charges	59,861	70,606
	Fee deposit discount	36,176	44,864
		<u>96,037</u>	<u>115,470</u>

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 August 2023

11 TANGIBLE FIXED ASSETS

GROUP	Assets in the Course of Construction £	Freehold Land and Buildings £	Fixtures and Fittings £	Equipment £	Total £
COST					
At 1 September 2022	-	29,519,154	2,137,365	2,523,458	34,179,977
Additions	101,060	461,650	89,997	256,489	909,196
Disposals	-	-	(17,619)	(39,206)	(56,825)
At 31 August 2023	101,060	29,980,804	2,209,743	2,740,741	35,032,348
DEPRECIATION					
At 1 September 2022	-	13,459,530	1,559,780	1,547,587	16,566,897
Charge for the year	-	754,449	163,992	173,894	1,092,335
Disposals	-	-	(17,619)	(39,206)	(56,825)
At 31 August 2023	-	14,213,979	1,706,153	1,682,275	17,602,407
NET BOOK VALUE					
At 31 August 2023	101,060	15,766,825	503,590	1,058,466	17,429,941
At 1 September 2022	-	16,059,624	577,585	975,871	17,613,080
SCHOOL ONLY					
	Assets in the Course of Construction £	Freehold Land and Buildings £	Fixtures and Fittings £	Equipment £	Total £
COST					
At 1 September 2022	-	29,519,154	2,136,255	2,523,458	34,178,867
Additions	101,060	461,650	89,997	256,489	909,196
Disposals	-	-	(17,619)	(39,206)	(56,825)
At 31 August 2023	101,060	29,980,804	2,208,633	2,740,741	35,031,238
DEPRECIATION					
At 1 September 2022	-	13,459,530	1,558,670	1,547,587	16,565,787
Charge for the year	-	754,449	163,992	173,894	1,092,335
Disposals	-	-	(17,619)	(39,206)	(56,825)
At 31 August 2023	-	14,213,979	1,705,043	1,682,275	17,601,297
NET BOOK VALUE					
At 31 August 2023	101,060	15,766,825	503,590	1,058,466	17,429,941
At 1 September 2022	-	16,059,624	577,585	975,871	17,613,080

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 August 2023

12 FIXED ASSET INVESTMENTS

	Investment Properties £	Investments £	Total £
GROUP AND SCHOOL			
Market value at 1 September 2022	5,840,000	15,454,386	21,294,386
Additions (including reinvested investment income)	-	315,088	315,088
Disposals	-	(328,587)	(328,587)
Management fee	-	(100,946)	(100,946)
Movement on revaluation	45,000	(806,339)	(761,339)
Market value at 31 August 2023	5,885,000	14,533,602	20,418,602
Historical cost	2,741,707	6,258,610	9,000,317

The investment properties were valued on an open market basis in September 2023 by a Governor, who is a member of the Royal Institute of Chartered Surveyors.

Investments comprise:	2023 £	2022 £
Equities and unit trusts	13,294,407	14,129,888
The Charities Property Pooled Fund	808,793	960,083
Cash held for reinvestment	430,402	364,415
	14,533,602	15,454,386

Investments include a 100% holding in BGS Enterprises Ltd, see page 31.

13	DEBTORS	Group		School	
		2023	2022	2023	2022
	Due within one year:	£	£	£	£
	Fees	102,819	79,292	102,819	79,292
	Other debtors	608,094	453,285	545,967	422,675
	Amounts owed by group undertakings	-	-	65,887	78,177
		<u>710,913</u>	<u>532,577</u>	<u>714,673</u>	<u>580,144</u>
	Due after one year:				
	Advance fee discount	76,135	82,574	76,135	82,574
	Other debtors	4,986	9,186	4,986	9,186
		<u>81,121</u>	<u>91,760</u>	<u>81,121</u>	<u>91,760</u>
	Total debtors	792,034	624,337	795,794	671,904

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 August 2023

14	CREDITORS	Group		School	
		2023	2022	2023	2022
		£	£	£	£
	Amounts falling due within one year:				
	Tax and social security	286,971	281,696	282,148	276,873
	Pension	235,687	228,541	235,687	228,541
	Trade creditors	493,995	487,131	493,101	487,131
	Sundry creditors and accruals	608,254	565,583	526,714	525,931
	Fees in advance	2,490,286	2,817,732	2,490,286	2,817,732
	Deposits	37,427	65,468	37,427	65,468
	Bank loan	431,265	419,399	431,265	419,399
		<u>4,583,885</u>	<u>4,865,550</u>	<u>4,496,628</u>	<u>4,821,075</u>

15	CREDITORS	Group		School	
		2023	2022	2023	2022
		£	£	£	£
	Amounts falling due after one year:				
	Fees in advance	1,185,843	1,279,858	1,185,843	1,279,858
	Deposits	444,489	356,182	444,489	356,182
	Bank loan	1,250,240	1,681,492	1,250,240	1,681,492
		<u>2,880,572</u>	<u>3,317,532</u>	<u>2,880,572</u>	<u>3,317,532</u>

Bank Loan repayments are due:

Within 1 to 2 years	443,129	431,256	443,129	431,256
Within 3 to 5 years	807,111	1,250,236	807,111	1,250,236

The interest rate charged on the Bank Loan is fixed at 2.82%. The remaining balance is repayable over 3 years and 9 months.

HSBC Bank plc hold a First Legal Mortgage over the following freehold properties as security for their loan to the School: Numbers 1, 3, 4, 5, 7, 8 and 9 Elton Road, Clifton, Bristol, 8 Elmdale Road, Clifton, Bristol and Units 7-10 Eagles Wood Business Park, Bradley Stoke, Bristol.

16 ADVANCE FEE PAYMENTS

Advance fee payments included within creditors comprise amounts due:	2023	2022
	£	£
Within 2 to 5 years	754,989	797,191
Within 1 to 2 years	430,854	482,667
	<u>1,185,843</u>	<u>1,279,858</u>
Within 1 year	888,132	1,007,521
	<u>2,073,975</u>	<u>2,287,379</u>

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 August 2023

16 ADVANCE FEE PAYMENTS (continued)

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

	2023 £	2022 £
Balance as at 1 September 2022	2,287,379	2,428,153
New contracts	1,042,027	1,094,739
Amounts accrued to contracts	25,252	16,321
	<hr/>	<hr/>
	3,354,658	3,539,213
Amounts utilised in payment of fees	(1,280,683)	(1,251,834)
	<hr/>	<hr/>
Balance at 31 August 2023	2,073,975	2,287,379
	<hr/>	<hr/>

17 FINANCIAL INSTRUMENTS

	2023 £	2022 £
Financial assets:		
Instruments measured at fair value through net income	14,533,602	15,454,386
	<hr/>	<hr/>

18 ENDOWMENTS

	Total Trust for investment 2023 £	Total unapplied total return 2023 £	Total endowment 2023 £	Total endowment 2022 £
As at 1 September 2022 (valuation date for Total Return accounting)	15,301,827	4,246,073	19,547,900	19,587,966
Movements in the reporting period:				
Depreciation of endowment properties	(56,959)	-	(56,959)	(56,962)
Realised and unrealised (losses) and gains	30,000	(689,676)	(659,676)	123,351
Less investment management costs	-	(100,946)	(100,946)	(106,455)
	<hr/>	<hr/>	<hr/>	<hr/>
	(26,959)	(790,622)	(817,581)	(40,066)
Unapplied total return allocated to income	-	(150,000)	(150,000)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 August 2023	15,274,868	3,305,451	18,580,319	19,547,900
	<hr/>	<hr/>	<hr/>	<hr/>

The majority of the School's Permanent Endowed funds are held in a balanced portfolio of investments with the objective to enhance the real value of the capital invested whilst also producing an appropriate level of income to maintain the School's commitment to provide assistance with fees for those pupils who would not otherwise be able to attend BGS.

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 August 2023

18 ENDOWMENTS (continued)

Endowment funds include £4,990,000 (2022: £4,960,000) of endowment property, included within fixed assets investments, held by Bristol Grammar School Trust a linked charity and £1,191,185 (2022: £1,241,718) of scholarship, bursary and prize funds held by Bristol Grammar School Scholarship, Bursary and Prize Fund, a linked charity.

As set out in accounting policies 4(i), the School adopted total return accounting during the year and the unapplied total return valuation date of 1 September 2022 and starting value was as approved by Board resolution on 23 June 2023.

The calculated unapplied total return comprises gains attributed to the invested permanent endowment portfolio, managed by independent investment managers, and excludes gains and losses on endowment property.

The starting unapplied total return is £3,775,816 for the Bristol Grammar School Trust and £470,257 for the Bristol Grammar School Scholarship, Bursary and Prize Fund. The total unapplied total returns at 31 August 2023 are £2,885,726 for Bristol Grammar School Trust and £419,724 for the Bristol Grammar School Scholarship, Bursary and Prize Fund.

Included within funds are cumulative unrealised gains of £11,419,000 (2022: £12,180,000) arising on the revaluation of all fixed asset investments.

19 RESTRICTED FUNDS

GROUP AND SCHOOL

The funds brought forward comprise the unexpended balances of donations and grants held on trusts to be applied for specific purposes.

	Balance as at 1 Sep 22	Fees Assistance	Donation Income	Expenditure	Investment Income and (losses)	Balance as at 31 Aug 23
Bursaries	1,357,724	(389,430)	558,704	-	(17,133)	1,509,865
Mr Winzer Bursary	359,535	(31,516)	-	-	(12,950)	315,069
Buildings	6,753	-	900	-	-	7,653
Capital Campaign	20,649	-	2,931	-	-	23,580
John James Foundation	-	(30,000)	31,500	(1,500)	-	-
Pople Charitable Trust	-	(51,657)	48,524	-	3,133	-
David Higson	29,917	-	-	(2,566)	-	27,351
David Godwin	250,000	-	-	-	-	250,000
Rev. Dr. J Scott	-	-	3,000	(3,000)	-	-
Other Funds	256,950	-	10,631	(5,421)	5,642	267,802
	<u>2,281,528</u>	<u>(502,603)</u>	<u>656,190</u>	<u>(12,487)</u>	<u>(21,308)</u>	<u>2,401,320</u>

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 August 2023

19 RESTRICTED FUNDS (continued)

	Balance as at 1 Sep 21	Fees Assistance	Donation Income	Expenditure	Investment Income and Gains	Balance as at 31 Aug 22
Bursaries	1,157,310	(326,555)	524,723	-	2,246	1,357,724
Mr Winzer Bursary	427,896	(26,858)	-	-	(41,503)	359,535
Buildings	5,958	-	795	-	-	6,753
Capital Campaign	17,454	-	3,195	-	-	20,649
John James Foundation	-	(30,000)	31,500	(1,500)	-	-
Pople Charitable Trust	10,598	(67,313)	53,820	-	2,895	-
David Higson	30,000	-	-	(83)	-	29,917
David Godwin	-	-	250,000	-	-	250,000
Other Funds	250,402	-	112	(1,534)	7,970	256,950
	<u>1,899,618</u>	<u>(450,726)</u>	<u>864,145</u>	<u>(3,117)</u>	<u>(28,392)</u>	<u>2,281,528</u>

Bursaries represents funds received from fundraising restricted to providing bursaries and includes the Michael Booker Memorial Bursary Scheme and a newer 500 Campaign as we approach the 500th anniversary of our Royal Charter in 2032.

Mr Winzer, an Old Bristolian, gifted a share of his estate to be used for pupil fees assistance.

Mr Bill Godwin gifted £250,000 in memory of his late father, Herbert James Godwin, an Old Bristolian, to support 100% bursaries and to promote a lifelong love for maths and learning.

The John James Foundation represents specific funds received for bursaries and awards to pupils and £1,500 towards prizes. The Pople Charitable Trust provides a donation specifically for bursary support for three pupils for one year.

The David Higson bequest is to be used to support Drama within the school. £2,566 has been spent during the year on audio equipment for school performance spaces and a prize giving cup.

£3,000 was received in memory of Dr Rev. John Scott for the purchase of an organ to aid pupil music tuition.

Regular donations are received towards Buildings and Capital Campaign Funds to be spent on the School's future capital projects. Other Funds represent various scholarship and prize funds.

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 August 2023

20 UNRESTRICTED FUNDS

GROUP	Balance as at 1 Sep 22	Income	Expenditure	Investment Losses	Transfers	Balance as at 31 Aug 23
Designated Funds						
Bresland Bequest	240,042	8,280	-	-	-	248,322
Headmasters Fund	63,483	20,470	(11,201)	-	-	72,752
Tucker Bursary Fund	101,887	-	(32,346)	-	19,881	89,422
	<u>405,412</u>	<u>28,750</u>	<u>(43,547)</u>	<u>-</u>	<u>19,881</u>	<u>410,496</u>
General Fund	(1,189,387)	19,822,340	(19,657,392)	(39,778)	130,119	(934,098)
Tangible Fixed Assets Fund	16,466,666	-	(126,180)	-	-	16,340,486
	<u>15,682,691</u>	<u>19,851,090</u>	<u>(19,827,119)</u>	<u>(39,778)</u>	<u>150,000</u>	<u>15,816,884</u>
SCHOOL	Balance as at 1 Sep 22	Income	Expenditure	Investment Losses	Transfers	Balance as at 31 Aug 23
Designated Funds						
Bresland Bequest	240,042	8,280	-	-	-	248,322
Headmasters Fund	63,483	20,470	(11,201)	-	-	72,752
Tucker Bursary Fund	101,887	-	(32,346)	-	19,881	89,422
	<u>405,412</u>	<u>28,750</u>	<u>(43,547)</u>	<u>-</u>	<u>19,881</u>	<u>410,496</u>
General Fund	(1,190,389)	19,629,579	(19,464,631)	(39,778)	130,119	(935,100)
Tangible Fixed Assets Fund	16,466,666	-	(126,180)	-	-	16,340,486
	<u>15,681,689</u>	<u>19,658,329</u>	<u>(19,634,358)</u>	<u>(39,778)</u>	<u>150,000</u>	<u>15,815,882</u>

Unrestricted funds include £410,496 of designated funds, £248,322 of which is invested and the interest used to fund Bursaries. £72,752 is the Headmaster's Fund which is used to support pupils at the discretion of the Headmaster.

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 August 2023

20 UNRESTRICTED FUNDS (continued)

Mr Peter Tucker gifted the school a share of his estate and a final distribution of £19,881 was received during the year. No conditions were placed on the use of this legacy but the Governors have agreed that it should be used to fund pupil fees assistance and this amount has been transferred to a designated fund for pupil bursaries. £32,346 was spent during the year and the total amount held at 31 Aug 2023 was £89,422.

The Tangible Fixed Assets Fund represents the book value of all tangible fixed assets and is the value of what has been spent to acquire fixed assets and the depreciation of those assets less any disposals.

GROUP	Balance as at 1 Sep 21	Income	Expenditure	Investment Losses	Transfers	Balance as at 31 Aug 22
Designated Funds						
Bresland Bequest	232,493	7,549	-	-	-	240,042
Headmasters Fund	46,440	19,626	(2,583)	-	-	63,483
Tucker Bursary Fund	-	(15,477)	-	-	117,364	101,887
	<u>278,933</u>	<u>11,698</u>	<u>(2,583)</u>	<u>-</u>	<u>117,364</u>	<u>405,412</u>
General Fund	(1,645,890)	18,537,493	(17,941,782)	(21,844)	(117,364)	(1,189,387)
Tangible Fixed Assets Fund	17,266,055	-	(799,389)	-	-	16,466,666
	<u>15,899,098</u>	<u>18,549,191</u>	<u>(18,743,754)</u>	<u>(21,844)</u>	<u>-</u>	<u>15,682,691</u>
SCHOOL	Balance as at 1 Sep 21	Income	Expenditure	Investment Losses	Transfers	Balance as at 31 Aug 22
Designated Funds						
Bresland Bequest	232,493	7,549	-	-	-	240,042
Headmasters Fund	46,440	19,626	(2,583)	-	-	63,483
Tucker Bursary Fund	-	(15,477)	-	-	117,364	101,887
	<u>278,933</u>	<u>11,698</u>	<u>(2,583)</u>	<u>-</u>	<u>117,364</u>	<u>405,412</u>
General Fund	(1,646,670)	18,393,239	(17,797,750)	(21,844)	(117,364)	(1,190,389)
Tangible Fixed Assets Fund	17,265,833	-	(799,167)	-	-	16,466,666
	<u>15,898,096</u>	<u>18,404,937</u>	<u>(18,599,500)</u>	<u>(21,844)</u>	<u>-</u>	<u>15,681,689</u>

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 August 2023

21 ANALYSIS OF PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES BY FUND

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2022 £
INCOME					
Donations and legacies	5	162,138	864,145	-	1,026,283
Charitable activities					
School fees	6	17,492,676	(450,726)	-	17,041,950
Other educational income	7	101,221	-	-	101,221
		17,593,897	(450,726)	-	17,143,171
Other Trading Activities					
Ancillary trading income		13,726	-	-	13,726
Rents and lettings		255,497	-	-	255,497
Investment income	8	269,223	39,271	-	562,522
Other income	9	682	-	-	682
TOTAL INCOME		18,549,191	452,690	-	19,001,881
EXPENDITURE					
Cost of generating funds	10	490,259	-	106,455	596,714
Charitable activities	10	18,253,495	3,117	56,962	18,313,574
TOTAL EXPENDITURE	10	18,743,754	3,117	163,417	18,910,288
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS		(194,563)	449,573	(163,417)	91,593
Net gain on investments		(56,298)	(67,663)	(528,509)	(652,470)
NET INCOME (Losses)/Gain on investment properties		(250,861) 34,454	381,910 -	(691,926) 651,860	(560,877) 686,314
NET MOVEMENT IN FUNDS		(216,407)	381,910	(40,066)	125,437
Fund balances brought forward		15,899,098	1,899,618	19,587,966	37,386,682
FUND BALANCES CARRIED FORWARD		15,682,691	2,281,528	19,547,900	37,512,119

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 August 2023

22 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
Fund balances at 31 August 2023 are represented by:				
GROUP				
Tangible fixed assets	16,340,480	-	1,089,461	17,429,941
Fixed asset investments	1,545,016	1,387,328	17,486,258	20,418,602
Current assets	5,395,845	1,013,992	4,600	6,414,437
Current liabilities	(4,583,885)	-	-	(4,583,885)
Non-current liabilities	(2,880,572)	-	-	(2,880,572)
Total net assets	15,816,884	2,401,320	18,580,319	36,798,523
SCHOOL				
Tangible fixed assets	16,340,480	-	1,089,461	17,429,941
Fixed asset investments	1,545,016	1,387,328	17,486,258	20,418,602
Current assets	5,307,586	1,013,992	4,600	6,326,178
Current liabilities	(4,496,628)	-	-	(4,496,628)
Non-current liabilities	(2,880,572)	-	-	(2,880,572)
Total net assets	15,815,882	2,401,320	18,580,319	36,797,521
Fund balances at 31 August 2022 are represented by:				
GROUP				
Tangible fixed assets	16,466,660	-	1,146,420	17,613,080
Fixed asset investments	1,565,183	1,332,323	18,396,880	21,294,386
Current assets	5,833,930	949,205	4,600	6,787,735
Current liabilities	(4,865,550)	-	-	(4,865,550)
Non-current liabilities	(3,317,532)	-	-	(3,317,532)
Total net assets	15,682,691	2,281,528	19,547,900	37,512,119
SCHOOL				
Tangible fixed assets	16,466,660	-	1,146,420	17,613,080
Fixed asset investments	1,565,183	1,332,323	18,396,880	21,294,386
Current assets	5,788,453	949,205	4,600	6,742,258
Current liabilities	(4,821,075)	-	-	(4,821,075)
Non-current liabilities	(3,317,532)	-	-	(3,317,532)
Total net assets	15,681,689	2,281,528	19,547,900	37,511,117

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 August 2023

23 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net surplus before investment gains and losses	47,743	91,593
Depreciation	1,092,335	1,108,996
Increase in debtors	(167,697)	(171,801)
(Decrease)/increase in creditors	(407,811)	605,409
Decrease/(Increase) in stock	921	(1,514)
Investment management fees	100,946	106,455
Add - interest paid	53,544	65,204
Less - investment and net interest income	(755,659)	(562,522)
Net cash (outflow)/inflow from operating activities	(35,678)	1,241,820

24 CAPITAL COMMITMENTS

The School has agreed with a new tenant to make repairs to one of the School's investment properties within six months of a lease commencement date of 20 September 2023. It is estimated that this will cost in the region of £102,000 including VAT.

As a planning condition of the new build Performing Arts Centre, Bristol City Council required the School to commission a piece of public art with a budget of £45,000 including VAT. Contractual agreements have been made with a Curator and an Artist for this amount less £33,980 which has already been spent at 31 August 2023.

25 OPERATING LEASES

The Group is committed to making the following minimum payments under non-cancellable operating leases as follows:-

	Plant & Machinery	
	2023	2022
	£	£
Lease payments due:		
Within 1 year	282,242	150,009
In 2 to 5 years	363,649	159,661

26 RELATED PARTY TRANSACTIONS

Governor

Mr Jonathan May is a Governor of Bristol Grammar School and is a director and CEO of Sponsorcraft Limited. During the year to 31 August 2023, the School contracted Sponsorcraft Limited to provide the School with Giving Day software and related technology services including data segmentation and analytics. The School was charged at arm's-length £11,400 including VAT. Mr Jonathan May had no direct involvement with the work undertaken or the amount invoiced.

Subsidiary company

During the year the School invoiced the subsidiary BGS Enterprises Ltd costs of £232,648 (2022: £189,964); the intercompany balance at the year end was £65,887 (2022: £78,177). Gift Aid paid by BGS Enterprises Ltd to the School was £27,619 (2022: £37,185).

Bristol Grammar School (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 August 2023

27 PENSION COMMITMENTS

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,749,180 (2022: £1,691,350) and at the year-end £139,609 (2022: £141,710) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pension Scheme 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 Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation of the TPS was carried out as at 31 March 2020 in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 and the Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach.

The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation are:

- Total scheme liabilities for service (the capital sum needed at 31 March 2020 to meet the stream of future cash flows in respect of benefits earned) of £262 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £222 billion
- Notional past service deficit of £39.8 billion (2016 £22 billion)
- Discount rate is 1.7% in excess of CPI (2016 2.4% in excess of CPI) (this change has had the greatest financial significance)

As a result of the valuation, new employer contribution rates have been set at 28.6% of pensionable pay from 1 April 2024 until 31 March 2027 (compared to 23.68% under the previous valuation including a 0.08% administration levy).

Defined contribution schemes

The School contributed to a new defined contribution scheme for teaching staff from January 2023 as described in Note 1(k). Total employer contributions to Aviva Pension Trust for Independent Schools for the period amounted to £33,991. At the year-end contributions outstanding totalled £4,422.

The School contributes to a defined contribution scheme for non-teaching staff, as detailed in Note 1(k).

Total employer contributions to The People's Pension for the year amounted to £190,372 (2022: £163,047). At the year-end contributions outstanding totalled £15,369 (2022: £13,022).

The Pensions Trust Growth Plan – Scottish Voluntary Sector Pension Scheme

The School is making pension recovery plan payments to the Scottish Voluntary Sector Pension Defined Benefit Scheme via Bristol Charities. This is in relation to the membership of a former employee of the School who was first employed in the period when Bristol Charities managed the administration of the School and prior to the incorporation of Bristol Grammar School on 1 June 2004. Following a valuation of the Scheme as at 30 September 2020 the recovery period is scheduled to run until 30 September 2024 with payments reducing from April 2022 but then due to increase again by 3% per annum from April 2023. Total payments made during the year were £1,549 (2022: £1,808).

